

OFFICIAL RECORD OF PROCEEDINGS

Wednesday, 17 January 2007

The Council met at Eleven o'clock

MEMBERS PRESENT:

THE PRESIDENT

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

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

THE HONOURABLE ALBERT HO CHUN-YAN

DR THE HONOURABLE RAYMOND HO CHUNG-TAI, S.B.S.,
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 CHEUNG MAN-KWONG

THE HONOURABLE CHAN YUEN-HAN, J.P.

THE HONOURABLE BERNARD CHAN, G.B.S., J.P.

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

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

THE HONOURABLE LEUNG YIU-CHUNG

THE HONOURABLE SIN CHUNG-KAI, J.P.

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

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

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

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

THE HONOURABLE ALBERT CHAN WAI-YIP

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

DR THE HONOURABLE JOSEPH LEE KOK-LONG, J.P.

THE HONOURABLE DANIEL LAM WAI-KEUNG, S.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

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

THE HONOURABLE ALBERT JINGHAN CHENG

THE HONOURABLE KWONG CHI-KIN

THE HONOURABLE TAM HEUNG-MAN

MEMBERS ABSENT:

THE HONOURABLE JAMES TO KUN-SUN

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

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

PUBLIC OFFICERS ATTENDING:

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

THE HONOURABLE JOSEPH WONG WING-PING, G.B.S., J.P.
SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY

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

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

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

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

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

CLERKS IN ATTENDANCE:

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

MRS VIVIAN KAM NG LAI-MAN, ASSISTANT SECRETARY GENERAL

MRS JUSTINA LAM CHENG BO-LING, ASSISTANT SECRETARY
GENERAL

PRESIDENT (in Cantonese): A quorum is lacking. Will the Clerk please ring the bell to summon Members to the Chamber.

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

PRESIDENT (in Cantonese): A quorum is present. The meeting shall now start.

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>
Designation of Museums (Amendment) Order 2007.....	5/2007
Public Health and Municipal Services Ordinance (Civic Centres) (Amendment of Thirteenth Schedule) Order 2007	6/2007

Other Papers

- No. 57 — Equal Opportunities Commission
Annual Report 2005-2006
- No. 58 — Hong Kong Arts Development Council
Annual Report 2005-2006
- No. 59 — Legal Aid Services Council
Annual Report 2005-2006

ORAL ANSWERS TO QUESTIONS

PRESIDENT (in Cantonese): Questions. First question.

Establishment of Communications Authority

1. **MR HOWARD YOUNG** (in Cantonese): *Madam President, the Government consulted the public in March last year on the proposal to establish a unified regulator, namely, the Communications Authority (CA), to replace the Telecommunications Authority (TA) and the Broadcasting Authority (BA). In this connection, will the Government inform this Council of:*

- (a) the results of the analysis on the views collected in the public consultation exercise;*
- (b) the anticipated impact of the establishment of the new regulator on the industries and the public; and*
- (c) the latest details of the plan and the legislative timetable for establishing the CA?*

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Cantonese): Madam President, in Hong Kong, we need a unified regulator overseeing both the telecommunications and broadcasting sectors to make effective and timely responses in the light of media and technology convergence to enable the sustained development of the broadcasting, telecommunications and the Internet services industries. In mid-2006, we completed public consultation on the proposed setup of the CA by merging the BA and the TA.

The new CA will continue to promote innovation and competition in the communications market. It will be tasked, among other things, to consolidate the existing legislation governing the telecommunications and broadcasting sectors to ensure that our regulatory approach is on a par with international practice. The primary objective is to avoid unnecessary intervention in the industries and to bring benefits to the consumers and the public.

Regarding parts (a), (b) and (c) of the question, my reply is as follows:

- (a) During the public consultation between 3 March and 16 June 2006, we received a total of 30 submissions on the proposed establishment of the CA, including those from major broadcasting and

telecommunications operators as well as representative bodies of the industries. The submissions have been uploaded to the website of the Communications and Technology Branch of the Commerce, Industry and Technology Bureau.

In general, the proposals of merging the BA and the TA into a unified regulator for the electronic communications sector and adopting a committee structure for the new CA were well received by the public and the industries.

The public and the industries also strongly supported that the Government should conduct a comprehensive review of the relevant ordinances and regulations governing the broadcasting and telecommunications sectors, with a view to meeting the challenges brought about by technological convergence. We received diverse views on the timetable of the review though. Some maintained that the Government should conduct a comprehensive review of the broadcasting and telecommunications legislation now and propose relevant legislative amendments at the same time when we were to introduce new laws to merge the two existing regulatory authorities. On the other hand, some considered that it would take time to conduct such a comprehensive review of the broadcasting and telecommunications legislation and that amending the legislation concerned would require further consultation with the industries and the public. They were of the view that the Government should not delay the establishment of a unified regulatory body and hinder the development of the industries.

Having examined these views, we consider that the proposed staged approach, that is, to first legislate and amalgamate the BA and the TA, and then the newly formed CA and the Administration to review the relevant legislation, best suits the needs of the public and the industries. Such an approach will expedite the establishment of the CA to enforce the relevant legislation on telecommunications and broadcasting immediately. By reviewing and rationalizing the Broadcasting Ordinance and Telecommunications Ordinance together with the Administration, the CA will have ownership and better understanding of the regulatory regime that eventually emerges.

- (b) The CA will be equipped with a broad cross-sectoral perspective and competence to formulate timely and effective response to the converging environment. It will be a one-stop-shop for tackling all electronic communications issues. As a unified regulator, the CA can ensure consistency in regulatory approach and practice in a converging environment, help the industries achieve business synergy, promote their further development, and facilitate the introduction of new technology and services. Consumers stand to gain in these developments.
- (c) The legislative exercise of setting up the CA mainly involves the statutory establishment, organizational framework and working procedures of the CA in order to take over and perform all the functions of the two existing regulatory authorities, the BA and the TA. The scope of the existing Office of the Telecommunications Authority Trading Fund will also be amended and transformed into the trading fund for the CA. We are now working out the specific details for the new legislation, with a view to introducing a bill to the Legislative Council within the current Legislative Session.

MR HOWARD YOUNG (in Cantonese): *Madam President, at the end of the second paragraph of the main reply the Secretary said that he hoped to "bring benefits to the consumers and the public". I think the benefits expected by consumers are two-fold: First, whether or not they can be provided with services that are value for money or even at reasonably low prices; second, the quality must not drop. Can the Secretary tell us whether or not this unified regulator is currently expected to bring direct benefits to the public in these two aspects?*

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Cantonese): Madam President, certainly, we must bear in mind that the CA is established primarily to perform the role of a regulator. But in order to cope with the telecommunications and broadcasting convergence, the provision of many services in the future will cover all the three forms, including the Internet, broadcasting, audio-visual productions and telecommunications. It is because with smoother regulation, operators can more effectively utilize their investment

in this respect or the resources injected into the provision of service. This will, to a certain extent, be helpful to the services and economization of cost, and this will bring positive effects and benefits to consumers in terms of services or the level of charges.

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

MR HOWARD YOUNG (in Cantonese): *I would like to wait for another turn.*

PRESIDENT (in Cantonese): You wish to wait for another turn? Then please press the button.

MISS TAM HEUNG-MAN (in Cantonese): *My question is: When the two authorities are merged into a unified body, what effects will it produce in respect of resource savings in the Government? Will the Bureau please explain this? Besides, will it also enhance the efficiency of regulation?*

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Cantonese): Madam President, according to our current assessment, what we will do is basically to merge two existing government agents into an Office of the CA. In this connection, we will not increase the provision of resources. But at the present stage, we do not see how we can save resources. As for what changes there will be in terms of resources in the future, perhaps they will have to be assessed by the CA.

On the second point, as many regulatory issues that need to be dealt with, including the terms and conditions relating to competition and the appeal mechanism, can be combined after merging the two authorities into one CA, regulation will become smoother than it is now. It is because, as I said in the main reply, convergence of broadcasting and telecommunications services will simply continue, and this trend is going to continue.

MR JASPER TSANG (in Cantonese): *President, in the main reply the Secretary said that some people considered that the relevant legislation and regulations governing broadcasting and telecommunications should be reviewed as soon as possible. However, the Government has decided to adopt the approach of completing the merger first before proceeding to the review of legislation. My question is: What is the timetable of the Government for reviewing the relevant legislation? After the merger is completed, will it still be necessary to wait for a rather long time before the legislation will be reviewed? If so, insofar as regulation is concerned, will loopholes arise and will it become unable to catch up with the development of the industries?*

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Cantonese): Madam President, our view is that as long as legislation is enacted on the establishment of the CA, we will ask the CA to review the two existing ordinances as a matter of priority. This is the first point.

Second, as the two ordinances will remain in force after the establishment of the CA, the CA will be responsible for the enforcement of the two existing ordinances and so, there will not be a legal vacuum or loopholes, so to speak.

MR JASPER TSANG (in Cantonese): *President, my question to the Secretary earlier was about the timetable. The Secretary has not answered it.*

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Cantonese): Madam President, I cannot say specifically what the timetable is, because I think we should leave it to the CA to consider how long it will take to complete the task. But as I pointed out clearly in my reply earlier, we will ask the CA to give top priority to this review. Meanwhile, we will certainly work in concert with the CA in studying how much time will be required for the review.

MR ABRAHAM SHEK (in Cantonese): *President, I would like to ask the Secretary how this new regulator, after the merger, can strike a balance between its regulatory role and intervention in the market to support the policy of the Government (that is, big market, small government) in the future?*

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Cantonese): Madam President, first of all, the existing Telecommunications Ordinance and Broadcasting Ordinance are basically in line with the principle of "big market, small government" or non-intervention by the Government in the operation of the market as far as possible. If the CA considers it necessary to review these two ordinances, they must certainly do so in accordance with government principles. If the review eventually concluded that legislative amendments were necessary, the amendments must also be endorsed by the Legislative Council and Members of the Legislative Council would then have many opportunities to scrutinize the legislation in detail, in order to ensure that the legislation is consistent with our views and also the views of Members of the Legislative Council.

MRS SELINA CHOW (in Cantonese): *In the main reply the Secretary said that the primary objective of establishing a new unified regulator is to avoid unnecessary intervention in the industries and to bring benefits to the consumers and the public. From the public's angle, I think the most important benefit has to do with the charges. I would like to ask the Secretary this: How can he continue to ensure effective competition through this new arrangement in regulation, so that the public will only have to pay charges at the lowest possible level and hence gain benefits from it?*

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Cantonese): Madam President, first of all, we must appreciate that at present, competition in the telecommunications and broadcasting industries is actually very fierce. Therefore, the charges have dropped continuously in recent years. We hope that through this unified regulator, regulation will become smoother in the future. In this way, savings will definitely be achieved in the operating costs of the industries and this will continuously allow room for adjustment of charges. However, I must emphasize that fee-charging in the industries is, after all, a commercial act which cannot be directly linked to the regulator. But if regulation can be minimized and when regulation can be smoothed out as far as possible, it will certainly have a positive impact on the operating costs, and competition in the market will certainly be maintained and even enhanced, while consumers can benefit from competition in the market and reduction of costs.

MR SIN CHUNG-KAI (in Cantonese): *Part (b) of the main reply pointed out that the CA will be equipped with a broad cross-sectoral perspective and competence to formulate timely and effective response to the converging environment. My question is: Will the Chief Executive Officer or major responsible persons of this establishment be taken on through open recruitment in the future?*

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Cantonese): Madam President, what we have in mind is that after the establishment of the CA, a department in the government framework will be initially made responsible for carrying out the daily work of the CA and in this connection, its Chief Executive Officer will be a civil servant. As to whether there will be changes in this structure and in its Chief Executive Officer post, including the need of open recruitment, I hope to leave it to the consideration and decision of the CA in the future.

DR KWOK KA-KI (in Cantonese): *Madam President, part (b) of the main question is about the impact of the establishment of this new regulator on the public. We all know that the broadcasting spectrum in Hong Kong is very narrow, and there are many voices in the community calling for the opening up of more channels for the operation of independent radio stations. I would like to ask the Secretary this: Can this new unified regulator practically help facilitate the opening up of more channels? Is there a specific timetable?*

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Cantonese): Madam President, the regulatory authority will certainly consider whether or not the existing spectrum is effectively utilized in the future. So, it will be a task of the regulatory authority to consider whether or not the spectrum can be expanded.

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

MR HOWARD YOUNG (in Cantonese): *President, almost all mergers of companies, especially those in the private sector, will result in savings in human*

resources while efficiency can also be raised at the same time. I would like to ask the Secretary this: Does he expect this idea of a merger to achieve manpower savings or at least obviate the need for additional manpower after the merger is completed?

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Cantonese): Madam President, as I said earlier on, we certainly will not provide additional manpower to the CA initially after the merger. Yet, I cannot make an undertaking today that the merger will definitely lead to manpower savings because I hope that the CA will not have to worry too much about the adequacy of its manpower at the early stage of its work. Meanwhile, I would like to point out that after the merger, we hope that this unified regulator may have to make improvements to services in areas including studies, research, and technology. So, as I said earlier, its staffing will remain unchanged initially. As to whether manpower will increase or decrease in the future, I hope to leave it to the consideration and decision of the CA.

PRESIDENT (in Cantonese): Second question.

Inadequate Sanitary Fitments in Female Lavatories in Public Places

2. **MR ALAN LEONG** (in Cantonese): *President, in reply to my question at the Council meeting on 11 January 2006, the Government advised that the Buildings Department (BD) would carry out extensive consultation in 2006 on the proposed amendments arising from the review of the Building (Standards of Sanitary Fitments, Plumbing, Drainage Works and Latrines) Regulations. Prior to this, the BD had issued a new Practice Note in May 2005 to revise the ratio for assessing the number of male to female in shopping arcades, cinemas and places of public entertainment from 1:1 to 1:1.25, in order to alleviate the inadequacy of sanitary fitments in female lavatories in the premises concerned. The authorities indicated that it hoped to see the consultation results in 2006 or early 2007 and then present the relevant proposed amendments to the Legislative Council. In this connection, will the Government inform this Council:*

- (a) *whether it has assessed if the improvement guidelines stipulated in the above Practice Note can effectively alleviate the inadequacy of sanitary fitments in female lavatories in the premises concerned; if it has, of the method and outcome of such assessment;*
- (b) *of the total number of organizations consulted by the authorities on the proposed amendments to the Regulations so far, the number of women's groups among them, the progress of consultation, and when the authorities plan to present the proposed amendments to the Legislative Council; and*
- (c) *whether the authorities will, after completing the consultation exercise, revise the improvement guidelines in the Practice Note, such as raising the male to female ratio of 1:1.25, and implement other measures to alleviate the inadequacy of sanitary fitments in female lavatories in the premises concerned?*

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

- (a) Since the promulgation of the new Practice Note by the BD in May 2005, 11 building works projects of private shopping arcades, cinemas and places of public entertainment have adopted the new guidelines for the provision of sanitary fitments in female lavatories. As most of these projects are still in progress, the BD could not yet assess the effectiveness of the guidelines. Upon completion of these projects, the BD will commence the assessment work.
- (b) Regarding amendments to the concerned Regulations, the BD has so far met or exchanged views with over 20 concern groups and solicited stakeholders' views through the BD's homepage as well as writing to the concern groups. Women's organizations so consulted include the Women's Commission, Hong Kong Federation of Women, Ladies Sub-committee of the Chinese General Chamber of Commerce, Association for the Advancement of Feminism, Caritas-Hong Kong, Concern Group on Women's Rights, Hong Kong Association of Business and Professional Women, Hong Kong Chinese Women's Club, Hong Kong Council

of Social Service, Hong Kong Women Development Association and Zonta Club of Hong Kong. The consultation work has been completed, and the BD is carefully analysing and following up the views collected.

- (c) Comparing with the existing requirements under the Regulations, under the guidelines of the new Practice Note, the number of sanitary fitments in female lavatories in the concerned premises will increase by 40% to over 100%. The BD will make reference to the effectiveness of the new Practice Note, consolidate the comments of the consultancy study, and process the amendments in relation to sanitary fitments in female lavatories together with other proposed amendments to the Building (Standards of Sanitary Fitments, Plumbing, Drainage Works and Latrines) Regulations.

We aim to introduce the proposed amendments into the Legislative Council in the 2007-2008 Legislative Session.

MR ALAN LEONG (in Cantonese): *President, in response to the question raised by me last year, the Secretary said that he expected to see the consultation result by the end of last year or early next year. However, one year has passed, the main reply today still states that an analysis and follow-up action have yet to be conducted, and the proposed amendments would not be introduced until next year, that is, the last Session of this term. It is actually a very simple matter, and I wish to ask the Secretary what the difficulties are. Are there any difficult statistics attributing to his long delay? Or is he not concerned about the long waiting time of women at lavatories?*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): President, it is not true that we are not concerned about the long waiting time of women at lavatories. Originally, the main purpose of our study is to ameliorate the problem and, most importantly, a Practice Note was issued in 2005. Also, just as I have stated in part (a) of the main reply, in order to assess the effectiveness, we must compare the actual number of additional facilities provided with the number proposed under the guidelines of the new Practice Note. Since construction work is in progress in most of the premises concerned and will be completed shortly, staff will be deployed to monitor the situation and

actual comparisons will be made once the projects are completed. As a result, it gives rise to the problem of timing.

As for other related issues, part (c) of the main reply mentioned that since not only sanitary fitments are involved, therefore other amendments in relation to the various support facilities under the Buildings (Standards of Sanitary Fitments, Plumbing, Drainage Works and Latrines) Regulations should also be processed together. President, the above work is now in progress.

MS AUDREY EU (in Cantonese): *President, the Secretary stated in the main reply that enactment of legislation, and so far, relevant guidelines have been issued. However, despite the guidelines and the enactment of legislation in the future to provide for the number of facilities to be provided in shopping arcades, manipulation is very often found in shopping arcades whereby the facilities provided therein are instead specified for the exclusive use of individual restaurants. As a result, the number of woman using the lavatories who are not customers of the restaurants concerned has failed to meet the ratio as required under the existing guidelines or the future legislation. Therefore, may I ask the Secretary what can be done to address this situation.*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): Perhaps I should do some explaining here. The number of lavatories required under the existing legislation is indeed the standard prescribed a few decades ago. Citing the shopping arcades as an example, the method of calculation adopted at that time was mainly to project the number of employees in a shopping arcade; in other words, the number of people who worked there was used as the standard, the outcome will therefore be comparatively lower. The current Practice Note, however, has adopted a completely different method. Put simply, we should first project the number of users in the shopping arcade, that is, to estimate the total number of people using the shopping arcade, which includes not only those who work therein, but also those who visit or shop therein. Take places of entertainment as an example, they have high patronage and the number of users is therefore much larger.

An estimation of the total number of users will be made in the first place, which will then be broken down into male and female. In the past, the ratio of male to female is 1:1. However, the consultancy opined that, in the light of the

findings of our study and the data collected, a more appropriate ratio should be 1:1.25. The respective numbers of male and female are then derived from this ratio, and the number of female lavatories provided according to the number of female has therefore increased. As a result, both the numbers of female or female lavatories have increased. This is why I said in the main reply that the increase ranges from 40% to over 100%.

MS AUDREY EU (in Cantonese): *President, sorry, the Secretary has not answered my supplementary question. In fact, the crux of my supplementary is: Restaurants are required to provide a certain number of sanitary fittings in lavatories when licences are issued by the authorities. And yet, this requirement has not been considered under the current Practice Note, such that restaurants very often make use of the shopping arcade's requirement to provide facilities to meet the licence conditions. Therefore, the number of facilities available to people who patronize the public premises but not the restaurants concerned has reduced. I hope that the Secretary will consider how these two cases can be dealt with. Should the sanitary fittings required to be provided by a restaurant be separated from those required of a shopping arcade so as to avoid duplication or concept substitution?*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): I have actually given the answer earlier, but maybe I have not explained clearly in the light of the supplementary question raised by Ms Audrey EU. She is definitely talking about the present situation. But since we are still operating under the previous arrangements, the number is therefore insufficient and has given rise to manipulation. However, just as I said earlier, the number of lavatories required under the new guidelines should be determined by customer flow and the total number of customers patronizing the restaurants (if there are any). With full compliance with the guidelines in the future, the number of lavatories will greatly increase and should be sufficient to cater for the needs of normal customer flow and patrons of restaurants, and there will be no need for manipulation.

DR KWOK KA-KI (in Cantonese): *President, I have a supplementary question on part (a) of the main reply. Of course, the ratio and the number of male and female lavatories in the 11 private shopping arcades, cinemas and places of*

public entertainment will increase with the issuance of the new guidelines, but the impact may be even greater on the many premises that have already come into operation before the issuance. One of the unique and wondrous scenes of Hong Kong is the long queues outside female lavatories in shopping arcades, which is the same even for those large and famous arcades. Does the Government have any plan to improve the shopping arcades which already existed before the issuance of the guidelines and are affecting tens of thousands of people?

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): I think the most practical solution is to introduce the revised standard formulated according to the Practice Note as early as possible, and then write it into law. However, despite what we have done and given that the existing shopping arcades are as they used to be, improvements can only be made through renovation or modification which they considered appropriate on their own initiative, with a view to attracting more customer flow and boosting the patronage. In fact, some shopping arcades are doing this. The renovation of some shopping arcades has completed and the number of lavatories provided therein has increased. Nevertheless, we cannot expect all other shopping arcades to follow suit after the enactment of legislation. As time goes by, the problem will certainly be ameliorated. I hope that the premises concerned will do more on their own initiative in view of the practical need and the benefits it brings to customers under the principle of customers first.

MISS TAM HEUNG-MAN (in Cantonese): *The Secretary just said that the effectiveness of the guidelines has yet to be seen. I wish to ask the Government: Will it take the initiative to look into the issues raised by the Members earlier, that is, whether or not the number of female lavatories is sufficient? Are there serious shortfalls in female lavatories in all the existing buildings? If so, perhaps the Government should take some urgent measures to solve this urgent problem.*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): I do think it is a serious problem, so a new Practice Note was issued in 2005 after careful consideration. As I have just said, it is hoped that the premises concerned would do more in this respect on their own initiative expeditiously on

power of the market force. Certainly, the Government will also remain vigilant and the enactment of legislation will be expedited by all means.

DR KWOK KA-KI (in Cantonese): *President, I wish to follow up again. The Secretary just said that the enactment of legislation..... but it is dependent on the initiative of the premises concerned. However, President, sorry, I think that this is impossible. The Secretary said it is hoped that the enactment of legislation would be expedited in order to get the job done. Can he state clearly what the legislative timetable and the progress are?*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): *President, this has indeed been highlighted in the last paragraph of the main reply, which states that we aimed to introduce the proposed amendments into the Legislative Council in the 2007-2008 Session. With regard to the pace of progress, I think that it depends to a very large extent on our drafting process and the discussion to be held in the Legislative Council.*

PRESIDENT (in Cantonese): *Third question.*

Measures Taken During Cold Spells

3. **MISS CHAN YUEN-HAN** (in Cantonese): *During cold spells, people in need, especially the elderly, may call the 24-hour hotline of the Social Welfare Department (SWD) for assistance. In this connection, will the Government inform this Council:*

- (a) *of the number of such calls received in the past five years by the SWD hotline and the assistance offered to the callers by the SWD;*
- (b) *whether the Integrated Family Service Centres in various districts keep stocks of blankets and warm clothing so that they can be readily distributed to the people in need; and*
- (c) *given that during cold spells there are always cases in which people are hospitalized because of illnesses triggered by low temperature*

and some may even die consequently, whether the SWD will draw up improvement measures to reduce the number of such cases; if it will, whether such measures include distributing warmer quilts in place of blankets, or allowing the people in need to take more than one blanket; if not, the reasons for that?

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

- (a) during cold spells, people in need (including the elderly and street sleepers, and so on) may call the 24-hour hotline of the SWD at 2343 2255 for emergency assistance. All calls made to the SWD hotline outside office hours will be transferred to the hotline of the Family Crisis Support Centre (FCSC) of the Caritas, which is manned by social workers. The social workers will, in light of individual circumstances, assess the needs of the caller and arrange for appropriate assistance or referrals, including advising the caller of the nearby temporary cold shelters run by the Home Affairs Department (HAD) and supplying warming items.

The number of calls for assistance received by the SWD hotline during cold spells in the past five years (the figures include the calls transferred to the FCSC hotline outside office hours) is as follows:

<i>Year</i>	<i>Number of Calls</i>
2002-2003	455
2003-2004	200
2004-2005	118
2005-2006	84
2006-2007 (As at 9 January 2007)	40
Total	897

Starting from the winter of 2003, the SWD has adopted a new service mode to render early assistance to the people in need before the arrival of cold spells. As a result, the number of calls for assistance to the SWD hotline during cold spells has decreased appreciably in recent years.

- (b) At present, blankets, together with other warming items (such as warm clothing, scarfs, woollen headpieces, gloves, milk powder, biscuits, instant cup soup and noodles) procured through community resources or donated by the community, are stocked in the 41 District Elderly Community Centres, 61 Integrated Family Service Centres and three Integrated Services Team for Street Sleepers (ISTSS) across the territory. These provisions will be distributed to people in need during cold spells.
- (c) In providing social services, the SWD places emphasis on prevention and early intervention. Whenever the Hong Kong Observatory (HKO) forecasts the approach of cold weather in seven days' time, the SWD will liaise with relevant social service units to monitor and care for the needs of the elderly and other people in need. District Social Welfare Offices will, in conjunction with relevant non-governmental organizations, visit the people in need, identify their needs early and provide them with the necessary warm clothing before the arrival of the cold spells.

When the cold weather warning is on, the SWD will request the support teams for the elderly and local elderly service units to call senior citizens to remind them to stay alert of weather changes and the ways to keep warm. The support teams for the elderly and ISTSS will also increase their number of visits and telephone calls to the needy, provide the latter with appropriate types and quantities of warming items, and arrange street sleepers to stay in the temporary cold shelters run by the HAD.

Regarding the provision of blankets, the SWD will, in light of district needs, supply the appropriate quantities of blankets to district social service units. Compared to quilts, blankets are easier to store and wash. They also facilitate public collection. The SWD spends about \$160,000 each year to procure 2 400 blankets, which are distributed to relevant district social service units as stocks for the people in need. Service recipients may take more than one blanket depending on their individual needs.

When the HKO forecasts the weather will turn cold, the DH will alert the public, especially the high risk groups (including children,

the elderly and the chronically ill), to prepare for the cold weather through the mass media. Moreover, the DH's visiting health teams organize health talks for the elderly regularly. The topics of such talks cover measures to keep warm in cold weather. The DH also collaborates with the SWD and other relevant organizations to distribute pamphlets to senior citizens to provide the latter with tips on keeping warm.

During winters, district community support services units for elders also organize various winter kit/concern visit programmes. Moreover, talks on warming measures are organized for senior citizens. From November 2006 to March 2007, an estimated total of over 1 400 winter kit/concern visit programmes and over 2 200 talks have been/will be held across the territory, benefiting more than 78 000 and 75 000 elders respectively.

I would like to take this opportunity to remind the general public that during cold weather, we should take note of the weather forecast, wear appropriately warm clothing, take sufficient food and drink with a high calorie content, perform regular exercise, stay in a warm environment and maintain adequate indoor ventilation. If you feel unwell, you should seek medical attention. Above all, we should be more attentive to the people around us, including our family members and neighbours. We should pay attention to their health conditions and needs and provide them with appropriate care and assistance if necessary.

MISS CHAN YUEN-HAN (in Cantonese): *In his reply to part (a) of my main question, the Secretary set out some figures, including the figure for the year 2006 to 2007 which of course has not yet come to an end. However, I notice that the number of calls for assistance for 2005 to 2006 was 84. I do not intend to comment on the figures provided by the FCSC, but I was told by a non-profit-making organization specialized in providing assistance to the elderly that they had already distributed 65 blankets on request of the SWD to the elderly. Moreover, some District Council members and Members of the Legislative Councils have also obtained warming items, including quilts, from them, and the number of requests received exceeded 700. I hope these figures will prompt the Secretary to review what is actually happening.*

The present complaints of the elderly are: first, the blankets provided are insufficient to keep them warm, and they prefer quilts which the aforesaid organization is providing; second, the elderly consider the hotline inconvenient for they have to spend nearly one minute to input different numbers, they thus find it troublesome, but direct lines are provided by these organizations.

May I ask the Secretary whether he has considered the two scenarios just cited by me? First, the elderly consider the blankets provided insufficient to keep warm; second, they are concerned that the existing hotline is operated by computer systems but not answered by staff. Have you ever considered their situation?

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, just as I have said earlier, we do not rely on the SWD alone in carrying out the work in this respect, and the SWD will work with other non-governmental organizations in the community. Many activities, in particular winter kit and concern visit programmes, are conducted in collaboration with other organizations.

Certainly, we do wish to cater for the needs of all the elderly, and it is most important that preventive work is carried out. Therefore, we attach great importance to prevention. Whenever the HKO forecasts the approach of cold weather in seven days' time, just like the cold spell approaching this weekend, our colleagues will make concern visits to the elderly in advance and enquire of their needs.

As to whether quilts are better than blankets in keeping warm, I have also asked the same question. I have once asked colleagues in the SWD to give me a blanket to try out and I have spent two nights to try this out. Of course, these blankets are not high-class blankets, but I think they can keep warm. However, I know that the elderly with no facilities like air-conditioning, dehumidifier or heater at home will sometimes find one blanket insufficient to keep warm. Therefore, I think the elderly should be given one more blanket if necessary.

On the question of whether quilts are better than blankets, I think we should not draw a definite conclusion. For some people may prefer blankets while others may prefer quilts. Take today's weather as an example, the

humidity is 100%, if one sleeping on the street uses a quilt, the quilt will soon become wet. To certain street sleepers or those elderly who sleep with opened windows, they will sometimes find the quilts difficult to handle. Therefore, blankets also have their merits.

However, I agree that we should offer different options and make decisions according to their needs. I will also request the SWD to conduct some studies in this respect to understand the needs of the elderly. We hope that in future, when some kind-hearted people want to donate warming items, we may tell them what items suit the needs of the elderly better.

MR WONG KWOK-HING (in Cantonese): *In his reply to the supplementary question of Miss CHAN, the Secretary said that he had tried out the blankets himself. This is a good act. However, given the build and fat ratio of the Secretary, I think the result of the test may not reflect the truth. Moreover, the Secretary's comfortable way of living can in no way compare with the poverty-stricken life of the elderly who live on salted fish and vegetable all along, though both salted fish and vegetable are expensive. Therefore, I think if he wants to get an accurate result from the test, he has to*

PRESIDENT (in Cantonese): What is your question?

MR WONG KWOK-HING (in Cantonese): *Alright, I will put my supplementary question after I have finished this. If he wants to know the actual effect, he must ask the elderly, he must ask some of them how they feel.*

Therefore, may I ask the Secretary of the difference between blankets and quilts? Actually, whether a blanket can keep warm depends on its wool content. If the blanket is made of fibre, is it a Raschel blanket? Therefore, despite saying that one more blanket may be distributed, will the Secretary again review the warming effect of these blankets? Moreover, if the elderly find one blanket not enough, will they be allowed to take two or three more blankets and not subject to any limit? I know that prisoners may take seven blankets if they suffer from chill in prisons, though I do not know whether it is true. However, I do hope that the Secretary will give us a satisfactory reply.

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): First of all, I would like to state that no matter what kind of study is conducted to identify the material one prefers to cover oneself at night, the choice varies from person to person according to individuals' need.

In my opinion, no matter blankets or quilts are provided, what is most important is that the users find them useful in keeping warm. As for the quality of the blankets we now provide, I have asked my colleagues, and I know that those blankets are made of Viscose, a kind of non-flammable material. Each blanket is no less than 200 cm long and 150 cm wide, while the weight of each blanket is at least 1.65 kg. These are also the specifications we prescribed in the procurement of blankets.

As far as we know, these blankets are sold at \$100 to \$200 at department stores. Of course, this is not a matter of costs. If we know that they need it, more blankets will be distributed to them. However, if we discover that some blankets obtained are not used by the people themselves, we will be more cautious not to give out blankets freely. Our front-line staff will certainly make the decision and ensure that the elderly and street sleepers will have sufficient warming items and blankets to keep warm.

I have said earlier that I will consider the provision of quilts. I have to check whether certain figures are available, so that we may decide which type of quilts should be procured, for the types available are really numerous.

PRESIDENT (in Cantonese): Mr WONG Kwok-hing, has your supplementary question not been answered?

MR WONG KWOK-HING (in Cantonese): *Yes, President. The Secretary has only told us the quality of the blankets now provided but has not yet answered my supplementary question, that is, whether he will review the warming effect of the blankets now in use.*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, as I have just said, the warming effect of a blanket varies from person to person. Just take you and me as examples; we are different in build,

fat ratio and age. But generally speaking, the elderly do need more quilts or blankets to keep them warm.

Therefore, I think this issue cannot be dealt with in a very scientific manner; this has to be tackled in a more human way instead.

MISS CHOY SO-YUK (in Cantonese): *President, the SWD urges the people in need and the elderly to call the hotline during cold spells, but actually, according to the categorization of service of the hotline, no categorization is specified for assistance in cold weather or similar situation. The elderly calling the hotline thus do not know what to do and have to resort to calling the FCSC for assistance.*

May I ask the Secretary, though the hotline of the SWD is not a direct line, whether a category for assistance in cold weather can at least be added to the hotline?

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, as far as I know, all kinds of enquiries or requests for assistance can be made through the telephone line of the SWD. This is a user-friendly approach. If the phone is not answered at once, it will immediately be transferred to the mail box and colleagues of the SWD will return call as soon as possible. In general, a return call will be made within half an hour.

We hope that the hotline can help them. We will respond to these calls and make arrangements within a specific period of time to handle their problems. If we change the hotline to different telephone numbers, on the one hand, it will be difficult for the elderly to memorize such a large number of telephone numbers, and on the other, the elderly will not be able to call the appropriate telephone number according to the nature of their problems, for instance, calling the specific number for assistance in cold weather. I believe this can hardly be achieved. Certainly, we will examine these issues, particularly about the quickest ways to convey the need of the elderly to our social workers.

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

DR FERNANDO CHEUNG (in Cantonese): *Cold weather will have great impact on the health of the elderly and may even kill them. I believe Dr CHOW knows this very well.*

In overseas countries, some disease prevention centres will establish a database to record the relevant information. For instance, in the case of the death of an elderly person, the address, personal particulars and the features of his or her home will be recorded. This information will be added to the database, and the authorities will formulate certain preventive measures correspondingly. Will the Secretary consider following this practice?

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, first of all, Hong Kong is different from those countries where snowy weather will come each year or where the temperature will fall to several or dozens of degrees below zero degree Celsius. The situation is different.

The number of people died of hypothermia each year is very small, and the number of elderly persons requiring hospitalization purely because of hypothermia is also very small. However, we also notice that every time when the weather changes, particularly from warm weather to cold weather, a lot of environmental factors will cause the elderly to suffer from influenza or other infections of the respiratory tract easily.

In this respect, we have collected the relevant figures every year, in particular figures on the number of elderly persons seeking consultation at accident and emergency departments and requiring hospitalization. In the past few years, in particular the last two to three years, in respect of avian flu — sorry, it should be influenza vaccine — after the injection of seasonal influenza vaccine (please do not mix it up, I am not talking about avian flu), the number of patients seeking consultation at accident and emergency departments and requiring hospitalization at medical ward because of pneumonia has reduced slightly. But should this be attributed to the better or more comprehensive preventive measures we took during cold weather or should this be attributed to the efficacy of the influenza vaccines, we do not have a thorough analysis for the time being. However, if thorough analyses of the seasonal diseases struck each year can be carried out, they will certainly be conducive to the formulation of measures in other aspects. Therefore, I think that health care and welfare cannot be examined separately, for more often than not, they are interrelated.

I have to thank Dr CHEUNG for his question. Indeed, studies in this respect have been carried out continuously. However, should emphasis be placed on the issue of hypothermia? I believe the problem in this respect is not serious. Therefore, not much information collection work is required in this respect, and besides, a good analysis can hardly be done.

PRESIDENT (in Cantonese): Fourth question.

Commercial Transactions Protected by Basic Law

4. **MR MARTIN LEE** (in Cantonese): *Madam President, the Financial Times of the United Kingdom published a report on 29 November 2006 alleging that the Director of the Hong Kong and Macao Affairs Office of the State Council intervened in PCCW Limited's sale of its assets to two foreign companies, and that the Director had made it clear that he did not want Hong Kong's largest fixed-line and broadband telecommunications networks to fall into foreign hands. In this connection, will the Government inform this Council:*

- (a) *as it is provided in Article 22 of the Basic Law that "no department of the Central People's Government..... may interfere in the affairs which the Hong Kong Special Administrative Region administers on its own in accordance with this Law", and in Article 105 that "the Hong Kong Special Administrative Region shall, in accordance with law, protect the right of individuals and legal persons to the..... disposal..... of property" and "the ownership of enterprises and the investments from outside the Region shall be protected by law", whether the Government of the Hong Kong Special Administrative Region has, in order to discharge the above duties provided in the Basic Law, looked into and followed up the above incident, including approaching the mainland government departments and officials; if it has, of the details, and in what capacity did the Director and other officials of the Hong Kong and Macao Affairs Office intervene in the above commercial transaction, which is protected by the Basic Law; and*
- (b) *whether it has assessed if the above intervention has breached the provisions of Articles 6, 22, 105, 109 and 115 of the Basic Law; if it has, of the assessment results?*

Madam President, can I ask the Secretary through you that in the reply he is going to give, he would not waste too much time on the prolegomenon of the question and that he should be more straightforward?

PRESIDENT (in Cantonese): Mr Martin LEE, please be seated. I do not think I can accede to your request, for this does not comply with the Rules of Procedure. The public officer concerned shall decide the way in which he is to give a reply to a supplementary question. As to whether the Secretary gives a good or bad reply to a question, that would be his own responsibility.

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Cantonese): President, thank you very much for your ruling. The following is my reply to the question:

President, merger and acquisition activities in the telecommunications industry in Hong Kong are subject to regulation by the Telecommunications Authority (TA) in accordance with the Telecommunications Ordinance (TO). The purpose of regulation is to ensure that merger and acquisition activities will not affect effective market competition. Under an ex post regulatory regime, such merger and acquisition activities do not require the prior consent of the TA.

According to section 7P of the TO, if there is a change in the beneficial ownership or voting control over a carrier licensee as defined in section 7P, the TA may, within 14 days, decide whether to initiate an investigation to examine whether such a change will have the effect of substantially lessening competition in a telecommunications market. If, after such investigation, the TA forms an opinion that the change has the effect of substantially lessening competition in a telecommunications market and that the benefit to the public brought about by the change cannot outweigh the adverse impact to the public from the substantial lessening of competition in the market, the TA may issue a direction to the relevant licensee requiring him to take action to eliminate or avoid the substantial lessening of competition in the market. Such actions may include the procuring of modifications to the change in relation to the beneficial ownership or voting control over the licensee.

At present, neither the TO nor any other laws of Hong Kong impose any restriction on foreign ownership or control of shares in a telecommunications

licensee. In addition, Hong Kong, China is an independent member of the World Trade Organization (WTO). We have committed to the WTO, as part of the liberalization of the telecommunications market, not to impose foreign ownership restriction for investment in the local telecommunications market.

Next, I would like to give a brief account of how the Government dealt with the possible transfer of shares of the PCCW Limited (PCCW) in order to demonstrate that the Government's actions are fully compliant with the current policy and the requirements of the TO.

On 19 June 2006, PCCW announced that it had received a non-binding expression of interest from an independent third party in relation to a possible acquisition of the majority of the telecommunications and media related assets of the company.

On 21 June 2006, PCCW disclosed the identity of the "independent third party" referred to in its previous announcement. It also announced that it had received a second non-binding expression of interest on 20 June 2006 in relation to a possible acquisition of the majority of telecommunications and media related assets of the company.

As the TO does not require the prior approval of the TA for merger and acquisition activities, the fact that the above two announcements on acquisition did not appear to have significant implications on market competition, and that there is no statutory restriction on foreign investment, the TA, upon the issue of the two announcements, approached the carrier licensee of PCCW on an informal basis to remind the licensee to observe the obligations stipulated in relevant legislation and licence, that is, to maintain a public telecommunications service in a manner satisfactory to the TA, and to submit applications as required by the relevant legislation and licence in a timely manner.

On 10 July 2006, PCCW further announced that one of its substantial shareholders, Pacific Century Regional Developments Limited (PCRD), had entered into a conditional sale and purchase agreement with Mr Francis Leung and Fiorlatte Limited, pursuant to which PCRD had agreed to sell approximately 22.66% of the issued share capital of PCCW to Mr Francis LEUNG and Fiorlatte Limited.

As the composition of investors owning Fiorlatte Limited might have a significant implication on the telecommunications market, the TA contacted Mr Francis LEUNG and Fiorlatte Limited soon after the announcement was made and asked them to provide the names of the investors owning Fiorlatte Limited and other information that may be relevant to section 7P of the TO, even though the law does not require prior approval from the TA on merger and acquisition activities. Mr Francis LEUNG responded that he would co-operate with the Office of the Telecommunications Authority and would provide the information to the TA at appropriate time.

On 12 November 2006, Mr Francis LEUNG disclosed the names of the investors in the shares of PCCW.

With a view to further assessing the implication of the composition of the investors as announced by Mr Francis LEUNG on competition in the telecommunications market, the TA immediately approached Mr Francis Leung and Fiorlatte Limited for more detailed information that may be relevant to section 7P of the TO.

On 30 November 2006, the minority shareholders of PCRD voted against the proposed sale of approximately 22.66% of issued share capital of PCCW to Fiorlatte Limited at a general meeting. Therefore, the acquisition of shares of PCCW proposed by Fiorlatte Limited was aborted.

It can be seen from the above that the SAR Government has been dealing with the sale of assets and share proposed by PCCW in accordance with the current policy and relevant legislation. The TA has considered the issue and taken action entirely for the purpose of enforcing the TO and the terms and conditions of the licence.

Furthermore, business activities and ownerships of Hong Kong enterprises, foreign investments, free flow of capital, private property rights, and so on. are protected explicitly by the Basic Law and the laws of Hong Kong.

In the light of the background and facts abovementioned, my replies to the questions are as follows:

- (a) we do not consider it necessary to follow up the media article; and
- (b) accordingly, we have not made any assessment.

MR MARTIN LEE (in Cantonese): *Madam President, the Secretary has used about 1 400 words in his prolegomenon and as I have reckoned, that means six minutes of the time of this Council has been wasted. I hope the President could add six minutes to the follow-up time for this question. It is like in a ball game, if any player should deliberately waste time, the referee will penalize him by flashing a yellow card at him and some extra time will be added to the game.*

Madam President, my supplementary question is: Has the Government tried to learn from the Central Authorities why the Hong Kong and Macao Affairs Office did not want Hong Kong's largest fixed-line and broadband telecommunications network fall into foreign hands? Is it because the Central Government is worried that if the network falls into foreign hands, when it tries to clamp down on the freedom of information in Hong Kong or to engage in any control, wiretapping or surveillance activities, or to gain any information from the local telecommunications networks, those companies with Hong Kong or Chinese capital instead of those companies with foreign capital would be more inclined to listening to the advice of the Central Authorities or the Government?

PRESIDENT (in Cantonese): Mr Martin LEE, please sit down. With respect to the suggestion you made to me, I would like to inform you now that I will not do as what you have suggested. All along, I have been very objective and if the Secretary has used more than six minutes or even 10 minutes to read out the main reply, I will add some time for Members to raise their supplementary questions. But if any Member thinks subjectively that the remarks made by the Secretary are not very meaningful, I am not obliged to make my ruling comply with what the Member thinks subjectively.

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Cantonese): President, as I have said clearly in my main reply, we have not taken any action to follow up the media report concerned. Of course, it also means that with respect to the report, we have not taken any follow-up action with any department of the Central Government.

Why did I set out in such great details the background and certain facts in the main reply? Because I wish to convey a very important message — both the question and reply will be put down on record — and that important message is that the matter is an internal matter for the SAR Government and we are handling

it in accordance with the relevant laws in Hong Kong. So this is a very important piece of background information which explains why we will not change our position of handling the matter according to the laws of Hong Kong simply because of some so-called reports. This is the most important point.

MR MARTIN LEE (in Cantonese): *However, the main reply given by the Secretary has actually not answered my main question about the Director of the Hong Kong and Macao Affairs Office not wanting Hong Kong's largest fixed-line and broadband telecommunications network to fall into foreign hands. This is the crux of my main question and this point is not addressed in the main reply given by the Secretary. And now he is repeating his main reply again, does this not mean that he is not answering the question all the same?*

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

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Cantonese): If I were to add anything, it might be a repetition again. Now this media report alleges that there are such things. But I wish to point out clearly here that we will act according to the law. The report did not mention the source of those so-called official statements. Therefore, I will not take any follow-up action on these reports which might come up every second, every hour and every day. I will deal with the matter at hand only according to our existing policies and laws.

MR ALBERT HO (in Cantonese): *Since the Secretary does not want to take any action to follow up the report of the Financial Times and make any assessment of the impact caused by the remarks made by the officials as found in the report, then we can only hope that he can reiterate the relevant policy position, that is, with respect to investments in fixed-line or broadband networks in Hong Kong, we welcome the participation and competition from foreign investors. This is our policy. Any intervention or opposition put up in any form by any official from the Central Authorities is undesirable. Is this our policy position?*

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Cantonese): I think I will answer in this way. First, Hong Kong is of course a

free economy and as we know, there is an accurate report today that the Heritage Foundation of the United States has made a statement which points out that Hong Kong is named the freest economy in the world for the thirteenth year. Regardless of whether or not it is the telecommunications industry or other kinds of business activity, we would of course welcome the participation and investment from capital from all over the world. With respect to regulating any specific trade, we will act according to the relevant law. If it is about the telecommunications industry, we will act according to the TO.

I have said in the main reply that the Basic Law protects all kinds of properties, including ownership of local and foreign properties. This is stipulated in the Basic Law. As the Basic Law is a national law, it must be observed by the SAR Government and the relevant departments of the Central Authorities. Likewise, it must be observed by me as well as by all Members. This is common sense. This is what we are doing now, and that is also what we will do in the future.

MR ALBERT HO (in Cantonese): *My supplementary question is very simple. Does the Secretary agree to the policy position that I have just talked about?*

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Cantonese): President, I have nothing to add. I hope what I have just said is a proper reply and one that will satisfy Mr HO.

MS EMILY LAU (in Cantonese): *President, when the Secretary cannot even dare to talk to the Central Authorities about the remarks made by LIAO Hui, the Director of the Hong Kong and Macao Affairs Office (and there was nothing to prove that he did not say such things, though), then how can he defend the “high degree of autonomy” in Hong Kong? Such kind of intervention has aroused grave concern in Hong Kong and overseas.*

President, the Secretary has outlined some past events in his main reply, but while some events are mentioned, some are not. He said that in June there were non-binding expressions of interest from independent third parties. One was from an American company and the other was from an Australian company.

We know that their proposals were desirable for the small investors. But at that time, one of the shareholders of PCCW, that is, the China Netcom Group issued a statement. That statement was issued through an official news agency. President, this is clearly not a commercial act but a political act. The statement said that the company did not want to see PCCW fall into foreign hands. But then, President, they slapped their own mouths, as it were, and they were willing to see an acquisition proposed from Francis LEUNG and a Spanish company. The statement made in June had made the American company and the Australian company back off. President, so when we are now a member of the WTO.....

PRESIDENT (in Cantonese): What is your supplementary question?

MS EMILY LAU (in Cantonese):and so is the Mainland now, so what is the protection given by these laws and other things? As for foreign investors, they are permitted in the law, but when people use political means to intervene, our authorities do not dare even to utter a word. President, may I ask the Secretary why he just talks about half of everything but not the whole of it? Why is he so scared? Though it is not written down in our law, if the Central Authorities love so much to intervene, how then is our system going to be maintained?

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Cantonese): President, I think that we should deal with the matter without fear or favour, and also without any undue humility or arrogance. That is why we should not be worried, nor should we comment on the sundry opinions in existence. My main reply is so lengthy because I would like Members to see that insofar as this issue is concerned, we have fully complied with the law. There might be some comments from the foreign press and a lot of comments are made by the local newspapers every day. Shareholders also express their views via various channels too. However, all these cannot and should not influence our Government, especially the TA which is in charge of the regulatory body and who fully complies with the law in dealing with the matter. In our opinion, there would be no need to speculate on the motive behind and cause any change to our fundamental position. We only need to deal with the matter according to the existing laws.

MS EMILY LAU (in Cantonese): *President, the Secretary has not answered my supplementary question. I asked such a question because some people are taking some political action, thereby making some foreign investors back off. How then can we defend our business environment which is supposed to be fair and open? If the laws seem to be non-existent and if certain people do not care about them, people will then say that they do not dare to invest in Hong Kong because they need to get a blessing from the Central Authorities. Then how can any action be put up to defend our system?*

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Cantonese): Let me make this point clear. We would be glad to comment on matters substantiated by facts. If this is actually a complaint we have received, saying that it looks as if the SAR Government has departed from certain basic principles and laws when dealing with this matter, then of course we would have to do something about it. But the question is that this is not a fact and it is another matter when speculations are aroused by such reports. I think that there is no need to comment on these. The most important thing is that what we are doing is all backed up by facts and we have fully complied with all the relevant laws.

MR LEE WING-TAT (in Cantonese): *President, we all know that China Netcom is a state enterprise holding a substantial stake, that is, it is a listed company, and the State has control over China Netcom. May I ask the Secretary, at a time when the two foreign companies proposed to acquire PCCW, that is, when there was a possible transfer of shares, this statement was issued by China Netcom, whether the Secretary as the person in charge of telecommunications matters contacted the officials concerned and asked them if this statement per se represented an act of State or purely a commercial act, or the two were actually one and the same? This is because many state enterprises have their policies and their merger and acquisition activities all decided by the State.*

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Cantonese): President, after all these remarks, I think I have made myself very clear that the matter is an internal affair of the SAR Government and we are

acting according to the relevant laws in dealing with it. Therefore, I think there is no need to take any hasty follow-up action or to make any clarification with reference to certain statements. The merger and acquisition proposals made, at the end of the day and at the corporate level, are to be dealt with according to the laws of Hong Kong and by the company itself. With respect to regulation, the matter will have to be handled by the TA who heads our regulatory body. If there is any statement which has departed from any of the so-called statutory requirements, I do not think it carries any particular significance, nor should it warrant any special attention.

MR LEE WING-TAT (in Cantonese): *He has not answered my supplementary question, because I am not asking him to repeat what he said 10 minutes ago. My supplementary question is a specific question. President, I have put it very clearly.....*

PRESIDENT (in Cantonese): Please repeat your supplementary question briefly.

MR LEE WING-TAT (in Cantonese): *The specific question I asked is: After the statement made by China Netcom, did any government officials, including the Secretary or the TA, make any contact with China Netcom — China Netcom is listed in Hong Kong and it is subject to Hong Kong laws — and ask it whether or not the statement was an act of its board of directors or it was an act of State?*

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Cantonese): Actually, indeed I have given a reply to it. However, I think I can make it clear once again. I have said already that there is no need for us to undertake any follow-up action, and this would of course include the TA not making any contact or enquiries regarding this matter with the body issuing the statement concerned.

PRESIDENT (in Cantonese): This Council has spent more than 21 minutes on this question. We now proceed to the fifth oral question.

Avoidance of Conflict of Interests by Principal Officials

5. **MR ALBERT HO** (in Cantonese): *President, concerning avoidance of conflict of interests by Principal Officials, will the Government inform this Council:*

- (a) *as it is stipulated in paragraph 5.4 of the Code for Principal Officials under the Accountability System (the Code) that "Principal Officials shall report to the Chief Executive any private interests that might influence, or appear to influence, their judgement in the performance of their duties", of the cumulative number of such reports made by various Principal Officials to the Chief Executive since the implementation of the Code, as well as the details of such reports;*
- (b) *taking a Principal Official jointly buying a race horse with someone from the business sector as an example, whether the Government has assessed if such an act may give rise to potential conflict of interests despite that it falls outside the realm of public affairs, and thus should be declared or prohibited; if an assessment has been made, of the results of the assessment; and*
- (c) *whether it will consider amending the Code to stipulate more clearly that Principal Officials should keep, in their private association, suitable distance from stakeholders in the relevant sectors under their respective portfolios, for instance, to provide that Principal Officials should avoid undertaking any joint dealings with such persons, such as buying horses, or participating in any socializing activities which may help promote personal friendship, so as to avoid the public forming an impression of possible transfer of interests; if it will, of the details; if it will not, the reasons for that?*

SECRETARY FOR CONSTITUTIONAL AFFAIRS (in Cantonese): Madam President, my reply to the question raised by Mr Albert HO is as follows:

Chapter 5 of the Code has already set out the requirements to prevent conflict of interests and requirements on declaration and handling of investments or interests.

The relevant requirements relating to declaration of interests under the Code include:

- (i) Principal Officials are required, annually, to file declarations on their investments and interests, the contents of which can be made available for public inspection. This enables the public to scrutinize the investments and interests held by Principal Officials (Clause 5.6 of the Code); and
- (ii) Principal Officials are required to report to the Chief Executive any private interests that might influence, or appear to influence, their judgement in the performance of their duties (Clause 5.4 of the Code).

All principal officials have declared their interests by completing the "Registration of Interests and Affiliation with Political Parties for Public Inspection" within 14 days after their appointment and annually before the fifteenth day of July thereafter as required. "Interests" declared include land and buildings (including self-occupied property); proprietorships, partnerships or directorships; and shareholdings of 1% or more of the issued share capital in any company (both listed and unlisted).

By referring to the information provided by principal officials annually in their "Registration of Interests and Affiliation with Political Parties for Public Inspection", members of the public can have access to details of the declarations.

Chapter 5 of the Code also stipulates that Principal Officials shall observe the principles of fairness and impartiality in discharging their duties, and shall refrain from handling cases with actual or potential conflict of interests.

Currently, the Administration does not have any plan to amend the Code.

MR ALBERT HO (in Cantonese): *Madam President, although Secretary Stephen LAM, unlike Secretary Joseph WONG, has not answered my question with a lengthy foreword, the main reply in this page has entirely evaded the specific issues raised by me in relation to parts (b) and (c) of my main question. Given that the Secretary has raised so many vague principles, I will apply one of them to a specific example. Members should have known that I am referring to*

the example in which an accountable Bureau Director has invested jointly with certain leaders in the portfolio for which he is responsible in purchasing a racehorse. As Members are aware, such a relationship is long lasting because they will have to hold meetings, pool funds, and probably share dividends. Will such a relationship give outsiders an impression that there is potential conflict of interests? Will outsiders think that such a relationship will influence the judgement made by the Secretary on matters falling within his portfolio and he is thus required to make declarations of the relationship to the Chief Executive or even the Chief Executive will advise him to sever the relationship in order to avoid any conflict of interests? Can the Secretary directly reply to this point?

SECRETARY FOR CONSTITUTIONAL AFFAIRS (in Cantonese): Madam President, I further reply to the supplementary question raised by Mr HO.

Matters pertaining to the purchase of horses are governed by the internal requirements of the Hong Kong Jockey Club (HKJC). I believe Mr HO was referring to the horse purchased by the Secretary for Housing, Planning and Lands. As the case has absolutely nothing to do with the Secretary's portfolio and does not involve housing or lands policies, there is no conflict of interests.

MR CHEUNG MAN-KWONG (in Cantonese): *President, Mr HO's question is not about the HKJC's horse-purchasing requirements or whether senior officials are disallowed from purchasing horses. Instead, a very sensitive issue is involved and that is, an accountable official in charge of real estate matters has joined a property developer in purchasing a horse. Has this not given rise to a potential conflict of interests? Will such a relationship, whereby a government official has joined a businessman in purchasing a horse, be considered by the Code to be too intimate and members of the public might think that the relationship might influence the judgement and fairness of the official in performing his duties? Is it wise of a senior official to have put himself in such a questionable political situation? Should the Government not prohibit and require the relevant official to remove himself from the horse purchase list and refrain from purchasing the horse?*

SECRETARY FOR CONSTITUTIONAL AFFAIRS (in Cantonese): Madam President, I have already explained that the horse-purchase incident has no

influence on Secretary Michael SUEN's housing and lands portfolio. Even the Chief Executive has taken note of this matter. At present, the incident has not given rise to any conflict of interests; nor have the requirements of the Code been violated.

MR CHEUNG MAN-KWONG (in Cantonese): *My supplementary question is whether such a relationship, whereby an official has purchased a horse jointly with a businessman, is too intimate so that members of the public might think that the fairness and judgement of the official in performing his duties might be affected. Is such an arrangement wise and should it be prohibited? The Secretary has not answered this point.*

SECRETARY FOR CONSTITUTIONAL AFFAIRS (in Cantonese): Madam President, I have actually stated the most important principle that, as accountable officials, we must annually file declarations on our assets and make public these declarations for public inspection. Furthermore, each of the principal officials must report to the Chief Executive any matters he or she thinks might give rise to conflict of interests or potential conflict of interests. As the highest responsible person for enforcing the Code, the Chief Executive will decide how to handle each and every case. Members can see clearly from this case, which has been covered in detail by the media, that it merely involves the purchase of a horse by the Secretary, one of our colleagues, in accordance with the requirements of the HKJC without involving the real estate portfolio for which he is responsible. Therefore, we have come to the judgement and conclusion that there is no conflict of interests.

MR RONNY TONG (in Cantonese): *President, the Secretary has not answered part (c) of the main question in relation to whether the Government will consider amending the Code. I think that the Code is too restrictive for it merely deals with the circumstances of government officials in discharging their duties. May I ask the Secretary, if the usual behaviour of principal officials appears to influence their judgement or even their discharge of duties, should the officials be governed by the Code and required to make declarations? Furthermore, what criteria can enable us to determine that the usual behaviour of principal officials will not influence their judgement or the discharge of their duties? I hope the Secretary can answer me.*

SECRETARY FOR CONSTITUTIONAL AFFAIRS (in Cantonese): Madam President, the priority task for Secretaries of Department and Bureau Directors is to discharge the duties conferred upon them by the Basic Law and the laws of Hong Kong to serve Hong Kong society and people. We will not work regular hours. If there is anything we have to handle, we will work 24 hours a day. We will certainly make the proper discharge of our duties our priority. We have therefore, in designing the Code, made reference to the codes adopted by other elected governments and, as a result, principal officials are required to make known the most important asset interests such as their land and buildings (including self-occupied property) and share rights of any companies. Furthermore, in the Code, especially Chapter 5, it is stipulated clearly that we have to declare to the Chief Executive if we join different organizations or perform duties outside the Government, and it is found that there is potential or apparent conflict of interests. Furthermore, these declaration requirements and the Code have been enforced for four and a half years to allow and facilitate the Legislative Council, the media and the public to monitor the acts of the 10-odd principal officials. Generally speaking, I believe this system is proven and comparable to the arrangements adopted in other liberal places. Therefore, we have no plans to make any fundamental changes to the Code.

MR RONNY TONG (in Cantonese): *President, I do not entirely understand. Assuming that I understand, was the Secretary saying that purchasing a horse was no different from performing duties? If he said that all acts.....*

PRESIDENT (in Cantonese): Mr Ronny TONG, you are merely required to repeat the part of your supplementary question you think has not been answered, instead of raising a question with respect to the Secretary's reply.

MR RONNY TONG (in Cantonese): *President, I want to ask.....*

PRESIDENT (in Cantonese): This is the rule governing Question Time. You should now follow up your question, instead of raising another supplementary question.

MR RONNY TONG (in Cantonese): *Thank you, President. I only wish to say that the Secretary apparently did not answer what was asked.*

President, my supplementary question is if the Secretary has, according to his usual behaviour, done something outside the scope of his duties that appears to influence his judgement, such as purchasing a horse, as pointed out by our colleagues.....

PRESIDENT (in Cantonese): You should not include other views as many Members are still waiting for their turns to raise questions. Please raise your follow-up question direct.

MR RONNY TONG (in Cantonese): *Excuse me. Purchasing a horse is a far cry from performing duties. Why can such acts as purchasing a horse that appear to influence the Secretary's judgement not be included in the Code?*

PRESIDENT (in Cantonese): Please sit down. Secretary, please reply.

SECRETARY FOR CONSTITUTIONAL AFFAIRS (in Cantonese): Madam President, I will make another attempt to reply. However, I do not understand why Mr Ronny TONG said I did not answer what was asked. The best I could do was putting it the other way round, right? *(Laughter)* Let me repeat my reply to his question. Actually, Clause 5.4 of Chapter 5 of the Code reads, "Principal Officials are required to report to the Chief Executive any private interests that might influence, or appear to influence, their judgement in the performance of their duties". Although horse purchase is a personal activity, we have considered whether the activity will, according to the Code, give rise to conflict of interests. However, we have concluded that the answer is negative, for the activity does not involve the real estate portfolio. This judgement is actually absolutely clear.

DR YEUNG SUM (in Cantonese): *President, while horse purchase is undoubtedly a personal act, the accountable Secretary in question, personally in charge of housing, land and planning matters, has chosen to purchase a horse*

jointly with a major property developer. May I ask the Secretary whether he thinks such an act violates Clause 5.1 of the Code? It is stipulated clearly that principal officials are required to avoid putting themselves in a position where they might arouse any suspicion of dishonesty, unfairness or conflict of interest. Has the incident aroused public suspicion? While the Secretary in question might be very honest, will public suspicion of dishonesty or conflict of interest be aroused because of such collaboration? Has it occurred to the Government that the incident has caused great embarrassment to the Government? If the answer is affirmative, what remedial measures will be taken?

SECRETARY FOR CONSTITUTIONAL AFFAIRS (in Cantonese): Madam President, our priority consideration in formulating the Code and relevant requirements is that our Secretaries of Department and Bureau Directors must be accountable to the public and discharge their duties in a highly transparent and responsible manner. On the other hand, we also have to strike a balance with respect to the personal rights of principal officials. Therefore, the most important consideration is whether the work in their relevant portfolio will be affected. In my earlier reply, I have indicated clearly that we have looked into the situation and considered that there has not been any conflict of interests so far.

DR YEUNG SUM (in Cantonese): *President, my question is whether the incident has caused embarrassment to the Government.*

SECRETARY FOR CONSTITUTIONAL AFFAIRS (in Cantonese): Madam President, I believe the public knows the background of the incident and the media has reported the incident clearly, so people will understand the incident and the situation. This is what I wish to add.

MR LEUNG KWOK-HUNG (in Cantonese): *According to the reply given by the Secretary earlier, principal officials will be required to make declarations only when it is felt that interests will be involved in their discharge of duties. In this incident, Secretary Michael SUEN has purchased a horse jointly with a major property developer. In other words, they are the co-owners of some asset. Such being the case, has Secretary Michael SUEN consulted Secretary Stephen*

LAM in advance or declared to the Chief Executive because he is accountable to the Chief Executive? I only wish to know this piece of information.

SECRETARY FOR CONSTITUTIONAL AFFAIRS (in Cantonese): Madam President, every principal official should, when necessary, make their own judgement according to the Code to decide whether their investments and personal acts should be reported to the Chief Executive. Insofar as this incident is concerned, the Chief Executive has definitely been informed of it and the fact that the relevant Secretary has bought a horse in accordance with the requirements of the HKJC. Generally speaking, our judgement is that there is no conflict of interests and no impact on the discharge of duties. The situation is therefore absolutely clear.

MR LEUNG KWOK-HUNG (in Cantonese): *In your reply.....has he consulted you? You have not answered. You have merely said that the Chief Executive has been informed of the matter. Has he consulted you?*

PRESIDENT (in Cantonese): Mr LEUNG Kwok-hung, am I right to say that you think that the Secretary has not answered your supplementary question because your supplementary question is about whether the Secretary in question has consulted the Secretary for Constitutional Affairs before his move?

MR LEUNG KWOK-HUNG (in Cantonese): *Right.*

PRESIDENT (in Cantonese): Please sit down. Secretary, please reply.

SECRETARY FOR CONSTITUTIONAL AFFAIRS (in Cantonese): Madam President, every personal investment decision made by principal officials is definitely their personal decision. This matter is Secretary Michael SUEN's personal decision too.

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

MR LAU KONG-WAH (in Cantonese): *The transparency and accountability of accountable officials was greatly emphasized by the Secretary earlier. It is right that principal officials are required by the Code to set out and declare their investments annually for public inspection. However, there is no way for the public to know if principal officials think that their judgement will be influenced under certain circumstances and thus they have to report to the Chief Executive, or they have to withdraw from meetings or avoid conflict of interests when they find that there is a conflict of interests. May I ask the Secretary, based on the principles of transparency and accountability, whether attempts have been made to do so in these two aspects? Is there any figure informing the public of the situation?*

SECRETARY FOR CONSTITUTIONAL AFFAIRS (in Cantonese): Madam President, as stated by Mr LAU Kong-wah earlier, it is generally arranged that declarations of interests must be made annually, including the land and buildings owned by principal officials and the share rights owned by them in different companies. Generally speaking, all accountable Bureau Directors have been very careful and cautious. At present, the share rights possessed by principal officials are, by and large, related to family properties. The companies they own are merely set up to facilitate arrangements for such purposes as club membership or car purchase. Nevertheless, there can be exceptional circumstances sometimes. For instance, when Mr Henry TANG, the incumbent Financial Secretary, was appointed Secretary for Commerce, Industry and Technology in 2002, special arrangements had to be made for the share rights of his family business. After reporting to the Chief Executive, Mr TUNG, the Secretary was permitted to transfer his share rights to his father as his trustee. The arrangement has been made known to the public. I have cited this example to illustrate that, in handling declarations relating to our properties and share rights, we will make public the relevant arrangements if the circumstances are deemed unique.

PRESIDENT (in Cantonese): Mr LAU Kong-wah, has your supplementary question not been answered?

MR LAU KONG-WAH (in Cantonese): *The Secretary has probably not listened clearly to my supplementary question. While matters relating to share rights,*

investments, purchase of properties, and so on, are available for public inspection, issues pertaining to the following two aspects are not known to the public: first, reports made by accountable officials to the Chief Executive on circumstances that might influence their judgement; and second, cases they have avoided to handle when a potential conflict of interests is involved. These cases are unknown not only to the public, but also to Members of this Council. May the Secretary tell us whether there were such cases and whether related statistics are available?

SECRETARY FOR CONSTITUTIONAL AFFAIRS (in Cantonese): Madam President, I will try to answer it again. The nature of declarations made by all principal officials to the Chief Executive, particularly regarding individual circumstances or cases, is governed by our internal arrangements. Depending on the circumstances, we will properly handle, but not necessarily publish, these cases because sometimes the relevant matters might have already been dealt with and Honourable Members are required to be informed only. Depending on individual circumstances, however, we will give an account to the public. The appointment of Mr Henry TANG as a Bureau Director back then is one such example. Another point I could raise is that, as Principal Officials, we are actually keenly aware of the high transparency of Hong Kong society. In other words, our efforts or performance in every aspect is constantly monitored by the Legislative Council and the media in the territory. When it comes to transparency and public monitoring, I consider the Code their best partner.

PRESIDENT (in Cantonese): Last oral question.

Boosting Youth Employment Rate

6. **MR ANDREW LEUNG** (in Cantonese): *President, it has been reported that although the atmosphere of the labour market keeps improving, the unemployment rate of young people aged 15 to 24 remains as high as 10.7%. In this connection, will the Government inform this Council:*

- (a) *of the total number of participants of the Youth Work Experience and Training Scheme (YWETS) offered by the Labour Department (LD) since its launch in 2002 until the end of 2006; the percentage of*

trainees who have succeeded in securing employment upon completion of the training programmes of the Scheme, and whether it knows the way out for those who cannot secure employment; and

- (b) *whether it has considered introducing new measures or schemes to further assist young people in finding suitable jobs, so as to boost the employment rate of young people?*

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): Madam President, according to the Census and Statistics Department, the latest unemployment rate of young people aged 15 to 24 in September to November 2006 was 9.8%, with the number of unemployed young people at 38 600. Comparing with 10.7% and 42 600 unemployed in August to October 2006, the unemployment rate dropped by 0.9% and the number of unemployed young people decreased by 4 000. Comparing with the peak of 19.1% and 76 700 unemployed in June to August 2003, the number of unemployed young people decreased by half to 38 600. The employment of young people has improved significantly.

The YWETS was launched by the LD in July 2002 to enhance the employability of young people aged 15 to 24 with educational attainment below degree level by providing them with on-the-job training for six to 12 months.

The original target of YWETS was to place 20 000 young people into employment by July 2006. This was achieved in early April 2005 — 16 months ahead of schedule. Up to the end of 2006, over 31 400 young people were engaged by employers as trainees under the YWETS. In addition, over 16 000 found employment in the open market with the assistance of their case managers.

To assess the effectiveness of the YWETS, the LD commissioned The Hong Kong Polytechnic University to conduct a comprehensive review of the Scheme and an 18-month longitudinal study on more than 800 trainees to trace changes in their employability. The study completed in January 2006 revealed that after joining the YWETS for one year, 72.8% of the trainees had secured employment, 9% pursued further study, 1.4% became self-employed and 0.3% were homemakers. Only 16.5% of trainees were seeking jobs at the time of the study. The review also affirmed the effectiveness of the YWETS in enhancing the employability of young people.

To further strengthen employment support for youths, the LD is in the process of setting up two Youth Employment Resource Centres to provide one-stop advisory and support services on employment and self-employment to past and current trainees of the Youth Pre-employment Training Programme (YPTP) and the YWETS as well as all young people aged 15 to 29. On the YWETS and YPTP, the LD will continue to develop new training courses to meet market needs and trainees' interests in collaboration with training bodies. The LD will also strengthen promotion of tailor-made employment/training projects to employers and trainees, capitalizing on the combined benefits of the two programmes.

Overall, the Government will continue to adopt a multi-pronged strategy to enhance the employability of young people through education, skills training and employment support services.

MR ANDREW LEUNG (in Cantonese): *It is pointed out in the Secretary's main reply that the LD is in the process of setting up two Youth Employment Resource Centres. May I ask the Secretary when these centres will be completed? How much resources will be spent on these centres and where will they be located? Besides, what is the expected number of employment opportunities that can be provided to young people a year?*

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): Madam President, consideration is being given to the New Territories and Kowloon as the locations of the two Youth Employment Resource Centres that we are planning to set up. The combined annual recurrent expenditure of these two centres will be \$14 million. We estimate that each centre will be able to provide service to 3 000 young people a month. In other words, the two centres will be able to provide one-stop employment counselling and self-employment assistance service to 72 000 young people a year.

Furthermore, another advantage of these two centres is that their service targets are young people aged 15 to 29. I think Mr LEUNG is also aware that the service targets of the YWETS and the YPTP are just young people aged 15 to 24. But these two centres can also serve people aged 25 to 29. These two resource centres can be launched at the end of this year.

PRESIDENT (in Cantonese): Honourable Members, there are 12 Members waiting for their turns to ask supplementary questions. Will Members please be as concise as possible in asking their supplementary questions.

MR JEFFREY LAM (in Cantonese): *Madam President, as pointed out in the Secretary's main reply, the study completed in January 2006 revealed that after joining the YWETS for one year, 72.8% of the trainees had secured employment and 9% pursued further studies, but 16.5% of the trainees were still seeking jobs at the time of the study. May I ask the Secretary whether any follow-up actions have been taken to monitor the situation of these young people awaiting employment? And, has any assistance been offered to them?*

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): Madam President, as mentioned by Mr LAM, we have not been taking any special follow-up actions. These people cannot secure any employment As Members know, it is usually most difficult for young people aged 15 to 24 to find any jobs. This is the case all over the world, and the unemployment rate of young people aged 15 to 24 is generally higher. This is also the case in Britain, New Zealand and South Korea. As Members know, since these young people have just graduated, their interview and communication skills are not so good, and they also lack knowledge in many areas. But their employment situation will gradually improve over time.

The purpose of our setting up these two Youth Employment Resource Centres is precisely to follow up the situation. Those young people who still cannot secure any employment after completing their training under the relevant schemes and programmes can at least receive our follow-up attention at the centres.

MR KWONG CHI-KIN (in Cantonese): *President, the Government has been running several similar schemes. Apart from the YWETS, there are also the YPTP and several other schemes implemented by the Task Force on Continuing Development and Employment-related Training for Youth. President, may I ask the Secretary whether he will consider the possibility of merging all these schemes into one single scheme? This may be more effective and useful to the young people.*

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): Many thanks to Mr KWONG Chi-kin for his question. Actually, there is already very strong linkage between the YWETS and the YPTP. I think Mr KWONG also knows that these two schemes used to operate separately. For example, under the YPTP, there is just one month of workplace attachment training following the modular training part. But now, there is a high degree of flexibility. In other words, trainees who have completed the modular training under the YPTP can switch to the YWETS and undergo on-the-job training for six to 12 months. Currently, both the YPTP and the YWETS are more flexible than before, in the sense that trainees are allowed to transfer from one scheme to the other.

Besides, the Youth Self-employment Support Scheme is also a related scheme. Therefore, as I pointed out in my reply just now, all these schemes can be merged under the concept of Youth Employment Resource Centres. With such centres, we can take follow-up actions on both self-employment and employment. Also, as I have mentioned, Youth Employment Resource Centres can also serve young people aged 25 to 29.

MR LEE CHEUK-YAN (in Cantonese): *I think Members can see that the YWETS can indeed enable young people to receive on-the-job training for six to 12 months, and it is naturally good for them to gain some working experience.*

However, I still have one big doubt in mind. Hong Kong is a knowledge-based economy. Even after working for six to 12 months, the young trainees concerned will still be low-skilled workers. In the long run, this cannot possibly help the development of Hong Kong and themselves.

I actually want to ask this question: According to the findings of the longitudinal study, 72.8% of the trainees could secure employment, but how much were their wages? Their wages might just be \$5,000 or \$6,000. I am not talking about a minimum wage, because I have asked questions on that many times. Instead, I want to know whether the Government has drawn up any long-term plans to help those trainees who manage to get low-skilled jobs, plans which can ensure that while they work, they can continue to upgrade their skills to more advanced levels and master certain skills in the long run. Has the Government drawn up any plans to tackle such an inadequacy? I also want to know how much their wages are.

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): I think Mr LEE should be very clear that in the case of the YWETS, we are talking about teenagers with educational attainment below degree level. Therefore, the jobs they are engaged in will not be very demanding in terms of knowledge and academic qualifications.

As mentioned by Mr LEE just now, the most important thing is that these young people can acquire on-the-job training on communication and interview skills and also computer literacy at a time when they are most in need of training and assistance. This can at least enable them to get their first job.

I think Mr LEE should also know that although the duration of on-the-job training is just six to 12 months, the trainees' employment will usually continue after the completion of training. And, not all their jobs are low-skilled ones. For instance, some trainees are employed by an aircraft engineering company and they can learn aircraft maintenance. If they can continue working in this field, their prospects will be quite good. What is more, I also think that other schemes, such as the I.T. Seeds, are quite good. In other words, I think we have already done what we should do for teenagers with such educational qualifications.

Naturally, we also encourage these young people to pursue studies in order to obtain qualifications outside their employment. And, we also provide an allowance as high as \$4,000. We hope that through the Youth Employment Resource Centres to be set up, we can follow up their situation on a sustained basis.

MR LEE CHEUK-YAN (in Cantonese): *President, if the situation is really so encouraging, their wages should be very good then. Can the Secretary tell us how much their wages are?*

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): I have not answered the part on wages, have I? In regard to wages, under the YWETS, for example, we offer an employer \$2,000 a month for one trainee. I believe Mr LEE is also aware of this. But this is not exactly the pay received by a trainee. The pay for each trainee According to the

statistics at the end of December 2006, for example, 77% of the on-the-job training vacancies offer a monthly wage of \$5,000 or more. I must point out that it depends on a trainee's age and qualifications. And, we must not forget that we are talking about on-the-job training posts. Currently, 77% of the on-the-job training vacancies offer a monthly wage of \$5,000 or more.

MR LEUNG YIU-CHUNG (in Cantonese): *President, the Secretary stated just now that two Youth Employment Resource Centres would be established for the provision of one-stop employment assistance service to young people.*

President, the service provided by such centres may well be able to help those young people who have initiative. But the point is that, according to the survey findings of some organizations, there are roughly 18 000 "hermit youths" who have not received any vocational or skills training for as long as eight to 10 years. Does the Government have any measures to help these young people? As a matter of fact, some non-government organizations are currently providing such service to these young people, but owing to resource shortage, they must keep rejecting applications.

President, may I ask the Secretary whether any resources will be allocated to the non-government organizations concerned, so that they can develop the service of locating "hermit youths" and provide them with employment assistance?

PRESIDENT (in Cantonese): Mr LEUNG Yiu-chung, the main question is about the YWETS, and the main reply is also about this scheme. But you are now talking about "hermit youths". These are a separate category of young people.

MR LEUNG YIU-CHUNG (in Cantonese): *No. President, can I give an explanation?*

PRESIDENT (in Cantonese): Yes, please.

MR LEUNG YIU-CHUNG (in Cantonese): *Honestly speaking, I believe that the Secretary will also assist "hermit youths" in joining the YWETS and the YPTP. But the problem is that when formulating our approaches, practices and resource allocation, we seem to have forgotten such young people. May I ask the Secretary how he will allocate resources and manpower to assist "hermit youths" in joining the abovementioned schemes?*

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): The Government has not forgotten the "hermit youths". The Education and Manpower Bureau has in fact been paying close attention to their situation. As early as 2004, the Government already allocated \$50 million for the purpose of establishing the Youth Sustainable Development and Engagement Fund, and the Fund has since provided subsidy to a total of 22 pilot schemes. The Hong Kong Christian Service has, for example, organized two schemes targeting "hermit youths" and "non-engaged youths" without any motivation. Studies are being conducted to evaluate the effectiveness of these schemes. Upon the completion of the studies, the Task Force on Continuing Development and Employment-related Training for Youth will make recommendations on the basis of the findings and submit a report to the Chief Executive.

However, I also wish to point out that "hermit youths" may still make use of the Youth Employment Resource Centres. After the establishment of these centres, we will explore how we can provide support to them and encourage them to make use of the centres.

MR LEUNG YIU-CHUNG (in Cantonese): *President, the Secretary has not answered my supplementary question. As disclosed by the Secretary just now, some non-government organizations are already providing such service. But unfortunately they are hindered by the shortage of resources. The funding required, for example, will cease in July this year. How is the Secretary going to assist these non-government organizations in maintaining their work? The funding for them will cease in July this year, and they have already turned down many requests for assistance.*

PRESIDENT (in Cantonese): Please sit down, so that the Secretary can answer your follow-up question.

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): I think this explains precisely why the Education and Manpower Bureau has provided funding for conducting studies on "hermit youths". The aim is to explore how they can be provided with assistance. I have pointed out in my reply just now that studies are being conducted to find out how we can help all these "hermit youths" and a report will then be submitted. I believe that the scope will cover the provision of more subsidy and various forms of assistance. I hope these will also be included in the report.

MR TAM YIU-CHUNG (in Cantonese): *As also pointed out by the Secretary just now, the unemployment rate of young people is very high. One of the main reasons for this is that employers are reluctant to take on young people with no working experience. In this connection, has the Government worked out any specific measures to deal with the problem? The Government now provides an allowance, but will the mindset of Hong Kong employers change? Will they thus become willing to give young people opportunities? Besides, has the Government conducted any surveys on the mindset of Hong Kong employers? Will they make any improvement as a result of the Government's policy changes?*

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): Actually, there are many good employers in Hong Kong. They are all very happy to provide opportunities to young people. Therefore, as Mr TAM may notice from my reply just now, it is not so difficult for teenagers and young people aged around 20 to find a job these days. For example, as at the end of last year, roughly 70% of the on-the-job training vacancies offered wages amounting to \$5,000 or more. As a matter of fact, roughly 70% of the YWETS trainees were successful in securing employment. I must of course add that this also includes all the cases of on-the-job training. All this is attributable to employers' willingness to take on the young trainees. I think such a rate is already not bad, because while 70% of the trainees managed to get a job, some others actually chose to further their studies or engage in other pursuits.

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

DR LUI MING-WAH (in Cantonese): *The YWETS seems to be useful and effective in solving the problem of youth unemployment. But may I ask the Secretary to tell us the number of young people who joined the scheme in the past five years (from 2002 to 2006)? Suppose there were tens of thousand participants, the survey findings based on a sample of 800 participants will not be very representative. What is the reason for not conducting a general survey twice a year, for example, so as to find out whether participants of the YWETS can successfully secure employment? The findings will then be more representative.*

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): Many thanks to Dr LUI for his question. Actually, we also want to conduct a more in-depth survey, which was why we launched the 18-month longitudinal study. But it was not possible for the survey to cover too large a sample. The longitudinal study on the 800 youths who completed their training under the YWETS was aimed at tracing the changes in their employability and employment situation. Since the longitudinal study lasted as long as 18 months, we could not The purpose of a general survey is not the same. It is a different kind of survey.

In response to the other point in the Honourable Member's supplementary question, I would like to point out that the total number of YWETS participants since 2002 is 69 000. As I have mentioned, over 31 400 young people were engaged by employers as trainees under the YWETS. In addition, over 16 000 found employment in the open market with the assistance of their case managers. As for the remaining 21 000 or so trainees, some of them chose to further their studies or secured employment through other channels.

PRESIDENT (in Cantonese): Oral questions end here.

WRITTEN ANSWERS TO QUESTIONS

Changing Agricultural Land Use

7. **MR LAU WONG-FAT** (in Chinese): *President, as agriculture in the New Territories falls into decline, abandoned agricultural land has been converted to*

other uses without planning or co-ordination. In this connection, will the Government inform this Council:

- (a) of the respective total areas of lands in each of the District Council districts in the New Territories which are currently zoned for "agricultural use" in the relevant Outline Zoning Plans (OZPs), and their percentage in the total areas of the districts concerned;*
- (b) whether it has any plans to rezone such agricultural land and enhance its usability for the purpose of regulating land uses; if so, of the specific details of the plan; if not, the reasons for that; and*
- (c) whether it has considered rezoning such agricultural land as recreation area or rural development area, and the specific considerations involved?*

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

President, the Government has been attaching importance to the development in the New Territories and keeping a close watch on the changes in the rural areas. Although agricultural production is not a major economic activity in Hong Kong, it still supplies considerable quality fresh food as well as flowers for local consumption. Agricultural land in the New Territories should therefore not be swept away completely. We will review and revise rural land planning in the New Territories from time to time for optimal use having regard to the development and needs in Hong Kong.

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

- (a) The respective areas of land in each of the nine District Council districts in the New Territories which are zoned "Agriculture" in the relevant OZPs and their percentage in the land areas of such districts are as follows:

	<i>Total areas of land zoned "Agriculture" (hectare)</i>	<i>Percentage in the land areas of the District Council districts concerned (%)</i>
Kwai Tsing District	0.00	0.00
Tsuen Wan District	0.00	0.00

	<i>Total areas of land zoned "Agriculture" (hectare)</i>	<i>Percentage in the land areas of the District Council districts concerned (%)</i>
Tuen Mun District	0.00	0.00
Sha Tin District	28.09	0.41
Sai Kung District	31.69	2.33
Islands District	65.08	0.37
Tai Po District	376.33	2.54
Yuen Long District	1 103.00	6.00
North District	1 451.18	10.62

- (b) The Government reviews various land uses from time to time for appropriate planning. The last study on systematic review of the rural land uses was completed in 2001. One of the recommendations made was the introduction of a new zoning "Other Specified Uses (Rural Use)" to enhance the flexibility of the use of agricultural land. Apart from cultivation, agricultural land can also be developed into rural and recreational uses that are compatible with the rural landscape. This recommendation was later endorsed by the Town Planning Board (TPB), and such "Notes" were incorporated into the relevant OZPs. Some agricultural land was also subsequently rezoned to other uses like "Recreation", "Comprehensive Development Area" and "Government, Institution or Community", and so on, in accordance with the guidelines of the TPB.
- (c) In line with the normal land planning practice, the Administration, when considering amending the "Agriculture" zone, has to examine in detail whether the proposed use is compatible with its neighbouring areas, and what impact the proposed development intensity will have on the landscape and the environment. Whether or not there is an adequate provision of transport, drainage and other supporting infrastructure is also an important consideration.

Expenses for Sale of Surplus HOS Flats

8. **MR MA LIK** (in Chinese): *President, the Hong Kong Housing Authority (HA) is putting up surplus Home Ownership Scheme (HOS) flats for sale in*

phases, and the 2007 Phase 1 flats are available for application by public rental housing tenants and other eligible persons between 2 and 15 January this year. In this connection, will the Government inform this Council whether it knows:

- (a) the details of various expenses incurred by the HA in marketing the HOS flats under the said phase, including the costs of advertising and refurbishing the show flats;*
- (b) how the expenses in part (a) compare to the corresponding expenses incurred in the previous sales of HOS flats; and*
- (c) the principles and objectives on the basis of which the HA determined the above marketing expenses?*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Chinese):
President, my reply to the three-part question is as follows:

- (a) The marketing expenditure for the "Sales of Surplus HOS Flats (2007 Phase 1)" is around \$6.8 million, made up of the cost of advertising at around \$2.8 million, the cost of refurbishing three show flats (with furniture and household electrical appliances) at around \$800,000, the cost of various printed materials including sales brochures at around \$1.5 million, the cost of producing videos and exhibits for the HOS Courts at around \$1 million, and the cost of customer services and miscellaneous expenses at around \$700,000.
- (b) The current HOS sale exercise incurs less marketing expenses than the previous exercises. For example, the marketing expenditure for HOS Phase 24A, which was launched before the cessation of HOS sale in 2002, was about \$8.7 million.

Unlike the previous exercises, there is no television advertisement this time and nearly \$3 million has been saved as a result. Moreover, for the furnished show flats in the current sales exercise, the refurbishing cost, with discount for depreciation, will be recovered from the buyers as part of the flat price. Regarding the show flat in Kingsford Terrace, it will be retained for use in 2007 Phase 2.

- (c) Given the small number of surplus HOS flats put on sale in the current exercise, it is not necessary to launch large-scale publicity. When devising the marketing strategy and budget, the main consideration of the HA is to provide adequate sales information for public housing residents and other prospective buyers.

Counterfeit RMB Banknotes

9. **MR WONG TING-KWONG** (in Chinese): *President, regarding the inflow of counterfeit Renminbi (RMB) banknotes into Hong Kong, will the Government inform this Council:*

- (a) *of the total number of counterfeit RMB banknotes seized by the police last year, the major denominations of such notes, and how such data compare to the relevant data of the year before;*
- (b) *of the measures taken by the Hong Kong Monetary Authority (HKMA) to eradicate the inflow of counterfeit RMB banknotes into Hong Kong, in addition to helping practitioners in the relevant industries to learn how to differentiate between genuine and counterfeit RMB banknotes through its website, training programmes and seminars;*
- (c) *of the measures taken by the police to combat activities of counterfeiting RMB banknotes; and whether it has assessed the effectiveness of its joint efforts with the Guangdong Public Security Bureau to combat such activities; if it has, of the assessment results; and*
- (d) *whether the authorities have compared the present situation with the past in terms of the techniques employed by criminal syndicates to print counterfeit RMB banknotes and the degree of resemblance of such notes to genuine ones; if they have, of the comparison results?*

SECRETARY FOR SECURITY (in Chinese): *President,*

- (a) The total number of counterfeit RMB banknotes seized by the police in 2006 is 5 930, and the majority of them are 100 yuan in

denomination. The figure for 2005 is 5 101, and the majority of them are also of a denomination of 100 yuan.

- (b) The HKMA, in conjunction with the Commercial Crime Bureau (CCB) of the police, has been conducting seminars on authentication of banknotes (including RMB notes) for retailers and bank staff. These efforts have helped enhance the awareness of industry practitioners on the security features of banknotes. In view of the increasingly widespread use of RMB by mainland tourists in Hong Kong, the HKMA has also jointly organized similar seminars with the Quality Tourism Services Association specifically targeting at those retailers who routinely receive RMB in the course of their business. The above measures are useful in preventing the inflow of counterfeit RMB banknotes into Hong Kong.

Moreover, the HKMA has been in regular liaison with the police on the situation of counterfeiting banknotes and, where necessary, it will issue alerts to the banking sector through the supervisory channel. The clearing bank for personal RMB business in Hong Kong also plays a role in providing support and training to participating banks on the identification and handling of RMB counterfeits.

- (c) In addition to organizing seminars, the CCB of the police has explained to retailers and members of the public through the media (such as the television programme "Police Report", newspapers and magazines, and publicity leaflets) how to identify counterfeit RMB notes, as well as the various *modus operandi* of those using them. The aim is to enhance the alertness of the public to counterfeits and thwart counterfeiting activities of RMB.

The police have spared no effort in combating crimes related to counterfeit RMB banknotes in their regular meetings and exchange of intelligence with the Guangdong Provincial Public Security Bureau as well as their close liaison with the HKMA and the banking industry. The effort has been quite effective in the fight against the counterfeiting of banknotes.

- (d) The police have been studying and investigating the techniques employed by criminal syndicates to make counterfeit banknotes, and it has been found that the counterfeiting of RMB notes nowadays is

done with a much higher standard than that in the past. That said, the People's Bank of China has started issuing new RMB banknotes bearing additional security features in August 2005. This has made it easier to authenticate RMB banknotes.

Improving Public Swimming Pool Facilities

10. **MR LEUNG YIU-CHUNG** (in Chinese): *President, at present, most public swimming pools are temporarily closed during the winter months from November to March of the following year. For the rest of the pools, only the main pools with warm water, which are deeper than the secondary and training pools, will remain open. Some members of the public complained that such an arrangement causes inconvenience to people who are not good at swimming and those who are learning swimming in the secondary or training pools. In this connection, will the Government inform this Council whether it will consider improving the facilities at public swimming pools, such as providing warm water in secondary and training pools and installing temporary floor slabs in the main pools during the winter months to reduce the water depth in them, thereby allowing more non-proficient swimmers, especially the elderly, to go swimming in winter; if it will, of the details; if not, the reasons for that?*

SECRETARY FOR HOME AFFAIRS (in Chinese): President, during the winter months, the Leisure and Cultural Services Department (LCSD) temporarily closes those of its swimming pools that do not have heated pool facilities for carrying out more thorough repair and maintenance works. When those swimming pools are reopened after winter, the LCSD will arrange for the temporary closure of the swimming pools with heated pool facilities for repair and maintenance. The objective of the arrangement is to minimize the inconvenience that the works will cause to swimmers.

Apart from the heated main pools where the water is deeper, some training and leisure pools where the water is shallower also have heated pool facilities so as to satisfy the needs of different swimmers.

The LCSD is now studying the feasibility of a trial scheme to be implemented in Yuen Long Swimming Pool and Tuen Mun Swimming Pool under which some swimming lanes will be installed with temporary floor slabs to reduce the water depth so as to make it convenient for swimmers with special needs to use the pools. The LCSD will examine factors relating to the safety

and cleanliness of the installation concerned, the loading capacity of the respective swimming pools, and so on. It intends to launch the trial scheme within this year and will consider whether the installation should be introduced in the light of the results of the trial scheme.

Furthermore, the LCSD is actively increasing the number of swimming pools with heated pool facilities for use by the public. The heated pool facilities that are expected to be completed and open for use in the coming years include the following:

- | | |
|------------------|--|
| Hong Kong Island | Indoor pools at Sun Yat Sen Memorial Park (including the main pool and a training pool) |
| | Indoor pools at Siu Sai Wan Complex (including a 25-m pool and a training pool) |
| | Redevelopment of Victoria Park Swimming Pool Complex to provide indoor pools (including the main pool and a diving pool) |
| Kowloon | Redevelopment of Kwun Tong Swimming Pool Complex to provide indoor pools (including the main pool and a training pool) |
| | Conversion of the secondary pool of Lai Chi Kok Swimming Pool to an indoor heated pool |
| New Territories | Indoor pools at Hin Tin Swimming Pool (Phase 2), Sha Tin (including the main pool and a jacuzzi) |
| | A 50-m indoor main pool at the swimming pool complex in Area 2, Tung Chung |
| | A 25-m indoor pool at the sports centre in Area 33, Tai Po |
| | A 25-m indoor pool at the swimming pool complex in Area 1 (Sun Wai Court), Tuen Mun |
| | A 25-m indoor pool at Tin Shui Wai Public Library cum Sports Centre, Yuen Long |

Internet Content Rating System

11. **MR JASPER TSANG** (in Chinese): *President, in order to reduce the harmful effect on young people caused by obscene and indecent information on the Internet, the Government provided funding of \$1.2 million in May 2003 to commission the Hong Kong Internet Service Providers Association (HKISPA) to implement the Internet Content Rating System (ICRS) for 12 months. The content providers which voluntarily joined the ICRS can conduct self-assessment on the contents at their websites, and attach content labels to the webpages of their websites. Internet surfers could then use free filter software to select websites accessible by their computers according to their preferences and the criteria set in the labels. In this connection, will the Government inform this Council:*

- (a) *of the effectiveness of the ICRS and whether its objectives had been achieved;*
- (b) *why it did not continue to provide funding for the ICRS, and whether it has considered or implemented the observations and recommendations on the ICRS made by the Director of Audit in his Report No. 42 published in March 2004;*
- (c) *whether it will follow up the situation that content labels are still being displayed on the webpages of some local websites; and*
- (d) *of the alternative plans being implemented, and how the new plans compare to the ICRS in terms of resource requirement and effectiveness?*

SECRETARY FOR COMMERCE, INDUSTRY AND TECHNOLOGY (in Chinese): *President, developed by the Internet Content Rating Association (ICRA), a non-profit-making organization based in the United Kingdom, the ICRS is an international website labelling scheme which comprises two elements:*

- (i) *an online system for webmasters all over the world to voluntarily rate and label their websites to indicate whether their websites*

contain any content unsuitable for Internet users especially minors, for example, nudity and sexual materials, depiction of violence, crude language, gambling, drugs and alcohol matters, and so on; and

- (ii) a free-of-charge filtering software for use by Internet users to set preferences in their web browsers to allow and disallow access to websites based on the labels in (i) above.

To promote the use of the ICRS by webmasters and Internet users in Hong Kong, a promotional project known as "the ICRS Project" (hereafter "the Project") was launched by the HKISPA, which was funded by the Television and Entertainment Licensing Authority (TELA). The Project was a time-limited one, originally intended to run from June 2003 to May 2004 and subsequently extended to May 2005.

Regarding parts (a) to (d) of the question, my reply is as follows:

- (a) The Project largely achieved its purpose. The general public has been informed of the availability of the ICRS and the need to filter off undesirable contents on the Internet. Please see (b) below on the statistics of the performance of the Project upon its completion in May 2005.
- (b) In March 2004, the Director of Audit in his Report No. 42 recommended that upon completion of the project in May 2004, the TELA should review it, and should develop a publicity campaign to promote the use of the ICRS as well as set performance targets on the implementation of the Project if the TELA decided to continue with it.

Having reviewed the case, the TELA extended the funding for the Project for another year up to May 2005 in order to consolidate the results achieved in the first-year implementation. The TELA also implemented the Audit recommendations by developing a promotion strategy (including holding workshops, seminars, exhibitions, roadshows and marketing via telephone, email and print media) and setting concrete targets to measure the performance of the Project.

Set out below are the performance targets and results of the Project upon completion.

<i>Performance Indicators</i>	<i>Target set in 2004</i>	<i>Actual result achieved by May 2005</i>
Total number of websites in Hong Kong labelled under the ICRS	1 000	960
Percentage of websites of active Internet Service Providers in Hong Kong labelled under the ICRS	70% (15 out of 22)	64% (14 out of 22)
Percentage of top 100 websites in Hong Kong labelled under the ICRS	30%	28%
Number of downloads of the ICRS filtering software by Internet users in Hong Kong	10 000	14 000

The Project largely achieved the intended purpose of promoting the concept of website self-labelling by webmasters and Internet content filtering by Internet users in Hong Kong. In view of this, the Project came to an end in May 2005.

- (c) Although the Project was completed in May 2005, the ICRS itself is an ongoing scheme run by the ICRA and webmasters and Internet users in Hong Kong can continue using the ICRS services on the ICRA's website (<<http://www.icra.org/>>). Webmasters are welcome to continue using the labels of the ICRS to indicate that their websites have been rated and labelled under the ICRS. The TELA and HKISPA also continue providing information about the ICRS on their website (<<http://www.tela.gov.hk/icrs/eng/index.html>>).
- (d) The TELA has been promoting healthy web surfing by a wide range of measures from time to time. The Project was one of such measures. Other measures include holding an annual "Meritorious

Website Contest" and subsidizing non-government organizations to promote the safe and healthy use of the Internet. Given the different nature of various measures, the outcome of the Project and those of other measures like the Meritorious Website Contest cannot be directly compared.

Monitoring of Oil Prices

12. **MR FRED LI** (in Chinese): *President, according to the latest information provided by the Government to this Council, the import unit values of motor spirit and ultra low sulphur diesel (ULSD) in November last year dropped by 23% and 18.9% respectively compared to those in June last year, while the relevant retail prices in the same period fell only slightly by 5.9% and 3.3% respectively. In this connection, will the Government inform this Council:*

- (a) *whether it has assessed if local oil companies should reduce the retail prices of motor fuels; if so, of the criteria adopted for the assessment; if the assessment result is in the affirmative, of any alternative ways to urge local oil companies to reduce the prices immediately, apart from making verbal appeals; and*
- (b) *given that the papers provided by the Government periodically to this Council have set out the average retail prices of unleaded petrol in which "certain price concessions were incorporated", and it has been reported that ExxonMobil, the largest motor spirit retailer in Hong Kong, has indicated that its concessions currently offered to customers have not been reflected in the Government's figures, whether it has assessed if the company's claim contradicts the papers provided by the Government, and if it is appropriate to use the Government's figures provided to this Council as the basis for monitoring oil prices, and whether the Government will revise the relevant figures?*

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Chinese): *President, local pump prices of auto-fuel include not only the import costs and duty, but also discounts offered by oil companies and other operating costs. Therefore, although the adjustments in local pump prices should be*

broadly in line with trend movements and magnitude of changes in import prices, their respective percentage changes will not be exactly the same as such percentages are calculated on different bases. As regards Mr Fred LI's specific questions, our replies are as follows:

- (a) Retail oil prices in Hong Kong are determined by oil companies having regard to international oil prices, commercial practices and their operating costs. In a free market economy, the Government does not have the power to dictate the retail prices of auto-fuels. But the Government will endeavour to maintain a stable fuel supply, encourage transparency and enhance competition by removing barriers to entry into the fuel market.

The monthly average import prices of major oil products compiled and submitted by the Census and Statistics Department (C&SD) to the Panel on Economic Services of the Legislative Council are one of the indicators of import prices of oil products. However, these data have their limitations. For instance, as the C&SD's figures reflect the average value of imported consignments declared by the oil companies in a particular month, they may differ from the actual prices of the consignments of individual oil companies. Moreover, the consignments involved may not be purchased or sold in the retail market in the month when the declarations are made. As the C&SD needs time to collect and process the information, there is also a time lag of about four weeks between the time of declaration and the availability of such data.

In addition to the C&SD's data, we also monitor whether changes in local pump prices of auto-fuel are broadly in line with trend movements of international oil prices as reflected by prices for Brent Crude oil and Singapore free-on-board prices for unleaded petrol and ULSD. In recent months, the international oil prices continue to be volatile. We have all along urged the oil companies to reduce their prices immediately whenever there is room for downward adjustment.

In view of the public's concern about the local auto-fuel retail market, the Competition Policy Advisory Group (COMPAG) commissioned a consultant in 2005 to conduct a comprehensive

study on the competition situation in the auto-fuel market in Hong Kong. The consultant's report was released in April last year. The consultant had concluded, after detailed examination of the structure, operating costs and retail pricing of the local auto-fuel retail market, that there was no clear evidence of collusion by the oil companies in setting prices for auto-fuels. Nevertheless, the consultant recommended that the Government should consider preventive measures against cartel behaviour, through either cross-sector or sector-specific competition laws. The Competition Policy Review Committee (CPRC) recommended in its report on the review of Hong Kong's competition policy published in July 2006 that a cross-sector competition law, which would prohibit specific types of anti-competitive conduct, should be introduced. The Government has carefully considered the relevant recommendations and issued a public discussion document in November 2006 for a three-month public consultation.

- (b) The C&SD has advised that the average local retail prices of unleaded petrol provided by them in each month are compiled based on information collected from oil companies through a Monthly Retail Price Survey. During the data collection process, Census officers also ask the oil companies for information on various price concession schemes. The C&SD has all along tried to incorporate as far as possible all price concessions. However, this Monthly Retail Price Survey is a voluntary statistical survey and has to rely on the oil companies in data collection. While the C&SD has included the price concessions reported by oil companies in their average retail prices, they are unable to cover those concession schemes not reported in detail by oil companies on grounds of commercial sensitivity or other reasons. Therefore, the level of concession quoted in the paper submitted to the Panel on Economic Services of the Legislative Council may be lower than the actual discount being offered by individual oil companies. In the paper submitted, the C&SD has already stated that only "certain" price concessions are incorporated in the relevant retail prices of unleaded petrol.

The consultancy report on the competition situation in the local auto-fuel market released in last April also addressed the issue of

price concessions offered by oil companies. At the request of the consultant, oil companies provided information on price concessions offered by them at that time. Based on the information obtained, the consultant estimated that, for the year ended June 2005, the average discounts on retail prices of unleaded petrol and diesel were \$0.93 per litre and \$1.45 per litre respectively (that is, around 7% and 20% of the prevailing retail prices respectively). However, oil companies adjust their price concessions from time to time and the current situation may have already changed.

The C&SD will continue to liaise closely with the oil companies concerned, and request them to provide detailed information regarding various concession schemes with a view to compiling related statistics that could better reflect the actual price movements faced by consumers. We also hope that if it is decided to introduce a cross-sector competition law in the future, the Government may be empowered to request oil companies to provide detailed information for investigation if and when anti-competitive conduct in the auto-fuel retail market is suspected.

Rent Arrears Rate Among PRH Tenants

13. **MR LI KWOK-YING** (in Chinese): *President, the Housing Authority (HA) endorsed in 2005 the implementation of a number of measures to reduce the rent arrears rate among public rental housing (PRH) tenants. In this connection, will the Government inform this Council:*

- (a) *of the average rent arrears rate among PRH tenants, the number of PRH tenants with rent arrears, the number of notices-to-quit issued to tenants on grounds of rent arrears and the number of PRH units recovered since the implementation of the above measures, together with a breakdown of such figures by tenants on Comprehensive Social Security Assistance (CSSA tenants) and non-CSSA tenants;*
- (b) *given that the authorities have introduced, since the end of last year, a revised arrangement for CSSA tenants to pay their rents whereby the rents of those CSSA tenants receiving full rent allowance are*

paid directly to the Housing Department (HD) through the Social Welfare Department (SWD), and the HA has set the target of reducing rent arrears from 4% to below 3.5% for the year 2007-2008, whether the authorities have assessed how such an arrangement and target will improve the situation of rent arrears among PRH tenants, and whether it will make further efforts to reduce the rent arrears rate; and

- (c) *whether it will consider enhancing the existing measures to reduce rent arrears among PRH tenants; if it will, of the details?*

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

President, my reply to the three-part question is as follows :

- (a) During the 12 months from October 2005 to September 2006, there were an average of 22 146 PRH tenants with rent arrears per month, representing a rent arrears rate of 5.03% (in terms of amount of rent arrears). During the period, there were 10 678 cases where notices-to-quit were issued on the grounds of rent arrears and a total of 1 186 PRH units were recovered for this reason.

At present, the HD does not keep separate statistics on rent arrears cases involving CSSA tenants.

- (b) and (c)

The HD has agreed with the SWD on an arrangement under which the SWD will pay the rent for the CSSA recipients living in PRH by crediting the rental allowance part of the CSSA to the HD directly. As it takes time to adjust the information technology systems of the two departments for the new mode of payment, the new arrangement will come into operation in mid-2007. Upon implementation of the new payment arrangement, no rent arrears will occur among CSSA recipients receiving rental allowance.

The HA implemented measures in September 2005 to improve the situation of rent arrears, for example, shortening the time before

notices-to-quit to tenants with rent arrears are issued. These measures have proved to be very effective. The monthly average number of tenants with rent arrears and the rent arrears rate (in terms of amount of rent arrears) from July to September 2006 dropped by 30% and 25% respectively as compared with the same period in 2005. The HD also strives to make it more convenient for tenants to pay their rents. Currently, rents can be paid through autopay, payment-by-phone service, automatic teller machines and Internet banking. The HD is now planning to extend the rent collection points to some 700 convenient stores and Mass Transit Railway ticket offices. We believe that this measure, to be implemented in the second quarter of 2007, would further reduce rent arrears among PRH tenants.

Sending of Paper Greeting Cards by Government Departments

14. **MISS CHOY SO-YUK** (in Chinese): *President, will the Government inform this Council:*

- (a) *whether it has formulated any guidelines requiring government departments to stop sending paper Christmas cards and send electronic ones instead; if so, why the Chief Executive still sent paper Christmas cards to Members of this Council recently; if not, the reasons for that; and*
- (b) *of the number of government departments which sent out paper greeting cards in each of the past two years and the number of greeting cards involved?*

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

- (a) The Government attaches great importance to environmental protection. Bureaux and departments are encouraged to reduce paper consumption as far as possible and to make better use of electronic means in disseminating their messages. The

Environment, Transport and Works Bureau issued a Circular Memorandum in 2003 to draw the attention of bureaux and departments to enhancing green management practice and reducing energy and paper consumption. The Environmental Protection Department (EPD) also compiled "Guidelines on Reducing Photocopying Paper Use" with practicable measures to reduce paper consumption. Disseminating greeting messages at festive seasons is a popular practice. The EPD therefore provides "Green Tips for Holidays" on its website and encourages the use of electronic greeting cards. Nevertheless, members of the community have different customs and expectations regarding how greeting messages should be disseminated at festive seasons, and traditional paper greeting cards are also an appropriate option for conveying such messages.

- (b) In the past two years, some 30 bureaux and departments issued paper greeting cards. However, we do not normally conduct regular surveys on the number of paper greeting cards issued.

Stipulation of Tree Preservation Clauses in Private Land Leases

15. **MR CHEUNG HOK-MING** (in Chinese): *President, it was reported that the land managers of Wu Kwai Sha Youth Village and Leung King Estate in Tuen Mun were suspected of having breached the tree preservation clauses in the relevant land leases by pruning trees extensively on the land concerned without the consent of the Lands Department (LandsD). In this connection, will the Government inform this Council of:*

- (a) *the circumstances under which tree preservation clauses are stipulated in the leases of private lands when they are granted, and the liabilities and penalties for breaching these clauses;*
- (b) *the circumstances, as are generally provided for in such clauses, under which the grantees of private lands are required to obtain prior consent from the LandsD before pruning trees on the lands concerned, the relevant application procedures and the conditions that the LandsD will impose when giving consent; and*

- (c) *the mechanism put in place by the LandsD (such as whether staff members are deployed to conduct regular inspections) to ensure compliance with such clauses by the grantees of private lands and the actions which will be taken in the event of non-compliance?*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Chinese): President, the Government is committed to implementing the greening policy. We encourage the pursuit of more active planting, proper maintenance and preservation of trees together with other vegetation in private developments, with a view to uplifting the quality of our living environment. In approving the planning applications, the Town Planning Board would require applicants to comply with the conditions relating to greening imposed. The LandsD would take corresponding action by incorporating the tree preservation clauses in the relevant leases.

My reply to the three-part question is as follows:

- (a) In accordance with the lease conditions, if any person is found in breach of the tree preservation clause without the prior consent of the Director of Lands, the LandsD would charge a penalty land premium and impose a requirement for compensatory planting.
- (b) Grantees have the responsibility for complying with the lease conditions (including the tree preservation clauses) and ensure that no trees are unnecessarily felled. Pruning is a normal step in tree care and hence no prior approval is required. For felling or transplanting of trees, grantees are required to submit an application to the LandsD under the tree preservation clauses in the leases. The LandsD would seek advice from departments concerned (for example, the Architectural Services Department and the Agriculture, Fisheries and Conservation Department). In processing approval, the LandsD would have regard to the actual circumstances and the justifications submitted, and might impose conditions such as transplanting of the affected trees or compensatory planting within the lot.
- (c) The LandsD would check the compliance with the tree preservation clause prior to the issue of the Certificate of Compliance.

Generally, the LandsD would not conduct regular site inspections solely for the purpose of the tree preservation clauses, but would cover this during ad hoc site inspections. In the event of breaches of the tree preservation clauses being detected, the LandsD will take appropriate lease enforcement action, including charging a fine and requiring compensatory planting by the grantees.

Nursing Manpower in Public Hospitals

16. **DR JOSEPH LEE** (in Chinese): *President, regarding the manpower of nursing staff in public hospitals, will the Government inform this Council whether it knows:*

- (a) *the number of nursing staff at all ranks in various hospital clusters of the Hospital Authority (HA) who departed in the past six months and their respective percentages in the total numbers of nursing staff concerned, with a breakdown by hospital departments;*
- (b) *the number of nursing staff employed by the above hospital clusters in the past six months to fill the relevant vacancies; and*
- (c) *the total outstanding time-off hours so far accumulated by the nursing staff in each hospital cluster and the HA's solution to the problem of accumulation of outstanding time-off hours resulting from the shortage of nursing staff?*

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

- (a) From April to November 2006, a total of 402 nursing staff left the HA. A breakdown on the wastage during this period by rank and hospital clusters is at Annex A1.

The breakdown of wastage by hospital departments is at Annex A2. The wastage rate of each department ranges from around 2% to 4%. Departments which experienced a relatively higher proportion of wastage include Paediatrics, Ophthalmology, Intensive Care Unit,

and Cardio-thoracic Surgery. As there are around 4 000 nurses deployed to different departments from the central pool, the exact strength of nurses in each department is not constant. Hence we are providing the range of overall wastage rate.

- (b) The total number of intake of nursing staff from April to November 2006 is 498. The breakdown by cluster at Annex B.
- (c) The accumulation of compensation-off (CO) in the HA hospitals has improved over the past six months. The average CO was 1.1 days per nurse in December 2006 compared with that of 1.7 days per nurse in June 2006. A table showing the trend of CO per nurse is at Annex C. The HA has been actively addressing the issue of accumulation of CO, through employment of additional nurses and Temporary Undergraduate Nursing Students (TUNS), as well as more flexible utilization of continuous night shift.

Annex A1

Wastage of Nurse in the HA by Rank and Hospital Cluster
(From April to November 2006)

Rank	Number of Wastage							
	Hong Kong East (HKE)	Hong Kong West (HKW)	Kowloon Central (KC)	Kowloon East (KE)	Kowloon West (KW)	New Territories East (NTE)	New Territories West (NTW)	Total
Senior Nursing Officer and above		1	1		1			3
Nursing Officer or equivalent	2	6	4	1	21	3	4	41
Registered Nurse	40	47	32	30	70	41	49	309
Enrolled Nurse	4	8	4	3	11	7	12	49
Total	46	62	41	34	103	51	65	402
Wastage rate (Annualized rate of 2006-2007)*	3.4%	4.0%	2.3%	2.6%	3.3%	2.4%	4.1%	3.2%

* Projected based on the figures from April to November 2006

Annex A2

Wastage of Nurse in the HA by Hospital Departments/Units
(From April to November 2006)

<i>Hospital Departments/Units</i>	<i>Number of Wastage</i>
Accident and Emergency	7
Anaesthesia/Operating Theatre	26
Cardio-Thoracic Surgery	4
Clinical Oncology	7
Diagnostic Radiology	3
Electro-Diagnostic Unit	9
Intensive Care Unit	28
Medicine	108
Rehabilitation/Infirmary	17
Mentally Handicapped	5
Mixed/Private Wards	13
Neurosurgery	6
Obstetrics and Gynaecology	25
Out-patient Department/Clinics	15
Ophthalmology	7
Orthopaedics and Traumatology	16
Paediatrics	49
Psychiatry	15
Surgery	27
Nursing Administration/Others	15
Total	402

Annex B

Intake of Nurse in the HA
(From April to November 2006)

<i>Rank</i>	<i>Number of Intake</i>								
	<i>HKE</i>	<i>HKW</i>	<i>KC</i>	<i>KE</i>	<i>KW</i>	<i>NTE</i>	<i>NTW</i>	<i>HA Head Office</i>	<i>Total</i>
Registered Nurse	82	40	82	37	93	87	76	1	498
Total	82	40	82	37	93	87	76	1	498

Annex C

Average CO per nurse in the HA
(June 2006 and December 2006)

<i>Hospital Cluster</i>	<i>Average CO per nurse</i>	
	<i>(June 2006)</i>	<i>(December 2006)</i>
HKE	1.3	0.4
HKW	1.4	1.1
KC	3.1	2.6
KE	2.2	0.3
KW	0.9	0.4
NTE	2.8	2.1
NTW	0.5	0.3

Emission of Toxic Chemicals by Chemical Waste Treatment Centre

17. **MR ALBERT CHAN** (in Chinese): *President, recently, I received complaints that the Chemical Waste Treatment Centre (CWTC) in Tsing Yi emits large quantities of toxic chemicals, which not only cause serious air pollution, but also pose a serious health hazard to residents nearby. In this connection, will the Government inform this Council:*

- (a) *of the number of relevant complaints received by the Government in each of the past five years;*
- (b) *of the quantities of various gases emitted by the CWTC each month in the past five years; and*
- (c) *whether it will adopt measures to ensure that the emissions from the CWTC will not harm the health of residents in Tsing Yi; if it will, of the details; if it will not, the reasons for that?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Chinese): President,

- (a) Over the past five years, the Environmental Protection Department (EPD) has received a total of two cases of complaint about the CWTC.

- (b) The Government has put in place a set of stringent environmental monitoring facilities and procedures for monitoring the operation of the CWTC. The CWTC operator submits environmental performance report to the EPD on a regular basis. The report comprises quality data with respect to effluent discharge, stabilized residue and emissions from the incinerator stack. The report is also submitted to the Kwai Tsing District Council for reference regularly. The aforementioned environmental performance report together with ambient dioxins concentration data measured at the air monitoring station in Cheung Ching Estate, Tsing Yi are also uploaded onto the following EPD's website for reference by the public:
(<http://www.epd.gov.hk/epd/english/environmentinhk/waste/data/data_cwtc.html>).

For easy reference, we have summarized the CWTC's stack emission monitoring data and tabulated the monthly averages over the past five years as follows:

<i>Parameters</i>	<i>Emission Limits (mg/cu m)</i>	<i>Monthly Average (mg/cu m)</i>
Particulates	75	3.21
Chlorine and Compounds (as Chlorine)	100	3.50
Fluorine and Compounds (as Hydrogen Fluoride)	25	0.37
Acidity (as Sulphuric Acid)	100	16.66
Sulphur Dioxide	750	117.94
Hydrochloric Acid	38	4.72
Total Phosphorus (as Phosphorus)	7.5	0.62
Hydrogen Fluoride	7.5	0.82
Hydrogen Bromide	7.5	3.58
Toxic Metals I:		
Mercury	3	0.009
Cadmium	3	0.052
Antimony	3	0.522
Toxic Metals II:		
Lead	10	0.620
Copper	10	0.072
Arsenic	10	0.015
Nickel	10	0.124
Chromium	10	0.052
Total of Toxic Metals I and II	10	1.466
Dioxins	0.1 nanogram/cu m	0.0066 nanogram/cu m

- (c) The CWTC has been designed and operated to meet stringent international environmental and safety requirements. The Government has also put in place a set of stringent environmental monitoring facilities and procedures for monitoring the operation of the CWTC. In order to ensure compliance of the stack emissions with the relevant environmental legislation and no adverse impact on the environment and public health, the CWTC's incineration system is equipped with comprehensive emission control measures and is under the EPD's regular monitoring.

The CWTC emission control measures comprise the following:

- (i) The rotary kiln operates at above 1 000 degrees Celsius.
- (ii) The secondary combustion chamber operates at 1 100 to 1 250 degrees Celsius which can retain the flue gas for more than two seconds so as to disintegrate harmful substances in the flue gas, for example, dioxins.
- (iii) The flue gas is cooled abruptly to below 200 degrees Celsius to prevent dioxins reformation.
- (iv) The gas cleaning system has two independent activated carbon injection systems, spray dry absorber and fabric filter bag and is designed to remove the remaining pollutants in the gas before emission into the air.

To closely monitor the incineration conditions throughout the whole incineration process, the computer monitoring system monitors continuously some key parameters (for example, temperature and carbon monoxide) of the stack gas. The monitoring system will cut off the feeding of waste into the incinerator automatically if these parameters deviate from the preset limits. The CWTC operator will immediately inspect the incineration process and identify the reasons for abnormal readings. Feeding of waste for incineration will only be resumed upon completion of all necessary improvement work. In addition, stack emissions are sampled and analysed every month. Please refer to reply to part (b) above for the environmental monitoring results.

Although the CWTC is already complying with very stringent standards, in order to further improve its environmental performance, we plan to upgrade the air pollution control system of the CWTC in 2008. The emission limits of many pollutants will be further tightened in 2009 to meet the latest emission standards adopted by the European Union.

We will continue to monitor the CWTC closely to ensure its operation will not cause adverse impact on the environment and public health.

Travel Support Scheme

18. **MR FREDERICK FUNG** (in Chinese): *President, in its Report on Working Poverty published in February last year, the Subcommittee to Study the Subject of Combating Poverty of the Legislative Council recommended the provision of financial assistance to the working-poor households, such as tax credits or rental and travelling subsidies. In response to these recommendations, the Commission on Poverty (CoP) discussed at its meeting in March last year the provision of long-term travel support to the low-income earners who live in remote areas and need to commute to work across districts. Before the Appropriation Bill 2006 was put to vote in March last year, the Financial Secretary had promised a number of Members of this Council that a trial scheme would be launched in 2006-2007 for the implementation of this idea. Nevertheless, as indicated in a discussion paper provided to the CoP by the Administration in this month, the target of the trial scheme has become unemployed persons, rather than low-income persons as originally proposed. In this connection, will the Government inform this Council:*

- (a) *of the current statistics of unemployed and low-income persons in Hong Kong, including their numbers, and a breakdown of them by age group, sex, household size, family income group, for how long they have been unemployed or have become low-income earners, and the districts in which they live, the percentage of those receiving the Comprehensive Social Security Assistance (CSSA) payments in the total number of these persons, as well as a breakdown of low-income persons by occupation and income level;*

- (b) *of the reasons for changing the target of the trial scheme from low-income persons to unemployed persons, and whether it has assessed how the failure to provide travel support to low-income persons may affect the effectiveness of the efforts in alleviating poverty;*
- (c) *whether it will launch a separate long-term transport support scheme for low-income persons; if so, of the implementation date, the latest progress of work in this regard, the relevant work plan and timetable; and*
- (d) *of the new measures in place to provide financial assistance to low-income households which are not receiving CSSA payments, so as to give them more incentives to work and encourage them to stay in work?*

FINANCIAL SECRETARY (in Chinese): President,

- (a) The required statistics are attached at Enclosure.
- (b) At its meeting on 27 March 2006, the CoP discussed the issues relating to the provision of transport support for those living in remote areas. Members of the CoP were supportive of the general direction to enhance work incentives to encourage low-income employees to stay in employment. For those living in remote areas, the CoP supported in principle the initiative to explore if additional transport support would be an effective way to encourage work. Members also noted that the subject involved complex policy issues like parity for residents living in other districts, other support measures for the working poor, the impact on wages and probable displacement of labour arising from the travel subsidy.

After internal deliberations, the Administration considers that providing transport allowance to encourage the unemployed to search for jobs, and assisting them during the period when they are adjusting to a new job would be an effective way to encourage those living in the remote districts to work cross-districts.

Some CoP members were of the view that the subsidies should also be provided to people living in the remote areas who were already in employment. However, some other members considered that the transport subsidies should be provided only as an incentive to people living in remote areas where there were few local employment opportunities to encourage them to find and keep jobs in other districts. Members were also prepared to provide transport subsidies to those who were already in employment but were seeking to change to jobs in other districts.

As the proposed transport subsidies are meant to be time-limited, it is unclear how effective a form of assistance it would be for people who are already in low-earning employment but are unable or have no intention to change to other jobs due to various reasons. Some members also raised a concern about the possible adverse impact of the transport subsidies, if they were to be provided on a long-term basis on wages.

The issues involved are complex and cut across different policy areas. There is a need to further deliberate carefully on their policy implications.

- (c) The CoP will further discuss the issues relating to the provision of transport subsidies to low-income earners at its next meeting.
- (d) The Administration understands that low-income earners face economic hardship in daily lives. Our long established public housing policy, highly subsidized education, medical services and other social services all strive to provide in-kind assistance to those in need, including low-income earners and their dependants who are not on CSSA. Low-income employees who are not earning enough to support themselves and their families can receive financial assistance under the low earnings category of the CSSA Scheme.

In an increasingly globalized and high value-added economy like Hong Kong, the relative demand for low-education and low-skill workers decreases, affecting their income level. Some of them have unstable jobs. For them, our emphasis is to encourage them

to upgrade themselves through training, and to promote economic development and job opportunities so that they can achieve self-reliance.

Against this policy background, the CoP has discussed a number of more proactive measures to assist the low-income earners, including strengthening training and employment assistance to the unemployed, providing lifelong skill upgrading opportunities for the low-skill workers, reinforcing district-based community support, promoting social enterprise development, and further improvements to the CSSA Scheme to promote "From Welfare to Self-reliance".

The Administration would continue to consider suitable measures and incentives to encourage work.

Enclosure

According to the findings of the General Household Survey (GHS) conducted by the Census and Statistics Department (C&SD) for the third quarter of 2006, the statistics on unemployed persons and low-income earners[#] are as follows:

[#] Note: For the purpose of presenting the statistics, "low-income earners" refer to employees (excluding foreign domestic helpers) working 35 hour and over during the seven days before enumeration and with monthly employment earnings less than HK\$5,000.

(i) Number of unemployed persons by age and sex

<i>Age</i>	<i>Sex</i>		
	<i>Male</i>	<i>Female</i>	<i>Total</i>
15-19	9 600	7 200	16 900
20-29	30 200	22 400	52 600
30-39	18 900	14 000	32 900
40-49	25 000	18 100	43 100
50 and over	26 500	8 500	34 900
Total	110 200	70 100	180 400

Note: Figures may not add up to the totals owing to rounding.

- (ii) Number of low-income earners
- [#]
- by age and sex

<i>Age</i>	<i>Sex</i>		
	<i>Male</i>	<i>Female</i>	<i>Total</i>
15-19	6 300	6 400	12 700
20-29	13 100	11 200	24 300
30-39	3 900	13 400	17 300
40-49	6 100	27 700	33 700
50 and over	13 800	28 100	41 800
Total	43 200	86 700	129 800

Note: Figures may not add up to the totals owing to rounding.

- (iii) Number of domestic households with at least one unemployed person or low-income earner
- [#]
- and with monthly household income less than HK\$5,000 by household size

<i>Household size@</i>	<i>Number</i>
1	14 600
2	7 900
3 and over	8 500
Total	31 100

Notes :@ Including unemployed person, low-income earners[#] and all the other persons living in the same household.

Figures may not add up to the totals owing to rounding.

- (iv) Number of unemployed persons by duration of unemployment

<i>Duration of unemployment (Month)</i>	<i>Number</i>
< 1	45 000
1- < 2	34 100
2- < 3	24 100
3- < 6	31 200
6 and over	46 100
Total	180 400

Note: Figures may not add up to the totals owing to rounding.

- (v) The GHS collects monthly employment earnings of employed persons in the last month only and the earnings data in the past are not collected.

Hence, statistics on the duration of being classified as low-income earners are not available.

(vi) Number of low-income earners[#] by occupation

<i>Occupation</i>	<i>Number</i>
Managers and administrators; professionals; and associate professionals	7 900
Clerk	12 400
Service workers and shop sales workers	34 300
Craft and related workers; and plant and machine operators and assemblers	13 200
Elementary occupations and other occupations	62 000
Total	129 800

Note: Figures may not add up to the totals owing to rounding.

(vii) Breakdowns of statistics by District Council (DC) district cannot be provided based on the results of the GHS for the third quarter of 2006. However, such figures can be obtained from the statistics on the demographic and socio-economic characteristics of the population at the DC district level published once a year. These statistics are based on the data collected in the GHS in May to August each year as well as the mid-year population estimates by DC district compiled jointly by the C&SD and an inter-departmental Working Group on Population Distribution Projections. In May to August 2005, unemployed persons were mainly found in Yuen Long (11% of the total unemployed persons), Kwun Tong (10%), Kwai Tsing (9%), Sha Tin (9%), Wong Tai Sin (8%) and Tuen Mun (8%) DC districts; while low-income earners were concentrated in Kwai Tsing (10% of total low-income earners), Kwun Tong (10%), Yuen Long (10%), Tuen Mun (8%), Sha Tin (8%) and Wong Tai Sin (7%) DC districts.

(viii) Since the GHS cannot collect accurate data relating to the CSSA households, the number of unemployed persons and low-income earners who were also CSSA recipients cannot be compiled from the GHS results. According to the administrative records from the Social Welfare Department, the number of unemployment CSSA cases was 38 250 while the number of low earnings CSSA cases was 18 376 in November 2006.

C&SD

January 2007

Extension of Service Hours of General Out-patient Clinics

19. **DR KWOK KA-KI** (in Chinese): *President, I have received complaints that the Hospital Authority (HA), without thoroughly consulting the staff who will be affected or increasing resources and manpower, plans to extend the service hours of its general out-patient clinics (GOPCs) to Saturdays and Sundays. The complainants have pointed out that in addition to making the staff feel that they are not respected, such an arrangement will also deprive them of the opportunity to stay with their families on Saturdays and Sundays. In this connection, will the Government inform this Council:*

- (a) *whether it knows how the HA, in drawing up the above plan, consulted the staff who will be affected, including the number of staff consulted and percentage of such staff members in all the affected staff;*
- (b) *as the Government's objectives of implementing a five-day work week are to increase the time for its employees to stay with their families and to relieve their work pressure, whether the Government has studied if the HA's plan to extend the service hours runs counter to such objectives; and*
- (c) *whether it has planned to allocate more resources to the HA in the 2007-2008 financial year so as to increase the HA's manpower in order to extend the service hours of its GOPCs?*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Chinese): President, the Administration understands that the HA has started to study the viability of implementing a "five-day week" scheme in its GOPCs since July last year. Given that the primary objective of public general out-patient service is to serve the community, the consultation sessions at GOPCs should not be reduced if the "five-day week" scheme is to be implemented. The original idea was that health care personnel at GOPCs would only be required to work five days a week (that is, any five days of the week including Saturdays and Sundays), so as to relieve their work pressure and allow more time for them to stay with their families, while making it possible for GOPCs to provide consultation sessions to needy patients on Saturday afternoons and Sundays. This was intended to be a win-win situation. In formulating its proposal, the HA had consulted all relevant staff from various grades. In view of the divergent views towards the

proposed arrangements and certain outstanding issues such as staff deployment and support measures, the HA has no plan to implement the proposed arrangement for the time being.

Our reply to the different parts of the question is as follows:

- (a) When the proposal was first formulated in July last year, the HA had already sought the views of the doctors in GOPCs through existing staff consultation mechanism. In the following month or so, all the staff of GOPCs was further consulted through the family medicine service co-ordinators of each hospital cluster and open forums.
- (b) As stated above, the purpose of considering the implementation of a "five-day week" in GOPCs is to relieve the work pressure of the health care personnel in GOPCs while at the same time improving the consultation sessions currently made offered by GOPCs to the public.
- (c) Public general out-patient service is primarily targeted at the underprivileged groups, including the low-income families, frail and vulnerable elders and the chronically ill. To this end, we will set up new GOPCs or strengthen the existing services in districts such as Tin Shui Wai where there has been a rapid growth in population and a larger proportion of underprivileged groups, and the existing primary health care facilities are in need of improvement. In overall, we will continue to improve the quality of the current general out-patient service by, for example, further promoting the family doctor service model; exploring the feasibility of purchasing service from the private sector; and establishing the GOPCs as the model for primary health care services.

Village Vehicles

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

- (a) *of the number of complaints about village vehicles received by the relevant authorities over the past two years, the contents of such complaints, and how they were handled;*

- (b) *of the number of traffic accidents involving village vehicles in the past two years;*
- (c) *whether it will consider stepping up regulation on the driving of village vehicles, and drawing up specific measures to improve the driving attitudes and behaviour of the drivers; and*
- (d) *whether it has reviewed the environmental pollution problem caused by village vehicles?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Chinese): President, in 2005 and 2006, we received five and 10 complaints involving village vehicles respectively. Among them, 10 cases were related to vehicle noise, two cases involved vehicle speed, two cases were about driving attitude and one case was related to contravention of the village vehicle permit condition. Relevant departments followed up these complaints, and depending on the findings of the investigations, took appropriate actions, including issuing warnings or advice, requiring improvement to the vehicle's installations, varying permit conditions to impose restrictions on the use of the vehicle, or cancelling the relevant village vehicle permit.

Regarding the number of traffic accidents, there were seven and nine accidents involving village vehicles in 2005 and 2006 respectively.

The existing Road Traffic (Village Vehicles) Regulations (Cap. 374N) have stipulated regulatory requirements on the examination, installations as well as the use of village vehicles. Any person who drives or uses a village vehicle on a road must hold a valid village vehicle permit. Based on the road environment of individual areas, the Transport Department (TD) regulates the use of village vehicles through the imposition of permit conditions, which cover the days, time, roads and areas that the vehicle can operate; the size, weight and shape of loads that it can carry; as well as the safety measures to be taken. Moreover, the main provisions in the Road Traffic Ordinance (Cap. 374) that govern driving attitude and behaviour, including those on careless driving, dangerous driving or drink driving, are also applicable to village vehicle drivers.

To further enhance the safety awareness of village vehicle drivers, starting from January this year, the TD will provide the permit holder a copy of the

"Code of Practice for Using Village Vehicles" when it issues village vehicle permits, so as to remind drivers on the points to note when using their village vehicles. Besides, the Home Affairs Department and the police will organize activities in collaboration with the District Councils to step up the publicity on road safety messages.

At present, there are only 785 village vehicles in Hong Kong. Since village vehicles are generally propelled by small engines, their impact on environmental pollution is insignificant. The Environmental Protection Department will closely monitor any possible environmental impacts caused by village vehicles. On the other hand, if the TD receives reports on environmental problems caused by individual village vehicles, it will, depending on the situation, take appropriate measures, such as varying the permit conditions to impose restrictions on vehicle use or requiring improvement to the vehicle's installations.

BILLS

Second Reading of Bills

Resumption of Second Reading Debate on Bills

PRESIDENT (in Cantonese): Bills. We now resume the Second Reading debate on the District Councils (Amendment) Bill 2006.

DISTRICT COUNCILS (AMENDMENT) BILL 2006

Resumption of debate on Second Reading which was moved on 20 December 2006

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

MS EMILY LAU (in Cantonese): President, I speak in support of the resumption of the Second Reading debate on the District Councils (Amendment) Bill 2006.

President, although we have not set up a bills committee on this Bill — of course, we have exchanged views with the Secretary on other occasions and the Secretary has also accepted Members' views. I therefore believe the majority of Honourable colleagues also consider it unnecessary to scrutinize the Bill. However, I still wish to express my views unequivocally in relation to our position and policies.

The purpose of the Bill is mainly to provide financial assistance to candidates in District Council (DC) elections, along the line of the last Legislative Council Election in which candidates were provided with financial assistance. We strongly support this principle and have discussed the matter for a long time. The Secretary would also know that the arrangement of the last Legislative Council Election was far from satisfactory because the candidates were required to expend all the donations before they could apply for financial assistance from the Government. Very often, the funds for the candidates come from their political parties, so the Government is asking the candidates to expend all the money from their parties first.

Besides, the financial assistance for the candidates provided by the Administration is capped at 50% of the election expenses incurred. I think this is too miserly. President, with a high-sounding goal, the Government will provide very minimal assistance. The goal is lofty in words only. What is the purpose of such a scheme, according to the Government? It is meant to encourage more people who aspire to public service to participate in elections and create an environment conducive to the development of political talents. How much financial assistance will be provided, according to the Government? If it is based on the arrangement in the last election, the median of financial assistance this time is \$10,000. If \$10,000 can achieve such a lofty goal, it will be gorgeous. If this is the case, we need not debate so hard here to have our gums bleeding, President. So, even though I support the arrangement, I still consider it far from adequate. Nor can it achieve the goal mentioned by the Secretary, that is, to encourage the aspiring to participate in politics or create an environment conducive to the development of political parties.

President, the measure to be adopted this time is targeted on individuals rather than political parties. If a candidate comes from a political party, he may benefit because he needs not expend the money donated by the party before applying for assistance, which, however, is capped at 50% of the expenses

incurred. In my opinion, the financial assistance capped at 50% of the expenses is a very small amount. Perhaps, the Secretary can tell us, according to the foreign experience he has gained, what people, which countries and places have implemented such a miserly scheme as ours by offering a financial assistance up to 50% of the election expenses incurred by the candidates or a maximum of \$10,000. Frankly speaking, is that a windfall for us to have \$10,000 as subsidy nowadays?

Besides, regarding the financial assistance schemes in other places, President, there are certainly very few independents in foreign countries where the political systems are mature. But here in Hong Kong we try to stifle it, claiming that independents are the most important. Well, it does not matter to have independents. The most significant thing is to have soil for the development of party politics.

What is the practice in other places then? According to my understanding, President, in some other places, the amount of subsidy for a political party is based on the number of candidates from the party and the percentage of votes it has got. The party, having received the money, will certainly provide assistance to its members. However, our practice here is totally different. Now the Government sounds most benevolent. The candidate is allowed to keep the extra money for future use. In fact, how much extra money can a candidate get? The maximum is just tens of thousands of dollars. Will someone say that he will give a candidate hundreds of thousands of dollars for running in an election? This is totally impossible. But I hope the Secretary can really.....even though such a scheme has been implemented, there is still room for review as the Legislative Council Election will be held next year. Is the rate of 50% too miserly? Can it be enhanced?

Apart from giving direct financial assistance to the candidates, can a new scheme for subsidizing the political parties be proposed? Of course, the Secretary may say that this will encourage the development of political parties. The Government did say that it would encourage the development of political parties. Some people will prefer to be independents. Then let them be. However, if it is a political party or organization — even though Mr LEUNG Yiu-chung's Neighbourhood and Workers Service Centre is not a political party, should it be supported by public funds if six or eight candidates from the Centre run in the election next year and manage to win a certain percentage of votes? President, I consider it very important.

Although a step forward has been made and I know some political parties and some individuals intent on participating in the DC election also welcome such a move, I still consider the amount of financial assistance too meagre. If the Secretary really wishes to encourage public participation in politics, he should delegate more powers to the DCs so that the people can really feel that the DCs are very significant, powerful, influential and in charge of responsibilities. More importantly, the Government should regard a DC seat as an occupation. This matter has been turning around and around, like a cat trying to catch its own tail. In the end, this is the most significant. If it is a career with a decent income and occupational protection such as medical and retirement benefits and leave, in addition to well-defined powers and responsibilities, it will be attractive to young people in Hong Kong. On the contrary, it will be extremely ridiculous if the Government suddenly announces a scheme under which a candidate will be given a subsidy of \$10,000 if he can get 50% of the votes in an election in the hope that a lofty ideal can be attained.

At any rate, President, I think this is better to have the scheme than not to have it at all. Having said that, I urge the Administration to keep considering how a greater stride can be made in respect of providing financial assistance to political organizations and participants in politics so that everybody will feel..... But they should not be forced to engage in under-the-table deals for monetary gains. This I disdain. I hope Hong Kong can continue to have a clean.....clean electoral system — I am scaring myself after uttering these words because how can a small circle be clean? I have to make it clear that I will never regard such a small-circle election as clean. The Independent Commission Against Corruption (ICAC) has also said that the fewer the voters, the higher the chances for corruption to emerge in election. Here I urge the ICAC to take a close look at the 800 people in the Election Commission and grab all the culprits should problems arise.

However, I do hope that political parties can have a proper channel to gain public recognition and be supported by public funds in their further development. Although the current proposal cannot achieve this end, one can argue that it is better to have the scheme than not to have it at all. President, I so submit.

DR YEUNG SUM (in Cantonese): Madam President, I speak in support of the Government's proposal. However, the proposal, under which a candidate can

get \$10 per vote or a maximum of 50% of the election expenses incurred provided he has got 5% of the total votes, is only a small step forward. If the Government thinks that such a move will encourage people to participate in politics or cultivate more political talents expeditiously, I believe there is still a long way to go.

Before giving support to the Government's proposal, I would like to mention a number of things which the Government should do. First, it should review its attitude towards political parties and its policies in this regard. In my opinion, its attitude towards political parties has been ambiguous. While keeping an arm's length from the political parties, it welcomes their development. It wishes to gain support from political parties on the one hand but often reveals a mixed feeling towards political parties on the other because it is still subject to their close monitoring. I hope it can review the Chief Executive Election Ordinance so that when a person with political party affiliation is elected as the Chief Executive, he is not required to resign from his political party. This will indicate a more positive attitude towards political parties.

Secondly, further delegation of powers to the DCs is needed. The Government has currently selected a number of districts as pilot districts. I hope it will further delegate powers to the DCs so that DC members, as representatives of public opinion, can be responsible for managing local affairs. I am sure this will further attract more political talents.

As one further step to take, the election of Chief Executive and Legislative Council by universal suffrage should be implemented as soon as possible. I believe if the opportunity for political participation can be enhanced, more political talents will emerge. I hope the Government, apart from soliciting our support this time, will also review its policy towards political parties in a serious manner. Thank you, Madam President.

MR HOWARD YOUNG (in Cantonese): Madam President, the Amendment Bill today actually represents the second step taken by the Government in recognizing the need to move towards party politics. The first step has already been taken and the Legislative Council Election has been held — a candidate will have his election expenses reimbursed if he can get a certain number of votes. The majority of Members therefore consider it not necessary to set up a bills

committee on the Bill which can be scrutinized with reference more or less to the model of the Legislative Council Election.

Madam President, in my opinion, since the introduction of election to the Legislative Council, a reality has emerged which cannot be evaded, that is, the Government, the community and Members have all recognized that an independent without any political affiliation will tend to end up achieving nothing as there are so many businesses to attend to in the Legislative Council. Although some political parties have already called themselves as such long time ago, some have not. Rather, they have called themselves The Frontier or The Alliance, which are in fact a kind of political combination set up by a group of people with similar views for the purpose of monitoring the Government.

Besides, these political organizations will also watch over Members because in our opinion, Members with political affiliation are better disciplined with a higher participation rate in respect of attendance in Legislative Council meetings, holding debates in a systematic manner or division of labour. This is also advantageous to the Government because it will be very laborious for the Government to consult 60 Members, or 59 apart from the President, on some matters. However, if the Government can liaise with political bodies instead, it will know the consensus of almost 10 people by consulting just one person. This is a political reality. So, political parties or political bodies have developed into a political reality from the old days when they were shunned and regarded as formidable. So, the Government should make more efforts and face the reality. It should also take more strides to further the development of political parties. We consider today's Bill a small step only, or just the second step. I hope further progress can be made in future.

With these remarks, I support the Bill on behalf of the Liberal Party.

MR LEUNG KWOK-HUNG (in Cantonese): President, the Amendment Bill actually deals with only one core issue, that is, the provision of additional resources. It is naturally good for more resources to be provided, right? The League of Social Democrats, for instance, is lack of funds. We will certainly support the provision of funds on condition that something can be achieved. Nevertheless, it is really strange for such a proposal to be raised at this critical moment.

What exactly are the District Councils (DCs) we are now discussing? As far as I can remember, DCs (formerly known as district boards) were initiated in 1982 partly because of Hong Kong's rapid social development. If the Government has absolutely no idea of what people at the district level are thinking, it will definitely bang its head against a brick wall in governance, as in the case of the Star Ferry Pier incident, right? The Administration once tried in vain to seek advice from local leaders or people representatives of kaifong welfare associations because these people were not up to the job. Like royalists, they could simply not grasp the actual situation. Then, the Administration came up with the idea of allowing them to stand in elections for the one third of the seats to let some people to tell the truth. This is the origin of DCs.

Second, the regime of the British Hong Kong Government was so corrupt that there was no electoral system — except for the Urban Council. However, an election candidate of the Urban Council was required to be a ratespayer and secondary school graduate. Furthermore, the Urban Council was not an organ elected by universal suffrage. Therefore, the introduction of district boards was meant to be an improvement. People were not required to be a ratespayer and secondary school graduate to have the right to stand in election. The British Hong Kong Government acted in that manner because it knew very well that its credibility was extremely poor, and a popular mandate was required for the sake of future Sino-British negotiations. This is a known fact, right? Later, the British Hong Kong Government published a number of consultation papers in order to further develop its advisory council and consultative political systems, and continued to improve the electoral element of district boards. However, there was little district boards could do because of their meagre power. Insofar as finances managed by district boards were concerned, district boards had little revenue and hence, there was little they could achieve. However, the scope of their discussion was so wide that even nonsense talk was allowed.

The then district boards could even discuss whether representatives from the Hong Kong side or the Sino-British Joint Liaison Group should be present during the signing of the Sino-British Joint Declaration. Actually, they represented a platform for expression of ideas, right? This is the background of DCs. Now, more than two decades down the line, have DCs changed? No, buddy, there has even been a retrogression. Before bidding farewell, the British Hong Kong Government, considering its long period of rule over the territory, presented Hong Kong a gift by allowing all district board seats to be directly elected. The SAR Government originally wanted to follow the practice

adopted during the colonial rule period, but it was later found that it did not work and things got out of control. As a result, there came the introduction of appointed DC members. Such a corrupt system was even said to be established according to the requirement of the Basic Law.

This reminds me of last year — it should be the year before last — when the "birdcage" proposal was put forward by someone unknown. It has even proposed that DC members be given the right to stand as a candidate in the Chief Executive election and the terms of reference of DCs be expanded. However, the provision of a mere additional \$10,000 to require DCs to maintain 20% or a certain ratio of DC members as appointed members is indeed an act against the times. Is such a phenomenon not a shame?

Many parents "killed" their children precisely because they had acted in the same manner: parents would offer their children pacifiers, snacks, toys, and so on, to stop them from crying. If found crying for over three times, the children would be left alone to do anything they want because they would be presumed to be fine since they want nothing from their parents. Furthermore, no medical consultation is thought to be required. The parents have thus "killed" their children by presuming that they have merely been "throwing a tantrum".

Buddy, some people have been crying out at the top of their voice that it is a shame that DCs still have appointed members in spite of the reunification with the Motherland. Nevertheless, it does not matter to Donald TSANG for candies will be handed out. When some people kick up a row, he will offer them pacifiers, candies and such toys as an electric train. This is what this Amendment Bill is all about. The Government is trying to shift the focus of attention by expressing its great concern for DCs with the provision of additional funds. People interested in engaging in the work of DCs, regardless of whether they are independent or belong to political parties, will find the Government very generous in offering funds to them. However, the appointment system will be maintained. Furthermore, the terms of reference will remain as restricted, and the financial resources as scarce. It is therefore essential to review what the Government has actually done.

The Government's unconstitutional scrapping of the Municipal Councils by force — Secretary Michael SUEN had not yet bought a horse at that time; even he himself found it laughable to have delivered his marathon speeches — was meant

to demolish a platform for people to speak out so that the Government would be subject to less monitoring. During the scrapping of the Municipal Councils, the Secretary even described the move a good idea and undertook to the royalists that the government structure could thus be streamlined. Members were then told not to panic and assured of the devolution of powers from the Municipal Councils to DCs. Those who opposed the "scrapping of the Municipal Councils" were even described as either insane or fond of duplication and redundancy. Let me examine whether the Government's promises have been honoured.

President, it has been decided that some of the Municipal Councils' works projects will commence again. However, the Government has been asked every day the dates of commencement. Have the 200-odd works projects left behind by the defunct Municipal Councils been completed? President, it is almost time for Secretary Michael SUEN to go home to get some sleep (no longer serves as a civil servant), but still the matter remains unresolved. The accountability system was not yet implemented at that time. Therefore, when we discuss certain matters, we simply cannot look at them in isolation.

The DCs mentioned in this Amendment Bill could originally have developed into the Government's advisory organ. Alternatively, if "Hong Kong people ruling Hong Kong" is to be truly implemented, an organ originally used by the British Hong Kong Government for sham democratic consultation can thus be included as a constituent for the purpose of "Hong Kong people ruling Hong Kong". Nevertheless, this is not the case now. To start with, in terms of constitutional development, the Government (I wonder if Secretary Stephen LAM was already appointed to the post) resorted at that time to scrap the Municipal Councils and turn the DCs from entirely elected to appointed councils. It would simply be outrageous for this Council not to condemn the Government again and again for acting in this manner.

Today, the Government seems to be holding a giant staff in its hands and beating someone up until he is badly injured. However, the injured person will then be compensated by the Government for the medical expenses incurred and offered some money to buy nourishing food and medicated oil for having been beaten up and suffered so badly. Honourable Members, no one has spoken in objection today because money will be distributed. When you accept the money — after consuming the red-bean stew presented by a devil — your birthright as the eldest son will probably be lost. Therefore, if Members remain silent the discussion on this matter, it would mean that the Government

has been tacitly permitted to tell Hong Kong people by way of this piece of legislation that it is determined to develop a democratic system in Hong Kong and, through financial expenses, enable the electoral system to be developed and the democratic system further developed in Hong Kong. But the fact is not like this.

I merely wish to testify here that even if the Second Reading of the District Councils (Amendment) Bill is passed later, it does not mean that this Council considers what the Government has done is right. It only shows that this Council has been bullied by the Government because the former has very limited authority. Furthermore, it has to count on the Government for biscuits, and the one who cries will be offered some. Hence, I hope colleagues can speak more on this subject to prevent newspapers and media from saying tomorrow that the Hong Kong Government has sought to develop the political system and, through increasing financial expenses, enable the local representative government to be further developed, or even consolidated and strengthened. I know that Secretary Stephen LAM will definitely say something like this later in the meeting, right? Injustice must be pointed out because we cannot speak again after his speech.

I hope colleagues can express more views here. Do not simply close your eyes, shut up and put the money into your pocket after you are offered some money. Thank you, President.

MR LEUNG YIU-CHUNG (in Cantonese): President, just now, Ms Emily LAU and Mr Howard YOUNG both considered it unnecessary to establish a bills committee to carry out scrutiny, the reason being that the Bill is very simple, so there was no need to do so. Mr LEUNG Kwok-hung said just now that perhaps owing to the fact that the Bill is designed to hand out money, so Members do not have any particular views and few of them have spoken.

President, my view is different. I think the main reason for Members considering it unnecessary to establish a bills committee to examine the Bill is that a culture has actually come into being in the SAR Government of late and it is called the knock-down culture — since the Government has told us how much money is needed, you can either take it or everything will be knocked down and no argument is allowed. Even if a bills committee is established, what is the point? It will only examine if there is any error or omission in the wording and

there is no room for bargaining, so what is the point of scrutinizing it? If it is not the case that Members do not accept it, then they should not say too much and should simply pass this Bill and conclude this matter. This is how the present situation is like.

Why have only a few Members spoken? This is because the District Councils (DCs) have actually over two decades of history and there has been no major problem or blunder. Unlike the former Municipal Councils, they do not have the power to formulate their own policies and thus attract our attention. Apart from having the power to decide on their own how to use public funds, the functions of the DCs are only limited to offering advice on matters within their ambit. In other words, all that they do is to voice their views in these representative councils and if they are pleasing to the Government, the latter can take the advice but if they are not, the Government can do otherwise, so they can do nothing significant. As a result, Members' view is that there is little to talk about. Things will be different if the Government can really adopt an open attitude and say that the sum of money is only a suggestion and it will be fine if Members want to negotiate and make adjustments. In that case, I believe many Honourable colleagues would want to join a bills committee and debate with the Government.

Furthermore, if what is being considered is not just the amount of financial assistance to candidates contesting in DC elections but also the entire organization, framework and power of DCs, I believe that the Members who chose to speak today would not number so few. There definitely will not be so few of them. However, it is a pity that we can only do this sort of work in the "birdcage", so Members can only deal with this matter with little enthusiasm.

This is in fact very true, President. As I have said, the history of DCs is not short and they have a history of over 20 years. Moreover, a deep-rooted relationship has developed between them and the public. Even though a lot of people know that we are Legislative Council Members, they still sometimes address us as DC members. The renown of DC members is even greater than that of Legislative Council Members. This is because they have close contact with their constituents, so they have deep roots and have won their recognition. However, the problem is that this kind of recognition is only nominal, whereas DC members have a miserable time in their actual work. Often, members of the public will seek assistance from DC members but when DC members say that they do not have the power, members of the public will say that since they are

members of representative councils, why can they not do it? The appellation of "member" really sounds good and people generally imagine that members surely have power. Even though it may not be so great as to sway government policy, at least, they can exert some influence.

However, unfortunately, as I have said, our ambit can be summed up with only three words, that is, "to give advice", and this function cannot get to the core of the matter. As a result, we cannot live up to the expectations and wishes of the people. As we all know, although we want to make improvements in respect of many local issues, as the Government may not be sensitive enough to notice all the needs at the district level, therefore, many of the measures it introduces may run counter to the expectations of people in local communities. If DC members are allowed to offer advice or even formulate policies, the policies will be more closely tailored to and in line with public opinions. However, it is a pity that in this regard, I believe not only is the Government marking time, even worse, as a Member said just now, it has even taken a retrograde step. Even the elections by full universal suffrage in the British-Hong Kong era are gone. Moreover, an appointment system was introduced and this gives one the impression that the DCs have been rendered by the Government into something that is neither fish, flesh nor fowl.

President, why do I call it "neither fish, flesh nor fowl"? Because when we talk about democratic elections, it in fact includes three elements, namely, the power of universal suffrage, policymaking and removing office. However, insofar as these three elements are concerned, which of them do the DCs enjoy? There is only universal suffrage but not the other powers. The Legislative Council can pass legislation and no matter if such a power is genuine or not, it has policymaking power. However, the DCs do not even have such a power, so what is the use? What is the point of involving so many people and wasting such a lot of manpower and resources?

Furthermore, Ms Emily LAU has quoted the Government in saying that in taking this measure, the aim is to groom young people or future elites and bring them on to the road of joining the representative councils. In future, what is the point in doing so?

As we all know, in the representative councils, everyone just blows a lot of hot air and people just talk about their own things without caring about what others say. After that, it is the end of the matter, so how can one possibly learn

anything? If Members can put things into practice after speaking, they will know if their suggestions are practicable and whether their propositions are feasible. However, after they have made suggestions, the Government does not heed their views at all and all that Members do is to blow hot air, so how possibly can we groom talents? How can policies meeting the needs of society be formulated by following members' ideas? This is totally impossible and therefore totally meaningless.

Today, the Government proposes that half of the expenses incurred by candidates be subsidized. President, I think such a course of action is meaningless because it is a half-baked measure. It will not be able to attract more candidates to run in the elections. Since the amount of money is \$10,000 on average, how great a purpose will it serve? They still have to find more than \$10,000 or close to \$20,000 on their own to settle the outstanding amount, so it is really not at all meaningful. Although the Government has made it very appealing, saying that this represents another step forward, I think doing so amounts somewhat to a waste of public funds. What I mean by a waste of public funds is that the results so achieved will not be great, therefore, I think this will become a waste of money. I think that in spending a sum of money, there must be value for money and doing so must be meaningful. If there is no particular value for money or meaning — the only value for money is that we know the candidates will be able to save a little money in this year's elections but apart from this, there is little meaning. Some people may ask if saving some money is not already meaningful. However, this is not the Government's aim and only by greatly enhancing the degree of participation by society will doing so be meaningful. If this end cannot be achieved, what meaning can there possibly be?

Therefore, in view of such an insipid policy, Members' responses today are most lukewarm because this policy is really insipid, yet it would also be a pity to abandon it altogether. Therefore, it does not matter whether a bills committee is established to scrutinize it or not. I believe the Government should not do so many things of this sort, rather, it should do some practical and constructive work. Just as the Chinese Government often says, any work must be constructive. Since this sort of work is totally not constructive, what is the point of doing it? Rather, I think the Government should take this opportunity to carry out a major review of the overall operation of DCs. For the time being, I am not going to take the Government to task for the pledges it made last year on making improvements to the DCs because it is only empty talk and those

improvements are a sham because there has been no real change. I think it will be meaningful only if the Government can really examine the entire structural problem, including the ambit and composition of DCs.

President, perhaps one may say that I have taken today's opportunity to expatiate on something else, however, since the Government has made such high-sounding claims, I cannot help but take this opportunity to express some of my views.

President, I so submit.

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

MR ALBERT CHAN (in Cantonese): President, on this Amendment Bill today, it is not quite right to say that it does not have any value, yet it is certainly also not right to say that it has value because basically, insofar as any expenditure, and the use of public funds in particular, is concerned, we must focus on what benefits the expenditure will bring to society.

In the '80s, when the Government introduced district administration and used the district boards as the vanguard, to create a great opportunity for furthering the education on democracy. At that time, the impression given by the district boards was that people at the district level can elect their own representatives through a system of elections to speak for them in these representative councils.

Twenty-seven years have passed in a wink and I have been a DC member for nearly 22 years. When it comes to seniority as a DC member, in this Council, apart from Mr LAU Wong-fat, I should be the one with the greatest seniority. Just now, I mentioned Mr LAU Wong-fat when I was bantering with Martin and I said that although I am the most senior when it comes to DC membership, age-wise, Mr LAU Wong-fat should be the most senior in this Council.

On the development of representative councils, I can see that the DCs are becoming more and more corrupt. Even though they are not yet on the brink of collapse, transfers of benefits and under-the-table deals can be found in these

representative councils at the district level and even some members of the pro-democracy camp are involved. This is really lamentable. This is because by controlling the majority in various DCs, it is possible to control government funding and after controlling government funding, often, instances of obtaining benefits by dividing spoils will occur.

If Members look at the representative councils at the district level, there is hardly any instance of heated debate on issues relating to the people's livelihood and most of time, they are of course examining how to partition the tens of millions of dollars allocated by the Government. Some of it is used on public works, and some on district activities such as sports festivals, district festivals, arts festivals, and so on. In addition, part of it is used by DC members, for example, someone secured \$100,000 for a local Mid-autumn Festival night show and another obtained \$50,000 to organize local activities. The money so obtained will be used to buy gifts. Whoever is the organizer of the activities will give away the gifts in his own DC constituency by using the public funds to buy hundreds and even thousands of gifts, which will be given away in the constituency of the DC member concerned. In fact, many of the tickets for the activities are also distributed through the offices of these members. This is a kind of decadent behaviour, however, many DC members still revel in doing such things and the Government is also happy to let them use the public funds for such purposes.

I remember that in the '80s, people who served as district board members, particularly those who served as official district board members, would make financial contributions out of their own pockets besides devoting their efforts and caring about district affairs. However, nowadays, even the nature of these appointed members has changed. In the past, people serving as appointed members would donate tens of thousands of dollars to the organization of local activities and I have even seen donations amounting to \$100,000. The appointed members nowadays are the products of the division of political spoils. Perhaps due to the fact that a political party lending its support in the Chief Executive election, the party concerned could get a certain number of appointed seats. A member can get as much as \$34,000 monthly in remuneration plus office expenses. This amount of money will become resources for the development of the political party concerned at the district level because the DC members concerned will further their influence in their districts under the name of their political parties.

Any talk of district administration, of making achievements and of any beliefs such as promoting democracy have been completely disappeared in the last 10 or eight years. I believe that if anyone took some time to observe the meetings of the DCs, he will be greatly disappointed and may even find them most lamentable because the quality of the district administration by these so-called local representative councils at the district level is a very agonizing sight.

Ultimately, this is closely related to the powers and functions of the representative councils. Earlier on, some people made an appointment with me to discuss constitutional development in Hong Kong because they were drawing up some proposals on the political system. I raised a very fundamental issue and that is, the problem with the Legislative Council and the DCs in particular, is that they have power but do not have to bear any responsibility.

In fact, the DCs do not really have any solid powers, however, as representative councils, in offering advice on matters relating to their districts, they will to some extent have some influence on government departments, and the greatest problem lies in not having to bear any responsibility. After obtaining tens of millions of dollars, the DC members spend it on gifts and after bathing in the limelight, all parties are happy and members of the public who got the gifts are also happy and next time, they will surely vote for these DC members. However, little improvement or contribution is made to the development of the district concerned, to the development of urban planning, to the road problems, to environmental problems and to enhancing the quality of the living environment.

Therefore, in order to turn the DCs into a genuine institution for district administration and to restore the spirit of district administration as advocated or vaunted by the Government in the '80s, it is necessary to confer actual administrative and management powers on the DCs. Let us put aside the Town Planning Board or the outline zoning plans for the time being. In overseas countries, there are many municipal councils and municipal governments with actual powers and some cities and towns even have the power to appoint police officers, whereas actual local expenditures such as that for road construction are under the charge of the local government.

Of the six powers and functions of the DCs in Hong Kong, four of them are advisory and the other is to provide cultural and recreational activities,

whereas the sixth one is the implementation of minor improvement works, so they do not have real district administrative power. If we want to confer district administrative powers on them, this is in fact very simple and it is only necessary to let them carry out some of the work done by the former Municipal Councils, such as street cleaning and approving the use of city halls and community halls — they can only approve the use of such facilities but they cannot use such facilities themselves.

Another issue that I wish to point out is that the Government now says that it wants to delegate the responsibilities relating to community halls to the DCs, however, this will again become another kind of privilege and another opportunity for dividing political spoils. This is because the DC members responsible for their management will of course reserve them in advance for the activities organized by their own groups and their ward offices will often get the best time slots. Moreover, they will use the funds of the DCs to organize activities for elderly people and in that event, they will again indulge in giving away gifts.

Therefore, if actual power is to be conferred on the DCs, as I have said, it is the power to carry out actual street management, deal with actual hawker problems, actual traffic congestions and actual illegal parking that should be given to the DCs. If DC members cannot do a good job, they should not blast the Government all the time. At present, the greatest problem is that people say we are blasting the Government all the time. We do so because we can sometimes see government actions that show its incompetence and low level of intelligence, as a result, we are feeling really angry as there is a total lack of common sense and the actions are completely out of touch with local communities and the general public. It does not even understand some very fundamental problems and it is even necessary for us to explain at length. Therefore, it is definitely necessary to confer actual administrative and management powers on DC members and if they cannot do the job well, they have to bear the responsibility instead of blasting the Government all the time. If members are given solid powers, then they should have actual responsibility, which is also real accountability. Not only should the representative councils hold others to be accountable, the members in them should also be held accountable to the public.

It is only through such a model of accountability, through the exercise of this kind of power and by assuming responsibility that real political talents can be groomed. Why is it that on the Mainland, the nurture of administrative and

management talents could be achieved so quickly in the last couple of decades? We can see that on the Mainland, insofar as the grooming of political talents is concerned, these talents are elevated step by step from being officials in villages, towns or cities. If they do a good job in cities and towns, they are elevated to the provincial level. If they do a good job at the provincial level, they are posted to the Central Government. Even the government of a small town at the local level has the power to manage public security, local development, economic development, the environment and through actual administration and governance, the people learn how to allocate funds and enhance administrative efficiency. Whether they are doing a good job and how much the life of the people has been improved can be seen from the actual results. However, the representative councils in Hong Kong do not have such powers.

These representatives of public opinion and these popularly-elected members do not have any such power. The power of the Legislative Council is also extremely limited — they are constrained by the Basic Law and it is as though their hands and feet had been chopped off, so they are virtually rendered "semi-handicapped", whereas the DCs have nearly become half-wits. Together with the transfer of benefits and the special status and benefits members carved out for themselves, these DCs have become corrupt beyond words.

This is most lamentable. In the past two decades, it would have been possible to take several steps forward in the development of district representative councils in Hong Kong. Such a situation is partly attributable to the Civil Service. Some Administrative Officers believe that if power is given to these representative councils, the power of the Director of Food and Environmental Hygiene will be curtailed and the power of officials in some ranks will also have to be curtailed. The Government itself is even more apprehensive. The Government in fact does not trust the people at all and it likes to cling to all powers and do whatever it likes without having to be accountable. Those people who mess up everything are still paid \$3 million or \$4 million a year and do whatever they like, thinking that they are very fine people and awe-inspiring. Such thinking is in fact also utterly corrupt. The refusal to trust the people, to be accountable and to carry out reform is arguably the cause of Hong Kong's regression.

In fact, the DCs are also regressing. Their powers and functions have not regressed, however, in their actual operation, one can say that the gumption in the early '80s is now totally lacking, nor can one see any improvement in terms

of quality. Therefore, President, this amendment today is just better than nothing and it looks as though that a step forward had been taken to some extent. However, when the entire framework, the entire system, the general atmosphere and all the values are regressing and have taken 10 steps backward, even if a step forward is taken in such a minor aspect, the purpose that this will serve is in fact also very insignificant.

President, later on, various officials will make more boastful claims and later on, when you let the "arch eunuch" continue to speak, he will also continue to make boastful claims and talk about the achievements in district administration. This is still the emperor's new robe — Mr CHEUNG Man-kwong loves to use such a figure of speech the most — the officials will still behave like this and they will continue to look at this issue with the attitude of "the emperor's new robe".

In saying all these, my aim is in fact to put them on record. President, in fact, we have made a lot of such comments in discussions on constitutional reform, particularly on reforms in district administration. However, this Government is still obdurate, still adopting the approach of dividing political spoils, so that everyone can carve out their own interests and obtain privileges and interests. It is even feeling very complacent, however, this approach of reaping personal gains is the root of the corruption of the entire system. Thank you, President.

DR KWOK KA-KI (in Cantonese): Madam President, I support the District Councils (Amendment) Bill 2006, however, we have to ask why it is necessary to propose this Amendment Bill. If the original intention is to enhance the accountability of the DC elections or the DCs, I think it is incapable of doing so. Of course, I cannot oppose this better-than-nothing amendment either.

Although my seniority is not as high as that of Mr Albert CHAN, I have also worked in the DCs for more than 12 years and have seen the changes in the Government's attitude towards the DCs and in its treatment of the DCs. What the Government and the Constitutional Affairs Bureau should have done is to further enhance the accountability, importance and composition of all the DCs as well as the degree of democracy in them. However, it is most disappointing that none of the foregoing has been achieved and so far, a considerable

proportion of members in them are still appointed. In view of the continuous progress made by Hong Kong society — before 1997, the district boards were composed entirely of popularly elected members — and the retrograde steps taken by the SAR Government after 1997, we have to express our extreme disappointment. Of course, in this Bill, no progress can be seen either.

Another issue is that if the DCs are to assume the mission of grooming political talents, it is of course impossible for them to do so at present. The sort of conditions put in place will determine the sort of people turned out. I believe there is no lack of political talents in Hong Kong; what Hong Kong lacks is a general political setting that the Government should create to enable political talents to emerge. At a higher level, the development of political parties can nurture a ruling party and make it possible for the political system to develop further, including the election of all Legislative Council Members and the Chief Executive by popular elections, the election of all key components of the Government by "one person, one vote", as well as the formation of a ruling team by a Chief Executive with public mandate, so that all of them can be genuinely accountable. Furthermore, due to the positive developments in both politics and political parties, political talents can be groomed in the DCs, so that they can scale the political ladder step by step. However, such a scenario has never become reality and the Government has been all words but no action. The Government, including Secretary Stephen LAM, has talked about how it attaches great importance to the DCs and political talents, however, not a single initiative conducive to this area has ever been taken. How many years do we still have to wait before the Government allows the DCs to develop in the right direction, including allowing all their members to be elected by "one person, one vote" and truly enhance the powers and functions of the DCs?

If Members still remember, when the Government abolished the Urban Council and Regional Council, it vowed with apparent sincerity to transfer all their important powers and functions (including financial power) relating to the people's livelihood or at the district level to the DCs in future. So far, this has still remained a lie. If we wait for the Constitutional Affairs Bureau or the Home Affairs Bureau to carry out reforms, I believe it is not surprising if we have to wait 10 or 20 years more. What I find disappointing is that the Government has stifled with its very own hands the opportunity to turn Hong Kong into a place with better governance and political talents and then made some false claims. This is what we find disappointing.

The amendment on this occasion is intended to provide greater incentive to candidates so that more people will be willing to run in elections. However, apart from running in elections, how are we going to further draw these political talents into the political circle? Has any major direction been laid down so that they can follow it? Is there any actual thing that we envisage they will be able to deliver? The answer is in the negative. On this sort of minor amendment, of course, it will not do to vote it down, however, if we vote in favour of it, doing so is tantamount to an act to confer greater power or hold greater hope. But the fact is far from it

Apart from expressing my disappointment and regret over the work on constitutional affairs and the irresponsible attitude of the Government, I do not know what else I can say. No matter what, the amendment today has to be passed because society has to move forward. However, this is only an insignificant step that cannot give Hong Kong better governance or better talents in governance.

I so submit. Thank you, Madam President.

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, I now call on the Secretary for Constitutional Affairs to reply.

SECRETARY FOR CONSTITUTIONAL AFFAIRS (in Chinese): Madam President, the District Councils (Amendment) Bill 2006 seeks to provide a legal basis for implementing the financial assistance scheme for DC election candidates. The Government tabled this Bill to the Legislative Council for scrutiny on 20 December last year. Today, upon the resumption of the Second Reading debate of this Bill, I wish to express my heartfelt gratitude to Members for their support and the views they expressed just now. I will now give my responses on several aspects.

Dr YEUNG Sum took the lead in asking what the attitude and policy direction of the SAR Government in respect of the development of political parties actually were. I wish to talk about three points in response to this.

Firstly, on the whole, we agree that constitutional development and the development of political parties in Hong Kong are interrelated and complementary. Political parties play an important role in Hong Kong society as they can absorb, digest and reflect public opinions and propose policy positions for the reference of the SAR Government in policy formulation. Through elections, political parties can join representative councils at various levels to monitor the Government. They can either play a role that complements the executive or exercises checks and balances. Therefore, on the whole, we believe that when the democratic political system in Hong Kong develops further, political parties in Hong Kong will definitely play a bigger role over time.

Secondly, I also have to make it clear that actually, we are fully aware that the "\$10 dollar per vote" financial assistance scheme proposed by us, be it at the level of the Legislative Council or the DCs, is a specific and technical measure. For example, the printing of the emblems of political parties or photographs of the candidates on ballot papers is also a concrete measure at a technical level designed to further encourage political parties and independents to participate in politics. These are measures that need to be taken, and they are supplementary measures.

Thirdly, I wish to mention in particular that today, a number of Members including Dr KWOK Ka-ki, Mr Albert CHAN and some others, have mentioned that the SAR Government should enhance the role played by the DCs and DC members in the constitutional framework and in the development of the SAR. I have to reiterate that this is also our overall strategy, therefore, in 2005, we put forward the proposals relating to the methods for selecting the Chief Executive in 2007 and for forming the Legislative Council in 2008. At that time, we proposed to incorporate all of the over 500 DC members into the two election methods, so as to enable people participating in political affairs as DC members to, on the one hand, play an important role in the selection of the Chief Executive, and on the other, represent the views and the residents in their districts in the formation of the Legislative Council by electing from among them several Legislative Council Members. This will also enable the second and third echelons of various political parties to have a chance to go up the political ladder. This has been our attitude throughout.

Even now, the SAR Government still hopes that the status of DCs and DC members in our constitutional framework can be elevated. Although the proposals tabled by us in December 2005 could not secure the support of two thirds of all Members, we will continue to implement all policies or measures by all means.

In the DC elections to be held in November 2007, we will add more directly-elected seats according to the increases in population in various districts and a total of five seats will be added, making the total 405 seats. We also hope to continue to encourage everyone to participate in political affairs at the levels of DCs and the Legislative Council.

Madam President, we also encourage people aspiring to playing a part in political affairs and serving the Hong Kong public to participate in political affairs at another level. We have put forward a proposal to further expand the system of political appointment and we have also completed a public consultation lasting several months. The views collected in the consultation are being analysed within the Government. After making adjustments to our entire set of beliefs, we will brief the Legislative Council and the public. This is also another dimension in encouraging more people aspiring to politics to join the ranks. In view of this, Members' suggestion that this "\$10 dollar per vote" financial subsidy scheme is insignificant may be correct, however, we have a set of beliefs and will also continue to take matters forward.

Madam President, let us come back to the functions of the DCs. In fact, we announced a package of proposals last year and also launched a Pilot Scheme in four DCs for them to participate in the management of district facilities starting from 1 January 2007, in which these DCs are allowed to assume responsibility for the management of some local facilities, such as libraries, swimming pools and community halls. Our executive departments will respect and follow the advice of these DCs as far as possible in the management of such facilities.

In response to the views of various Members, I wish to say in particular that I welcome Ms Emily LAU back to the legislature. I can see that she has completely recovered because she has displayed her usual force, that is, even though the Government has put forward a very proactive package of proposals, she still maintained that it was not proactive enough and that she wanted to lobby

for more for the sake of the public and people participating in political affairs. I wish to express my admiration for her proactive attitude.

Ms LAU asked if we had made reference to overseas practices in formulating this policy on such financial assistance schemes. We did and to give an example, such financial assistance schemes are implemented in Germany and Canada.

As regards Hong Kong, why is it necessary to cap the amount of financial assistance at 50%? This is because at the present stage of constitutional development, we believe the general public in Hong Kong expects a show of commitment from political parties for the electoral expenses incurred by candidates backed by them or from independent candidates for their own electoral expenses. At the present stage, with both sides shouldering half of the expenses, public funds can be used more reasonably to support individuals and people with political affiliations in participating in political affairs.

In fact, we greatly respect Members and the views expressed in the legislature. In the past two or three years, whenever this kind of financial assistance scheme was broached, Ms Emily LAU and other Members all bid me to consider it more seriously. For example, if candidates receive financial donations or if the political parties or groupings who back them have already given them financial support, should they be allowed to use the money more freely? After giving this matter thorough consideration, we also subscribe to this view. Insofar as the Government is concerned, we will foot 50% of the electoral expenses incurred by candidates. As regards the donations they obtain from other sources, such donations can be spent as electoral expenses and if there is any surplus, it can be used to finance the candidates' work in their districts in future. We also accept this arrangement in principle. Therefore, we have also made arrangements accordingly in the amendments on this occasion.

As regards Ms Emily LAU's query on whether the rate of \$10 per vote was appropriate, we have in fact made reference to the electoral expenses of various candidates in the 2003 DC Elections and have also looked at the financial situation of various candidates running in the Legislative Council Election of the third term in September 2004. In total, there were about 3 million electors in each of the two elections and each candidate had to communicate with the electors in their constituency. On average, Madam President, the electoral

expenses incurred by each candidate in the two elections amounted to about \$20 for each vote from the voters in his constituency. Therefore, it is appropriate to set the financial assistance at 50% and at \$10 per vote.

However, I am fully aware that this financial assistance scheme constitutes only one step and our overall strategy is to enhance the functions of DCs, as well as enlarging the scope for political participation in the administrative structure of the SAR Government by increasing the number of seats and expanding our system of political appointment. We will continue to promote these measures and policies.

Madam President, after the passage of this Bill, the Electoral Affairs Commission will formulate the relevant regulation to provide for the detailed procedures of operation of the financial assistance scheme, so as to put in place such a scheme in time for the DC elections to be held at the end of 2007.

Madam President, I implore Members to support the Second Reading of the Bill. Thank you, Madam President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the District Councils (Amendment) Bill 2006 be read the Second time. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CLERK (in Cantonese): District Councils (Amendment) Bill 2006.

Council went into Committee.

Committee Stage

CHAIRMAN (in Cantonese): Committee stage. Council is now in Committee.

DISTRICT COUNCILS (AMENDMENT) BILL 2006

CHAIRMAN (in Cantonese): I now propose the question to you and that is: That the following clauses stand part of the District Councils (Amendment) Bill 2006.

CLERK (in Cantonese): Clauses 1 to 16.

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

(No Member indicated a wish to speak)

CHAIRMAN (in Cantonese): I now put the question to you as stated. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

CHAIRMAN (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CHAIRMAN (in Cantonese): Council now resumes.

Council then resumed.

Third Reading of Bills

PRESIDENT (in Cantonese): Bill: Third Reading.

DISTRICT COUNCILS (AMENDMENT) BILL 2006

SECRETARY FOR CONSTITUTIONAL AFFAIRS (in Cantonese):
President, the

District Councils (Amendment) Bill 2006

has passed through Committee without amendments. I move that this Bill be read the Third time and do pass.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the District Councils (Amendment) Bill 2006 be read the Third time and do pass.

PRESIDENT (in Cantonese): I now put the question to you as stated. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CLERK (in Cantonese): District Councils (Amendment) Bill 2006.

MOTIONS

PRESIDENT (in Cantonese): Motion. Proposed resolution under the Interpretation and General Clauses Ordinance to repeal the Air Pollution Control (Volatile Organic Compounds) Regulation.

PROPOSED RESOLUTION UNDER THE INTERPRETATION AND GENERAL CLAUSES ORDINANCE**SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS:**

Madam President, I move that the resolution as set out on the Agenda be passed. The resolution is to repeal the Air Pollution Control (Volatile Organic Compounds) Regulation (the Regulation), which was tabled for negative vetting at the Legislative Council meeting on 29 November 2006.

I feel obliged to emphasize here that this action does not signal any softening of the Government's firm commitment to tackle air pollution in accordance with our original timetable, the repeal is merely responding to the request by members of the Subcommittee of the Legislative Council to have more time for a more thorough discussion on the Regulation. I wish to reiterate that the Government intends to commit to the commencement date of the Regulation on volatile organic compounds (VOCs) control on 1 April. Let me take this opportunity to elaborate on the background to the making of this Regulation, and explain why controlling VOC is vital in cleaning up the air in Hong Kong.

VOCs, or volatile organic compounds in full, are gaseous substances emitted from motor vehicles and found in a wide range of products, including solvent-borne paints, printing inks and many consumer products. VOCs play a significant role in the formation of ozone and very small particles in the atmosphere called PM_{2.5}, which are particles of a size smaller or equal to an aerodynamic diameter of 2.5 micron.

Under sunlight, VOCs react with nitrogen oxides to form ozone through a photochemical process. Ground level ozone is a highly reactive gas, and when in high concentration, can irritate the eyes and bring upper and lower respiratory symptoms to healthy people. There is scientific evidence that prolonged exposure to high concentration of ozone may cause permanent damage to lung tissue and therefore interfere with the functioning of the immune system.

Recent scientific study has shed light on the effect of the very tiny particles PM_{2.5}. These particles can penetrate deeply into the lung and interfere with the functioning of the respiratory system. In addition to affecting people's health, it also shapes people's perception of the environmental conditions, since it scatters light and is the major component of smog that causes degradation in visibility.

To improve the air quality of the Pearl River Delta Region, the Hong Kong Special Administrative Region Government and the Guangdong Provincial Government have reached a consensus in April 2002 to reduce, among other air pollutants, the regional emissions of VOCs by 55% by 2010, using the emission levels at 1997 as a base. Achieving the emission reduction targets will enable Hong Kong to meet its current air quality objectives. This will also significantly improve the smog problem.

The Joint Study on Pearl River Delta Region Air Quality in 2002 has identified paints, printing industry, VOC-containing consumer products and motor vehicles to be the four major VOC sources in Hong Kong. Their respective shares are 30%, 13%, 24% and 25%, adding up to a total of 92% of the total VOC emissions in 1997.

The Government has been implementing a series of programmes to reduce VOC emissions. Legislation was enacted in 1999 to require petrol filling stations and petrol delivery vehicles to be equipped with vapour recovery systems to reduce VOC emissions during petrol unloading. The control was later extended to vehicle refuelling at petrol filling stations. To control VOC emissions from motor vehicles, we have been tightening the emission standards of motor vehicles in tandem with the EU requirements. Through these measures, VOC emission in Hong Kong in 2005 was reduced by 26% as compared with 1997. However, we still need to take further action to reduce VOC emissions from paints, printing industry, and selected consumer products in order to achieve the 55% reduction target by 2010. These areas are so far unregulated, and the Regulation, when implemented, is estimated to further reduce local VOC emissions by 15% from the 1997 emission level.

Our objective is to devise a cost-effective and practicable scheme to control these emissions. Much effort has been made by the Government, the trade and the Legislative Council to achieve this. Let me recapitulate the developments to underline this point.

In September 2004, the Government launched a consultation on a two-stage control programme on VOCs. The first stage would be a mandatory registration, testing and labelling scheme for products containing VOCs. The consultation paper made it clear that the Government would consider whether and when to initiate the second stage control by way of statutory limits on the VOC content of products two years after the first stage control has been implemented.

During the initial public consultation in 2004, the affected trades raised a lot of concerns about imposing controls on their products. The Legislative Council Panel on Commerce and Industry and the Retail Task Force also voiced grave concern on the regulatory impact on the small and medium enterprises (SMEs) and their employees. To develop an effective scheme yet addressing the concerns of SMEs, we subsequently set up four working groups with the affected trades to explore on various options. We have met with trade associations, green groups, individual suppliers and retailers on more than 50 occasions. In addition, information was sought from overseas authorities, manufacturers, consumers and trade unions on their practices on VOC control. Consensus was reached by the end of 2005, which forms the basis of the Regulation now being considered by the Legislative Council. Instead of labelling, the trade agreed to leap-frog to the second stage control directly on 1 April 2007 after the Administration agreed to adjust the scope of product coverage and impose liability only on importers and manufacturers, who are well placed to implement the requirements. Importers and manufacturers found to import or manufacture products breaching the Regulation are liable to a maximum fine of \$200,000 and imprisonment of six months. As regards the retail sector, which comprises a substantial proportion of SMEs, the Air Pollution Control Ordinance already empowers the authority to ask for information on the origin of goods that are found to contain VOCs in excess of the limits specified under the Regulation. The information thus provided would enable enforcement action to be undertaken under the Regulation against the importer or the manufacturer. Should the retailers fail to disclose information on the importers or wholesalers of the goods they are selling, they will be liable to a maximum penalty of \$50,000.

The current Regulation therefore represents a fine balance between the need to control VOC emissions and to avoid causing excessive hardship to the normal conduct of business and employment. The adoption of the very

stringent VOC limits for these products will place Hong Kong among a handful of environmental regulatory authorities in the world with a comprehensive VOC control programme.

Specifically, the Regulation, when fully implemented, will help reduce about 8 000 tonnes of VOCs. And together with other policy measures, we are confident that the 2010 emission reduction target will be achieved on time to alleviate some of our smog problems.

Turning to the details, the Regulation covers products manufactured locally or imported either by sole agents or parallel importers, for sale or consumption at the local market. The objective is to control these products at source. This will be most cost-effective. In the paper submitted to the Panel on Environmental Affairs on 28 November 2005, it was clearly stated that the Government did not propose to impose liability on retailers, except that they should provide accurate information regarding the origin of products sold when required. Members of the Panel did not raise any objection then. In fact, the Administration was commended by members for having taken on board the trades' views and made the control programme more practicable.

Now that the Regulation is tabled for negative vetting, some Legislative Council Members have brought up new issues and suggested that the regulatory regime and liability be extended to retailers. While we respect the wish to strengthen enforcement even further, we consider it inappropriate to introduce such a major policy change after extensive and full consultation with the trades and the Panel on Environmental Affairs. It will damage the trust amongst the trades, who gave consent to leap-frogging in good faith, the Administration and the Legislative Council. It will also inevitably delay this much-needed Regulation to improve our air quality, since it will take considerable time to consult the retail trades again and the outcome of such discussion will most likely be negative in view of the deviation from the consensus previously reached. A more appropriate and prudent way forward would be to review the need for tightening up control after implementing the Regulation for a period of time.

When making her report at the House Committee on 5 January 2007, the Honourable Audrey EU made it clear that the Subcommittee did not object in principle to the Regulation. The Subcommittee would also continue the discussion with the Administration with a view to having an improved Regulation in place before 1 April 2007, that is, the original commencement date of the Regulation. We welcome this commitment and the Administration will make

our best efforts to ensure that the Regulation will be implemented on time without further delay.

Finally, I would like to take this opportunity to thank the Chairman and all members of the Subcommittee for their time and efforts in examining this Regulation. I believe that in spite of our differences on some technical issues, both the Legislative Council and the Administration remain firmly committed to improving our air quality in a timely manner.

Thank you, Madam President.

The Secretary for the Environment, Transport and Works moved the following motion:

"RESOLVED that the Air Pollution Control (Volatile Organic Compounds) Regulation, published in the Gazette as Legal Notice No. 258 of 2006 and laid on the table of the Legislative Council on 29 November 2006, be repealed."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by the Secretary for the Environment, Transport and Works be passed.

MS AUDREY EU (in Cantonese): I would like to speak first in my capacity as Chairman of the Subcommittee on Air Pollution Control (Volatile Organic Compounds) Regulation (the Subcommittee) to support repealing this Regulation.

At the House Committee meeting on 1 December 2006, it was decided that a Subcommittee be formed to study the Air Pollution Control (Volatile Organic Compounds) Regulation (the Regulation). The main objective of the Regulation is to prohibit the manufacture and importation of certain regulated products if their volatile organic compounds (VOCs) contents exceed the maximum limit prescribed by the Regulation. To allow sufficient time for the Subcommittee to scrutinize the Regulation, a resolution was moved and passed at the Council meeting on 20 December 2006 to extend the scrutiny period to 17 January 2007, that is, today.

The Subcommittee held two meetings in which interested persons were invited to give their views on the Regulation. The Subcommittee supported the Regulation in principle, so as to improve the air quality. However, in examining the Regulation clause by clause, members noted certain technical issues in which discrepancies of wordings used in drafting were identified; and on the other hand, there was the issue mentioned by the Secretary just now on whether the ambit of the Regulation can be extended. Owing to the time constraints, the authorities agreed to repeal the Regulation, and the Subcommittee had already tabled a report to the meeting of the House Committee on 12 January.

President, next, I would like to make a few supplementary remarks on the Regulation in my personal capacity.

First of all, both the Civic Party and I must commend the Government for having done very well in certain aspects. In particular, when the Government first released the consultation paper in November 2004, it suggested reducing the pollution caused by VOC emissions in two stages, first through labelling and then by specifying the maximum limits. Later, after conducting very thorough consultation with the trade, the Government not only eased objections in the trade, but also advanced the schedule and brought certain products under control in one stage by prescribing the maximum VOC content of such products. I think the Government has done very well in this regard.

However, on other hand, I find something most regrettable. Actually the discussion in the Subcommittee has progressed very well, and both Members and the Government have been very co-operative. We do not only support the objectives and the content of the Regulation, but as I have said, we also at the same time strongly support the expeditious implementation of the Regulation on 1 April. However, due to the emergence of the problems mentioned by me earlier on, and mainly because of the holidays during the process as well as the fact that the Regulation was tabled for negative vetting, we had only very little time to examine it. So the most appropriate course of action was for the Government to repeal the Regulation tentatively. But Members will act expeditiously and co-operatively by carrying on with the deliberation of the relevant problems in conjunction with the Government.

I feel most sorry that, on the following day of the second meeting, the *South China Morning Post* reported that an anonymous official had told a

reporter that Members of the Legislative Council opposed the reduction of pollution caused by VOC emissions. This was totally untrue. Anyone who was present at the meetings or anyone who had listened to the recording of the meeting proceedings would know that this was absolutely not the mindset of Members. Although the Secretary said in her earlier speech that the Government had told the Panel on Environmental Affairs that the Regulation would not cover the regulation of the retailing aspect, and only the importation and manufacture of such products would be subject to such regulatory control, members already mentioned during the scrutinizing process that they hoped that further efforts could be made to perfect the Regulation. Therefore, the Government should not release information anonymously to the effect of saying that Members opposed or even intended to delay the implementation of the relevant environmental protection measure.

Therefore, President, I find it necessary to bring up this issue in particular, and hope that the Secretary can clarify in her later speech that the report in question does not represent the Government's position in any way, and that she can confirm that Members did in fact offer their best co-operation.

President, I still wish to add one more point. In the House Committee meeting of last week (12 January), the Subcommittee was actually re-established right away and a date had already been fixed (a meeting already scheduled earlier on) to continue with the examination of the Regulation, so as to tie in with the Government's timetable. I am confident that the examination can be completed before 1 April, and the scheduled date for the implementation of the Regulation would not be delayed.

With regard to the Secretary's opinion mentioned just now on the scope of the Regulation, I absolutely agree with what she said, that is, we may first proceed with the gradual scrutiny of the Regulation and then review its scope only after the next consultation has been completed. This is in fact one of the areas that can be discussed, and it does not mean that Legislative Council Members have the intention of delaying the Government's active work in environmental protection. As a matter of fact, I believe the Secretary will know it very well that we were purely affected by the time constraints at that time, and that was the reason for our inability to thoroughly deal with and discuss issues raised by people from different sectors.

President, finally, I hope the Secretary can, in response to my request, clarify in her speech later that the Government has no intention whatsoever to criticize Members for deliberately delaying the implementation of the environmental measures, or delaying the implementation of the Regulation on VOC substances. I believe this can contribute to the improvement of the relationship between the executive and the legislature.

Thank you, President.

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

MR SIN CHUNG-KAI (in Cantonese): President, regarding this resolution, we are supportive. At the moment, it is just repealed tentatively. I would like to urge the Government to complete the work as soon as possible; or it should expeditiously table the amended resolution after our Subcommittee has completed the examination of the Regulation.

I would like to reiterate that the Democratic Party supports both the spirit of the original motion and the Regulation in general. Of course, when the Government first came to the Panel to brief us on the issue, it did not mention that the regulated areas just mainly covered the import and export aspects. With regard to the retail aspect, as far as I understand it, the Government had explicitly stated that it did not intend to impose any regulatory measures on it. However, when we proceeded to examine the Regulation clause by clause, we discovered the existence of this loophole. As Members, we feel that — of course, we also have to be responsible for the issues that we had previously agreed on — if we do find some loopholes in the regulatory scheme when we came to the final stage, I believe we still have the responsibility to raise some questions or suggest some measures regarding such loopholes.

This may serve to illustrate one point, that is, the Bureau had held five to six meetings with several industries beforehand and completed all the consultation. I believe the Government had done a lot of work before it could achieve the present results. When the Regulation progressed to the final stage, time was running short. So frankly speaking, the Government really hoped that the Regulation could come into effect on 1 April. But I still remember that the

situation was more or less like this: The deliberation on the Regulation was completed on that day, and a report had to be tabled to the House Committee right on the following day. There are tens of clauses in a regulation. If we had to scrutinize the Regulation clause by clause, in fact we really cannot complete the deliberation on that day. But still we had to keep on doing the work. However, this was not the most important question. The most important point was, we could of course support the Regulation *per se*, so long as we could not detect any problem. But once we had detected some loopholes, I think we could not refrain from bringing them up.

However, as Ms Audrey EU mentioned just now, when we came across media reports afterwards, we felt that there were signs of provocation and the Government seemed to be openly "provoking us to a fight". In my opinion, our partners in the Government should be more prudent. We are generally and explicitly supporting the original resolution. However, if there are some problems with it, we cannot simply shut up and turn a blind eye to the problems.

I would now reiterate that we support the Government in repealing the resolution. However, we hope that the Government can work co-operatively with our Subcommittee and proceed expeditiously to complete the examination of the Regulation and see whether there are essential amendments that must be made and then table the new Regulation to this Council. I hope we can shorten the time required for the process, and I also hope that we can work hard to obviate the need to postpone the actual date of implementation of the Regulation.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): If not, I shall now call on the Secretary for the Environment, Transport and Works to reply.

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS
(in Cantonese): I believe this matter has reflected the importance the community at large has attached to environmental protection, for we have discussed this

piece of legislation for over two years during which different trades were involved, in particular, enormous discussion has been conducted on consumer products.

Many people are very concerned about the date of 1 April because they have to stock up in advance before the commencement of this law. Any delay will thus make a far-reaching impact. It is because many people have stated that the new stocks are far more expensive than the old stocks that are not environmentally-friendly. This is thus very important to the operation of a trade or a commercial society.

Meanwhile, this has also introduced another problem, that is, this legislation is subject to negative vetting, which means that the time is pressing. Although discussion has already spanned over two years, if this is necessary in terms of procedure, we wish we can go through this in the shortest time possible. Thus, when news broke that the Government had to withdraw this Regulation, many would naturally feel very anxious. I believe many Members have also received many telephone enquiries on why it has to be delayed, and thus in reply they might have possibly stated that because the Bill was negated by the Legislative Council and thus had to be repealed for the time being. I clearly reiterated when I read out the motion just now that the Government absolutely does not want any further delay on the commencement date of this law but to have it implemented on 1 April.

As to the questions of what misunderstanding is involved, how the media reported the information and the approach adopted by the media, they only reflect how anxious they are about the matter, and the response of my colleagues is just purely a reflection of their thinking. With respect to these questions, I believe it is impossible to request the Secretary to conduct a thorough investigation into each and every one of them as there are so many views expressed in the newspaper every day and I have given a clear explanation in my speech just now. Thank you, President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by the Secretary for the Environment, Transport and Works be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

MEMBERS' MOTIONS

PRESIDENT (in Cantonese): Members' motions. Two motions with no legislative effect.

First motion: Policy on conservation of monuments.

POLICY ON CONSERVATION OF MONUMENTS

MS AUDERY EU (in Cantonese): President, I move that the motion, as printed on the Agenda, be passed.

I am very pleased to have two motion debates today which, like a pair of twin sisters, are about the impacts of town planning on the public. They reflect the fact that the Government's urban renewal policy as well as the controversy over the demolition of the Star Ferry Pier clock tower have stirred up public emotions, and to a certain extent, sparked a public outcry. The scene of the severed clock tower being lifted by the crane was indeed most unforgettable. Having witnessed that moment from television broadcast, tens of thousands of Hong Kong people instantly came to realize what the Chief Executive Donald TSANG had meant by "strong governance" on "specific issues with evident results". On the one hand, he failed to build the West Kowloon Cultural District, but on the other, he could have a piece of our cultural heritage demolished and disposed of at the landfill just overnight. In fact, the reflections triggered by the demolition of the Star Ferry Pier clock tower are only beginning to gestate. Hopefully, the debate today will help initiate a new round of more in-depth discussion in the community.

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

Actually, it is rather pathetic to call it "a new round of discussion". The public has been discussing this issue for many years now, yet the Government has kept procrastinating. Let us do some simple arithmetic. Eight years ago, in 1999, the Chief Executive undertook in the policy address to review the existing heritage policy and related legislation. Yet, it was not until February 2004 that the first consultation paper was released. In addition, no specific date was fixed for the second phase of consultation.

Later on, in November 2004, this Council held a debate on heritage conservation policy in response to the imminent demolition of the Central Police Station Compound and part of the edifice of the Victoria Prison. Secretary Dr Patrick HO stated clearly in the remarks he made on that occasion that, hopefully the second phase of the public consultation exercise would be carried out in 2005. So what happened? It turns out that the hope has become a disappointment. Since 2005, the Government has kept procrastinating. It is the extensive social repercussions resulting from the demolition of the Star Ferry Pier in the end of 2006 that prompted the Government to hastily release a press release with an undertaking of publishing another consultation paper in the middle of this year.

Let us do some calculation. In the eight years from 1999 to 2007, the Government has published just one consultation paper, with only a handful of pages. The content of the paper does not even compare with the position paper prepared by non-government organization, The Conservancy Association, in October 2003. Apart from asking the public some abstract questions, the government consultation paper primarily asks the public just one question: How much are they prepared to pay for heritage conservation. No wonder the public has found it hard to respond to it in concrete terms. During this interim, what the public has witnessed are: the demolition of Central Market; the sale of Wan Chai Market; the undecided fate of the Government Hill; the transformation of the Marine Police Headquarters Compound into a hotel and shopping arcade; the much less inspiring transformation of the Stanley Police Station into a supermarket; the demolition of the Star Ferry Pier and the volte-face from "reprovisioning" to "disposal" of the clock tower, which was finally buried at the landfill.

All along, we can see from the Government's track record that it has never had any comprehensive heritage conservation policy at all. Instead of gaining an in-depth understanding of the meaning of heritage conservation, the Government narrowly interprets heritage conservation as protection of buildings

with artistic value built in certain specific years. In fact, the Star Ferry Pier incident has shown that the younger generation has got a sense of belonging to Hong Kong, and these are people trying to search for their own identity, build a local culture, defend public space, and take part in town planning. That is why I described the two motion debates today as a pair of twin sisters, because both of them share the same concern.

The Government must have a cultural vision in order to come up with a cultural policy. It has to acknowledge that conservation is the basis for, instead of a hindrance to, sustainable development, and it must get rid of the mentality of judging everything only in monetary terms. Whenever conservation is put on the agenda, the Government would tell you the money value of a piece of land per sq ft. The Government is convinced that development is the hard principle, so they are committed to demolishing old buildings with characteristics and replace them with high-rise buildings, curtain-walled shopping arcades and groundscrappers of identical design. Last year, when we discussed the issue of the Tamar site in this Council, the Civic Party demanded the Government to explain the future plan for the Government Hill, but the Government had only undertaken to conserve a *Pterocarpus indicus*. Looking the matter from the perspective of development, colleagues from the Liberal Party suggested that particular piece of land was worth over \$30 billion. Anyway, news has it that the Government is now prepared to resume discussion on the conservation of the Government Hill. If this is true, I believe the Star Ferry Pier incident should have awakened some people.

Naturally, apart from having a cultural vision and a cultural policy, it is also necessary to have resources, guidelines and involvement. Therefore, the motion moved by me today consists of three parts. First, we urge the Government to establish a monuments conservation fund to better conserve both public and private monuments; second, to formulate proper consultation procedures setting out the cost-effectiveness of various conservation options; and lastly, to enhance the participation of District Councils, professional bodies and resident groups. In other words, the existing mechanism will need to be overhauled. The Government must no longer dictate or dominate the mechanism of consultation, the planning procedures or the various heritage conservation options; instead, the involvement of different sectors of society must be enhanced. Most importantly, the Government must take the lead by setting up a monuments conservation fund in a bid to change the *status quo* with concrete actions.

Secretary Dr HO has published some articles in the newspapers recently admitting the inadequacy of the existing legislation. According to the Antiquities and Monuments Ordinance, the Government could declare a building a monument to prevent it from being used for other development purposes.

However, to date, there are only 80 declared monuments all over the territory. As a matter of fact, of the 8 000 plus pre-war buildings, only less than 500 have been classified as Grade I, Grade II or Grade III monuments by the Antiquities Advisory Board (AAB). However, being classified as a Grade I or Grade II monument has no real meaning, when the Government is not financially committed to their conservation. Property owners can apply for a demolition permit, and this is all it takes to have these buildings pulled down. Although the Government purchased Kom Tong Hall for more than \$50 million and converted it into the Dr Sun Yat-sen Museum, this is an exception rather than a general rule.

Furthermore, many experts have criticized the existing mechanism for using the age of a building as the sole criterion for monument classification, and that it normally only conserves a single building, not an entire street or an entire community. Moreover, the AAB lacks transparency. Sometimes even the Board members themselves are kept in the dark. They have even missed online the expert report on the clock tower of the Star Ferry Pier. No wonder so many critics are questioning the integrity of the Government.

The existing legislation and mechanism have been in place for more than 30 years, reflecting a general mentality of commercial-lead and development-orientation. The point is, 30 years have passed, yet we are still discussing how the system could be revised, whereas many people are still trying to tackle the problem by using the conventional line of thinking. Whenever people ask: Can we conserve this monument? They would reply: Where does the money come from? Even the Chief Executive said the same thing in the policy address released recently: it is all about funding. We all know that Hong Kong is not a poor community, but then how much are we prepared to pay for conservation? If we continue to consider the matter from this perspective or from a commercial perspective, then resident groups and non-government organizations are definitely no match to the consortia. Does this mean that all our historic monuments must be pegged to commercial development? Is conversion into supermarkets and hotels the only way for historic monuments to keep surviving?

There is a popular English saying "Put your money where your mouth is", meaning that lip-service is never sufficient, whereas getting things done often requires resources. The Government must not remain non-committed in this regard. Therefore, the Civic Party proposes the establishment of a monuments conservation fund to go with a new heritage policy to provide financial support to efforts on heritage conservation. The specific operation of the fund can be flexible. Take the United Kingdom's English Heritage as an example, they have diversified income sources. Apart from revenue generated from admission fees, they also have government provisions, donations from private parties, individual and corporate members, even funding from the lotteries fund. The non-government body, National Trust, adopts a membership scheme too; they even have their own brand of credit card to generate more income. There are other measures, which I mentioned just now, as well as measures that are mentioned in the amendments to the motion today, such as transfer of plot ratios, land exchange, co-operation between the public and private sectors, and so on. These are measures that have the support of the Civic Party too. Furthermore, any heritage conservation system must have a high degree of transparency setting out in detail the cost-effectiveness of different options. As regards factors to be taken into consideration or guidelines to be adopted, there are in fact many international experiences from which reference can be drawn, such as the early Venice Charter of 1964, the Burra Charter and the China Principles of 2000. All of these can be used as reference. The Burra Charter lists a number of factors including artistic factor, historic factor, scientific factor and social factor. Social values refer to a specific building or a specific place that encompasses the spirits and sentiments of a particular group of people or community politically, nationally and culturally. "Collective memory", which everybody has been talking about lately, is actually part of the social values.

The biggest problem, as highlighted by the Star Ferry Pier incident, is that although the Government says it has been conducting consultation for five years, many citizens were completely unaware of that. Even Members have found it hard to tackle issues of this type, because very often the Government would put it in a bundle and ask for Members' support for a project, of which the demolition of a historic monument represents only a small part of the project. Members may support the project on the whole but not the demolition. Therefore, we suggest that conservation of monuments should be handled independently as soon as possible. As regards how to extend the scope of consultation and how the public can participate in conserving our history and culture, Members from the

Civic Party will explain in greater details later in the speeches they make. Thank you, Deputy President.

Ms Audrey EU moved the following motion: (Translation)

"That, as the demolition of the Central Star Ferry Pier by the Government has aroused wide concern in the community, which reflects an increasing public awareness of and participation in the conservation of monuments, preservation of cultural environment and good town planning, this Council urges the Government to:

- (a) establish a monuments conservation fund to enhance the conservation of monuments;
- (b) formulate codes for the evaluation of social benefits and proper consultation procedures setting out in detail the cost-effectiveness of various options and their impact on monuments, having regard to the preservation of collective memories; and
- (c) enhance the participation of such concern groups as District Councils, professional bodies and resident groups in the decision-making process of town planning."

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

DEUPTY PRESIDENT (in Cantonese): Mr WONG Kowk-hing, Dr KWOK Ka-ki, Miss CHOY So-yuk and Dr YEUNG Sum will each move an amendment to the motion. Mr Howard YOUNG will move an amendment to Mr WONG Kwok-hing's amendment, whereas Mr Albert HO will move an amendment to Dr KWOK Ka-ki's amendment. The motion and the amendments will now be debated together in a joint debate.

I will call upon Mr WONG Kwok-hing to speak first, to be followed by Dr KWOK Ka-ki, Miss CHOY So-suk, Dr YEUNG Sum, Mr Howard YOUNG and Mr Albert HO, but no amendments are to be moved at this stage.

MR WONG KWOK-HING (in Cantonese): Deputy President, protection and conservation of antiquities and monuments has become a hot topic in the society recently. As the demolition of the Central Star Ferry Pier last month has aroused extensive concern in society, now is high time we considered seriously how to strike a balance between urban development and monument conservation. Since 2004, a number of historical buildings that have witnessed the growth of many people in Hong Kong over the past few decades have been pushed into the impasse of demolition one after another, from Kom Tong Hall to the Central Police Station Compound, the Victoria Prison and the Star Ferry Pier.

Today, I proposed an amendment to the motion on the policy on conservation of antiquities and monuments in the hope that the general policy on protection and conservation of antiquities and monuments will become more specific and more comprehensive. There are six main points in the amendment proposed by me, including the formulation of a timetable for amendments to the Antiquities and Monuments Ordinance (AMO); the establishment of an antiquities and monuments conservation fund; the formulation of criteria for the preservation of collective memories, community sights and regional cultural characteristics; the establishment of a mechanism for more public participation in town planning and community redevelopment; draw from the successful experience of overseas countries and the neighbouring regions to promote individuals, enterprises and communities sponsorship policies for revitalizing and rejuvenating antiquities and monuments. My colleague, Miss CHAN Yuen-han, will further elaborate on other possible measures for the protection of historical buildings by such means as land exchange and transfer of plot ratios.

Deputy President, it has been many years since the existing AMO was last amended, and its provisions are outdated. Therefore, now is high time to conduct a general review of the AMO. Given the heightened public awareness of protection of antiquities and monuments, now is high time to formulate a comprehensive policy on the protection and conservation of Hong Kong's surviving antiquities and monuments, which are the "roots" of Hong Kong.

Recently, the Government has listed 496 buildings which have been classified as historical buildings of different gradings. However, conservation efforts have been made complicated and difficult due to the fact that ownership of many of these buildings does not rest with the Government. Private owners are

generally concerned about safety issues as the buildings are getting more and more dilapidated. On the other hand, stakeholders of the property hope that they could improve their living conditions with the compensations they receive from redevelopment. Therefore, there are certain difficulties to convince them to preserve and restore the historical buildings. In this regard, not only can the establishment of an antiquities and monuments conservation fund address this issue, it can also educate the public and encourage society to follow suit.

Deputy President, currently, the Government's consultation efforts on antiquities and monuments is largely dependent on the advice of the Antiquities Advisory Board (AAB). However, since there has been no comprehensive public participation with regard to the composition of the AAB, efforts on protection and conservation of antiquities and monuments have failed to produce evident results. Although the Secretary for Home Affairs has recently launched a consultation exercise on antiquities and monuments with an undertaking that membership of the AAB will be enlarged, simply enlarging the membership of the AAB will not achieve any significant effect. The problem is not only about the number of members, but about whether or not the consultation process is comprehensive, transparent, and whether greater public participation is enabled. For example, in terms of public participation, very often, the existing consultation channel does not provide for residents' and public participation before a community redevelopment project is carried out. Therefore, it is also high time we reviewed our strategy on community redevelopment.

Deputy President, with regard to making reference to sponsorship policies on antiquities and monuments implemented in countries such as the United Kingdom, the United States and France, at present, many countries all over the world are making greater efforts in protecting their individual cultural, history, architectures and customs and habits, with the objective of preserving the "root" to which they belong. Take the United Kingdom's Edinburgh monument sponsorship programme as an example, it allows local residents, schools as well as private organizations to sponsor the antiquities and monuments within the region. Sponsorship incurs the duties of management, reporting to the authorities on damages, acting as a docent, conducting research on antiquities and monuments that are little known, and designing visiting trails for monuments, and so on.

Another example is Rajasthan of India, which allows individuals, organizations and corporations to sponsor local monuments. The local government has set up a monuments fund to which individuals and private organizations can make donations. Donations could be made in respect of specific monuments, whereupon a tag carrying the name of the donor will be displayed outside the monument. Private organizations could publicize their contribution to society by means of making donations. At present, many universities are raising funds using this method. I believe maybe models like this could be used for antiquities and monuments conservation.

Deputy President, there are a number of places with special characteristics, such as Vancouver's Granville Island, Japan's Otaru warehouses and the Taipei Story House, and so on. They are successful revitalization endeavours that provide plenty of experience for Hong Kong to borrow. Let us begin with Vancouver's Granville Island. It used to be a port full of warehouses. With the onset of industrial restructuring and the withering of the marine transport industry, the local government has managed to revitalize the place with initiatives including inviting art schools to operate there, renting the warehouse land to students and art groups at low cost and developing performing arts, and so on. By attracting tourists and youngsters to visit the place, the island is once again filled with energy and vigour.

Another example is Japan's Otaru warehouses, which are similar to the model I described just now. The warehouses in the vicinity of the canal of Otaru have been redeveloped into theme shopping arcades, cafes and restaurants, and different kinds of tourist spots. Employing the model of private monument sponsorship, the Taipei Story House is evolved from, and is a reincarnation of, Yuanshan Villa, and has succeeded in preserving its historical, cultural and artistic characteristics. Deputy President, built in 1914, the Taipei Story House was originally a villa of a Da Dao Cheng tea merchant by the name of CHAN Chao-chun. It was declared a monument by the City Government of Taipei in 1998. Promoting the idea of monument revitalization, the Department of Cultural Affairs of the City Government of Taipei commissioned a lawyer, Mr CHAN Kwok-chee, to sponsor and operate the Taipei Story House in 2003 to promote the idea of living culture. Once a monument is brought under sponsorship, the protection and conservation of the monument will be carried out under a self-financed operating model. In this regard, exhibitions will be held in the monument quarterly under different themes, displaying and selling the works of local artists, as well as organizing art exchange activities and art

workshops, and so on. Furthermore, catering services are provided at cafeterias to generate revenue to meet the expenses on the daily operation and conservation of the monument. This model of sponsorship not only preserves the buildings, but also places emphasis on the revitalization of arts and history, the development of art and creative industries, as well as the development of tourism and diversified industries for the creation of more employment opportunities. Secretary Dr HO, here is a book entitled *Stories Within Stories* written by the lawyer, Mr CHAN Kwok-chee, which gives a detailed and specific account of the experience of private sponsorship with respect to the Taipei Story House. I would like to recommend this book to you for your reference. I would also like to submit part one and part two of the surveys I have conducted on the revitalization of the culture and monuments of Tsuen Wan for the your reference.

I would like to urge the Government to keep up with the times in its thinking in respect of the protection of antiquities and monuments. It must not remain inflexible. Not only must the Government take every single existing monument seriously, it must also address and respond to public aspirations for protection and conservation of antiquities and monuments (*the buzzer sounded*) Thank you, Deputy President.

DR KWOK KA-KI (in Cantonese): Deputy President, first of all, I would like to thank Ms Audrey EU for having proposed this motion on this occasion. Very often, motions discussed in this Council do not bear any fruit without going through long, tiresome battles. Members may have noticed an incident that happened yesterday from newspaper reports that, Ms HO Loy, who participated in defending the Star Ferry Pier, is being tried by the Court. I would like to pay tribute to HO Loy and her friends.

It is the Government who made me regretful. I do not know how the Government would respond to this issue if these people had not taken any action in defence of the Star Ferry Pier and the Queen Pier, or if the timing of this incident had not coincided with Donald TSANG's election schedule. As a matter of fact, in last week's episode of "Letter to Hong Kong", the Chief Executive already told us how he would handle the issue: he said the Queen's Pier had to be demolished. Matters like consultation and the way forward, and so on, were to be dealt with subsequent to the demolition of the Queen's Pier. Deputy President, maybe this is the attitude of the Government.

In this regard, Secretary Dr Patrick HO did a similar thing last week. He said, "Let's try this. I have got a list which has been kept in my drawer for a very long time. It is a list on the names of approximately 500 buildings. Let me show it to you now." Deputy President, the list of 500 buildings is in fact nothing new. People concerned about the monuments have always known that there is this list. In fact, they surely can name well over 500 historical buildings.

Second, the Government argued that since the AAB has been criticized as underperforming, let us add seven more members to it. But is this useful at all? Can this protect the monuments of Hong Kong? The policy address of 1999 talked about this once, and it was mentioned again in the consultation paper "Review of Built Heritage Conservation Policy" in 2004. However, it has been almost three years since February 2004 to date. We must not assume that there has not been a void. Of course there has been a void. Nothing has been done. Still, some issues were raised during the interim.

Regrettably, nothing has been done over the past few years. For example, let me cite paragraph 12(b) of the paper: "conservation is about managing but not preventing change. The aim is to enhance the historical environment and to develop public spaces for community enjoyment. In many cases, heritage conservation works in partnership with the tourism industry to create a positive impact to the retail, catering and other tourism-related industries.". In paragraph 14, it was said that "financial grants or loans to assist owners (of historical buildings) (including) transfer of development rights, where owners or developers can transfer the unused development rights of a conserved building to another non-adjointing site, and so on." So it is allowed. The problem is, with all such talk, nothing has been done. Of course, nothing has been done.

Why would I add reforming the Town Planning Board (TPB) to the original motion? There is a reason for this. Over the past few years, there were two monuments bearing the collective memory of the people of Hong Kong which the people of Hong Kong had wanted to conserve, but these monuments were "slaughtered" with the consent of the TPB and the AAB. One of them was the Tiger Balm Garden adjacent to the Haw Par Mansion, which I believe many of us still remember. I do not know how many people have visited the place, but it was a place I frequently visited in the past. Before the garden was

demolished for redevelopment, I even brought my kids there for a visit. The second one was the Marine Police Headquarters Compound, where a development project is underway. "What?" This is what is called heritage protection? Some of the most important heritage bearing the collective memories of the people of Hong Kong have been wiped clean. What is the big deal of not having a Tiger Balm Garden? Surely, they could be torn down. We watched helplessly as it was being torn down. How do we protect our heritage? Can the TPB protect it? Of course they cannot. Can the AAB protect it? Of course they cannot either.

What the Government told us last week was that no reform had ever been undertaken. The same mechanism has always been in use, such as a little bit of publicity, or some embellishment with the membership, and so on. The Government suggested that since you have an opinion about this, let us add some members to embellish it a bit. Deputy President, will this bring about any material changes? As Secretary Dr Patrick HO suggested, at the policy level, the Government is not going to alter its mode of thinking, including that the Government will not be financially committed to acquiring any monument. It sounds good, because it does not incur any expenditure, and no people will get aggrieved.

This practice is not in line with the practice adopted in other countries. Just now another Member mentioned the National Heritage Memorial Fund in the United Kingdom. This heritage fund made it clear that it was founded with the support of funding, with government provision on an annual basis. Therefore, apart from organizing annual fund-raising activities, the fund would also raise funds through different channels, such as through a membership system, and so on. Last year alone, the fund received government provision amounting to \$120 million, because the fund needed to spend money to acquire or to exchange for antiquities. This is how it attracts owners of buildings to get involved.

Members may remember another story about Kom Tong Hall. The inauguration ceremony of Kom Tong Hall was a big event with the presence of the Chief Executive and the Secretary. We may be given the impression that the Government has done a lot of work. Deputy President, Kom Tong Hall is located within my constituency, and I have witnessed that it was the citizens and the property owner, that is, The Church of Jesus Christ of Latter-Day Saints,

instead of the Government, who had made it possible for the building to be preserved. At that time, the building was already enclosed by hoardings and was on the verge of being demolished. But then, even the church themselves found something wrong. Yet, the Government had remained indifferent. Finally the church had the hoardings removed and kept telling people the building was to be demolished. The residents living in the vicinity were of course shocked by the news, and they were unwilling to see this beautiful monument being pulled down. So somebody initiated a signature campaign to appeal against the demolition, and it took many efforts from the local community, District Council members including myself to get the Government to the table to discuss the matter. Finally the option of acquiring the building was considered, and eventually the Government purchased the building with more than \$50 million.

In this incident, the church should not be blamed, because it was only trying to exchange its property ownership for monetary consideration, which is reasonable. The one to blame should be the Government for its rigid, inflexible policy and non-malleable mentality. Of course, the building has become the Dr Sun Yat-sen Museum finally, and naturally all parties have "credits" to claim. So, all the Secretaries and the Chief Executive were "claiming credits" in the company of officials from the Central Government. Yet, this is useless. With all these "credit-claiming" gestures, we are all the more enraged.

The Star Ferry Pier and the Queen's Pier are structures carrying the collective memories of the people of Hong Kong, but the Government has not learnt any lesson at all. It simply kept its arm folded while the structures were being demolished. We were even made to face a most shocking scene — while the issue was being discussed in this Council, the pier was being pulled down by bulldozers. The whole structure was completely wiped out with not a brick left. Was that our policy on heritage conservation? If it was not because Donald TSANG's scores in public opinion surveys dropped subsequently, I believe he would not have come forward, nor would the Secretary have submitted this paper. However, we must not get carried away. If there are no fundamental changes to the policy on heritage protection such that the TPB is reformed and the antiquities policy revised, then everything said last week and everything said in "Letter to Hong Kong" would turn out to be rubbish.

Let us take a look at the Marine Police Headquarters Compound. It is one of the many painful experiences. The compound was a declared monument owned by the Government, so it should have been fine. But what did the Government do to it? The Government sold it to real estate developer Cheung Kong Holdings in the name of development of tourism. If we happen to pass the locality, we will be saddened by what we see. The entire hilltop has been wiped away, and the trees are encircled by metal fencings — and their days are numbered. The so-called declared monument is lurked behind, to be shadowed by a hotel and a shopping complex built in the front. Now, how many people will be rich enough to get pass the complex to take a look at the monument? Where are the characteristics of this monument, which will soon be lost altogether? The old Marine Police Headquarters Compound used to be a building in which the police could oversee vessels coming into the harbour, and that was why the headquarters was located there in the first place. But in the future, a colossal edifice, namely the new six-star hotel built by Cheung Kong Holdings, will be blocking the entire Marine Police Headquarters. What kind of conservation is this? All in all, it is all about money.

The Government is "obsessed with money". Previously somebody described the Government as "Scrooge", but now we could say this is a government of money-gibberish. The Government Hill is about money, the Central Police Station Compound is about money, and so is Central Market. Everything is about money. I have never seen a government that is so seriously short-sighted. Fortunately, there are places against which comparisons can be made, such as Macao, Singapore, Japan as well as other countries. I believe these countries would similarly like to make money as well, but they are handling it in a better way, and they know what treasures they possess. Today, these countries and regions have preserved many places where their citizens can visit. Tourists from Hong Kong, from other countries, and from everywhere else will visit the famous Chinatown Niu Che Shui when they go to Singapore, and they will visit different museums when they go to Macao. But what has Hong Kong got to offer to tourists? All remaining monuments will be pulled down in the name of economic development to become hotels and shopping malls. When was the last time Hong Kong had a shortage of shopping complexes? And when was the last time Hong Kong was running out of six-star hotels?

Therefore, unless there will be some fundamental changes, bodies with black-box operation and government appointed members like the TPB and the

AAB will never need to be held accountable to the public and to this Council. If the Government does not change its way of thinking, if it does not change the structure of the consultative bodies and its mode of governance, then there will be no saving of the monuments of Hong Kong, and there will no saving of the Government either.

With these remarks, I hope Members will support this amendment. Thank you, Deputy President.

MISS CHOY SO-YUK (in Cantonese): Deputy President, like many Members of this Council, I have been very concerned about the monument conservation policy of Hong Kong as well. I remember back in 2004, I moved a motion on conserving the Central Police Station Compound. Apart from demanding the Administration to review the direction for the development of the compound, I also requested the Administration to formulate a comprehensive policy on the conservation of antiquities and monuments and explore the feasibility of developing heritage tourism. I pointed out then that the Antiquities and Monuments Ordinance had been in use for more than 30 years, that it was outdated, and that it was unable to respond to public demand for conservation of antiquities and monuments. As a result, whenever controversies arose over the possible demise of antiquities and monuments, it was inevitable to resort to the foot-dragging and expensive mode of conducting social struggles, while the fate of the monuments and whether or not they could be preserved would remain hanging in the balance.

Deputy President, in the recent Star Ferry Pier clock tower incident, although there had been strong public reactions in society, the Government insisted on demolishing the clock tower in a rather unusual way. As a matter of fact, I do not know if the Government had ever demolished other structures the way it did to the Star Ferry Pier clock tower, by carrying out the works in the middle of the night with people working on an over-time night shift. I believe no demolition companies would have carried out the demolition job for the Government free of charge in the middle of the night. It even called for using a barge to lift the entire tower, and I wonder if the tower had to be lifted the same way after it was shipped to the landfill area. Maybe Mr LAU could tell us if this method is commonly used in demolition. If not, why was it done this way?

Because of the over-rigid government policy and practices with respect to antiquities and monuments, even though the people of Hong Kong have worked together for the protection of the clock tower, we still failed to protect the clock tower from vanishing from our society.

Besides, the Antiquities Advisory Board (AAB) responsible for the conservation of monuments and giving professional advice on related matters is just a feeble advisory body with no real power. I am afraid their words do not carry much weight. Every so often, even though they have come up with truly insightful professional advice, as long as their opinions are not in line with the Government's position, there is just no way they could influence the policy and position of the Government.

More than two years have passed, and the Government has once again released a consultation paper on Review of Built Heritage Conservation Policy, saying that thorough consideration is being given to the conservation of built heritage and indicating that new criteria on conservation of built heritage will be drawn. Regrettably, no progress has been made since the consultation was first carried out in 2004, and the Government simply keeps marking time. In the end, beautiful slogans are no match to hard facts. All the criticisms that have ever been made in the past continue to remain valid to date.

Apart from arousing public concern for the conservation of monuments, the Star Ferry Pier incident is yet another example demonstrating our lack of vision in the monument conservation policy. In this incident, the Government made a resolute decision, stating that there was no point preserving the clock tower, irrespective of advice tendered by the AAB for the preservation of most of the clock tower and the conclusion of another consultancy report which described the clock tower as having significant historic value. In the face of dissenting views, the Government adopted a "to each their own" attitude. Since the AAB did not indicate any opposition, the Government decided to "go ahead" and had the Star Ferry Pier clock tower demolished in a most unusual way. This is evident that the criticisms I made in the past have not become obsolete to date. It also highlights the fact that the Government has never taken monument conservation policy seriously.

Facing strong public reaction in the wake of the Star Ferry Pier incident, the Government once again indicated that a public consultation would be conducted, not without signs of the resurgence of an uncommitted and irresolute

attitude. I am fairly worried that if the consultation exercise keeps dragging on indefinitely — when the Administration is determined to go ahead with demolition, it would argue that no consultation exercise should keep dragging on indefinitely, but when it comes to policy formulation, the process always seems to be never-ending. I am also fairly worried that if things keep dragging on indefinitely in the absence of a set of criteria with which sound judgement could be made by the public, with the passage of time, two years at a time, how many built heritage worthy of conservation will survive? Next time, will it be cell F of the Victoria Prison, or the new wing of Yau Ma Tei Police Station that will be bulldozed? Nobody knows.

For this reason, I have proposed an amendment on behalf of the Democratic Alliance for the Betterment and Progress Hong Kong (DAB) urging the Administration to formulate a proper built heritage conservation policy subsequent to conducting a comprehensive consultation. This policy should adopt a general approach that ensures the conservation of antiquities and monuments is given priority in any urban development project and that urban development projects will not be carried out at the expense of antiquities and monuments.

I will explain each of the remaining two items in my amendment. First of all, Deputy President, the DAB has expanded the scope of the monuments conservation fund as proposed in the original motion to cover built heritage. According to the existing legislation, any building or heritage that is declared a "monument" is protected by the Antiquities and Monuments Ordinance. The Antiquities Authority has the power to object to any alternations of the monument; even if approval is given for carrying out alternations, stringent requirements must be met. However, similar protection does not apply to built heritage or other heritage, so it is necessary to enhance the protection in this area. Furthermore, although the Administration released information on approximately 500 built heritage recently, if the property owners of these buildings do not intend to maintain the buildings, or if they plan to sell the buildings and the land to major real estate developers for redevelopment, then these built heritage that are worthy of conservation will disappear before long. Therefore, the DAB demands that if a monuments conservation fund is set up, it should aim not just at conserving monuments but also built heritage.

Actually, in response to the remarks I made in the policy address debate held in this Council October last year, the Administration had undertaken to

consider setting up a statutory monuments trust fund to take charge of revitalizing and reusing the Government's built heritage. It had also undertaken to review the criteria of evaluating monuments and to examine financial incentives to encourage private-sector involvement in built heritage conservation.

As regards how the trust should be formed, the DAB believes the Government can draw reference from the rich experience available in overseas countries. In fact, Mr WONG Kwok-hing has cited some examples, so did a number of other Members. The United Kingdom founded the National Heritage Memorial Fund 26 years ago with government funding of £5 million per annum. To date, 1 200 monuments and built heritage are being conserved by the fund. There is also a charitable organization by the name of Architectural Heritage Fund in the United Kingdom, which not only advises the public on building conservation, but also offers subvention or low-interest loans for building maintenance.

Another item contained in my amendment urges the Government to provide a clear definition for collective memories. The DAB proposed in 2004 that collective memories could be made a factor of consideration in identifying built heritage for conservation. However, collective memories cover an extensive area. It could refer to the memories of a community with respect to their common history, including social events, monuments or buildings. In this connection, if collective memories were to be made a criterion for identifying built heritage, I hope the Government could provide a clear definition expeditiously so as to increase the level of transparency of the policy and to reduce unnecessary disputes in the future.

Deputy President, there are a total of six items in the motion and my amendment, and it is evident that Members have many opinions and are most dissatisfied with the existing policy and they hope the Administration will make improvements expeditiously. Mr WONG Kwok-hing has suggested several measures with reference drawn from overseas countries with regard to built heritage, whereas the amendments proposed by Mr Howard YOUNG and Mr WONG (*the buzzer sounded*)

DEPUTY PRESIDENT (in Cantonese): Miss CHOY, time is up.

DR YEUNG SUM (in Cantonese): Deputy President, I thank Ms Audrey EU for having proposed a motion which is closely related to the current affairs in a timely fashion, so that people can freely express their views. I also hope that we can eventually reach a consensus for reference by the Government.

Deputy President, heritage conservation has become a subject of public concern. Several amendments are being made in today's motion debate, which shows that subsequent to the Star Ferry Pier incident, there are strong public aspirations for changes in the town planning model, which has always focused on development without regard to conservation.

The Democratic Party conducted a public opinion survey recently on whether or not the Queen's Pier should be preserved. More than 1 000 people had been interviewed; over 50% of them believed the Queen's Pier should be preserved. Among them, 45% believed the pier should be preserved *in situ*, 30% believed the pier should be reprovisioned at the new waterfront. Only 13% of the respondents believed the pier should be rebuilt per its original look at the new waterfront. 35% of the respondents believed the building compound of Queen's Pier, Edinburg Place and Star Ferry Pier should be conserved as a whole. I have sent a letter to the Government advising it of the Democratic Party's proposals on the conservation of the Queen's Pier and demanding it to maintain the integrity of the Edinburg Place Compound in carrying out the Central Reclamation Project is underway.

The revelation of the Star Ferry Pier is that the Government's heritage conservation policy has failed to prevent built heritage or buildings bearing collective memories from being demolished. Imagine, if the Star Ferry Pier or the Queen's Pier were declared monuments, the Star Ferry Pier would not have been forcibly demolished. The criteria for assessing monuments emphasize the age and style of the buildings, with little regard to other cultural and social factors.

According to Article 1.1 of the Burra Charter, one of the world recognized guiding principles for monument conservation endorsed in 1999, places of conservation refer to: (Quote)

"Place means site, area, land, landscape, building or other work, group of buildings or other works, and may include components, contents, spaces and views.

The concept of place should be broadly interpreted. The elements described in Article 1.1 may include memorials, trees, gardens, parks, places of historical events, urban areas, towns, industrial places, archaeological sites and spiritual and religious places." (End of quote)

The Charter clearly points out that the scope of conservation must not be restricted to buildings themselves, and it should include the entire region, so as to avoid the alienation of the buildings and its surrounding environment and resulting in the loss of the historical significance of the buildings themselves. Article 1.2 of the Charter also points out that cultural significance is embodied in the place itself, its fabric, setting, use, associations, meanings, records, related places and related objects, and it is evident that it covers an extensive area of concern.

Based on the aforementioned principles, I wonder why buildings and places which are so rich in history, such as the Queen's Pier, the "Wedding Card Street" (Lee Tung Street) and Cell F of the Victoria Prison, and so on, should be subject to the threat of demolition. As a matter of fact, these places have witnessed the development of Hong Kong, and they are a living history textbook. The generation of people who took part in the social movement of the '70s and the '80s would not be unfamiliar with the Star Ferry Pier and the Queen's Pier at all. The Victoria Prison provides excellent materials for the people of Hong Kong to get to know how prisoners in Hong Kong used to live. If all these historic places were demolished or redeveloped, what will be left to show to our next generation? How could we tell them our history?

I am very pleased that last week, the Government finally announced that a public consultation exercise on heritage conservation policy would be conducted. However, I have some dissenting views with the Administration with respect to some of the suggestions. The proposals made for the consultation focused on expanding the membership of the Antiquities Advisory Board (AAB) and the membership of regional consultative bodies, but the Administration refused to be financially committed to the acquisition, maintenance and conservation of monuments. I found this most regrettable. This is precisely the most important part of any monument conservation policy, an area in which the Government has done most badly in the past.

I would like to cite two examples, Kom Tong Hall and the Morrison Building in Hoh Fuk Tong Centre, Tuen Mun. I know the case of Kom Tong

Hall better, because I participated in petitioning for the building. Kom Tong Hall had been declared a Grade II historical building, yet it was nearly pulled down. This shows that being a declared historical building does not necessarily provide effective protection for valuable buildings, and this is the biggest problem. Kom Tong Hall could be preserved only because the Government eventually made a commitment to acquire the ownership of the Hall with public funds. Imagine, if the Government did not respond to requests from different parties and refrained from being committed financially, how could we have got the Dr Sun Yat-sen Museum today? As regards the Morrison Building, it was the first time the Government invoked the authority endowed to it by the Antiquities and Monuments Ordinance to declare a private property a declared monument unilaterally, and I stress unilaterally, because the Government had failed to convince the property owners to give up development. The matter was resolved only after the Town Planning Board and the developer had reached an agreement on developing Hoh Fuk Tong with a transfer of plot ratios.

Deputy President, it is evident from the two examples cited above that it is inevitable, and I stress, inevitable, for the Government to get financially committed when it comes to a policy on monument conservation. This is because as much as general citizens and conservation bodies would like to be involved in heritage conservation, they do not have this huge amount of capital for acquisition of private properties. In a capitalist society, resumption of private properties without compensations is out of the question. In overseas countries, the Government is the key player in a conservation policy — and I stress the words "key player". Normally, incentives would be given to property owners to encourage them to preserve the monuments, including land exchange, tax concessions and increased plot ratio; and in other cases, acquisitions will be made by monument funds for places or buildings worthy of conservation. I would like to point out that all of these necessitate the use of public money and incur public expenditures. When the Government categorically refuses to be financially committed to the acquisition of private properties worthy of conservation even before the consultation exercise commences, it is tantamount to telling the public that the Government is not devoted to and determined in implementing a conservation policy.

Just now, I have pointed out the inadequacies of the existing antiquity conservation policy and the inherent inadequacies of the AAB. Prof Patrick LAU and I pointed out in particular that the AAB basically does not have the power even if they have got the intention for conservation, and that it is a

"toothless tiger". If the responsibility of antiquity preservation continues to rest with the AAB, I am afraid it will continue to fail as it did in the past. My amendment essentially urges for the setting up of a new statutory body with financial resources that could directly acquire private properties worthy of conservation and compensate private property owners accordingly. This is a new domain, and I hope the Government will take it particularly seriously. Meanwhile, this new body can operate public and private monument items. The major objective of this proposal is to preserve as many built heritage worthy of conservation as possible and to prevent their demolition due to development. There have been many painful experiences in the past. It is evident from the examples of the Star Ferry Pier and Kom Tong Hall that the powers of the Antiquities and Monuments Office and the AAB are very limited, and very often they are unable to prevent buildings worthy of conservation from being demolished — Miss CHOY So-yuk mentioned this point as well just now, but I am not sure if she will support my amendment. The major reason is that these bodies lack financial support; therefore, buildings worthy of conservation can only be preserved when the Government declares these private properties statutory monuments.

By allowing the new body to operate public and private monument items, it could generate revenue to maintain daily operation. Apart from generating revenue, the public will be given a chance to appreciate these monuments and get to know their history, given the fact that so many monuments and built heritage are simply left vacant by the Government, such as the Yau Ma Tei theatre and Mong Kok's Lui Seng Chun.

I learnt from newspaper reports recently that the Government intends to set up a monuments fund, which I found welcoming. Meanwhile, I hope the Government — and Members as well for that matter — will consider the suggestions I made in my amendment, to give Hong Kong a conservation body with more comprehensive statutory powers and financial resources.

I am truly indebted to those who have fought for the preservation of the Star Ferry Pier and Queen's Pier, including Ms HO Loy, all the young students, professors and concerned citizens. It is their deeds and efforts that have caused the public to re-examine our existing conservation policy and direction of development. I hope the Government will not apply high-handed measures to suppress these conservationists who have had to resort to civil disobedience.

Lastly, I hope the Government will "realize that mistakes have been made and rectify them accordingly" by reevaluating our conservation policy and setting up a conservation body with statutory powers and financial resources, so that it could implement the conservation policy by means of acquisitions, compensation and conservation. This will turn a new leaf for our upcoming generations and for the conservation of the monuments of Hong Kong. Thank you, Deputy President.

MR HOWARD YOUNG (in Cantonese): Deputy President, some time ago, the demolition of the Star Ferry Pier and its clock tower gave rise to some social disturbances. The incident compelled us to reevaluate how important it is to strike a balance between urban development and heritage conservation. The Liberal Party has never taken the view that this is a game of "you win, I lose" or a game of "zero sum". We believe they can co-exist and jointly develop in a mutually complementary manner. However, extensive consultation has to be conducted to hammer out the details.

In the remarks he made last week on a heritage conservation policy, the Chief Executive admitted "the circumstances have now changed". Apparently, the Home Affairs Bureau is trying to mend broken fences by advancing the consultation exercise on "Review of Built Heritage Conservation Policy". It also remarked that they would consider taking "collective memories" as a factor of consideration with respect to built heritage conservation. This is certainly good news, but we believe terms like collective memories should be more clearly defined. Support measures should also be put in place to complement the conservation policy.

In this connection, I have proposed to amend the amendment on behalf of the Liberal Party to support the Government in providing financial incentives to private property owners, with such possible means as acquisition, land exchange, transfer of plot ratios, tax concessions and government loans, and so on. By providing compensations to private property owners of historical buildings worthy of conservation, they will be encouraged to work with the Government in heritage conservation.

For example, in 2004, the Government acquired Kom Tong Hall with \$53 million from the Ho Tung family and made additional expenses to carry out

maintenance and renovations to convert it into the Dr Sun Yat-sen Museum. The move has won general public support and become an example of success.

However, we cannot expend a huge amount of public money every single time for acquisition of all monuments worthy of preservation; therefore, we need a series of measures as mentioned to facilitate these efforts. Or we may model after the sponsorship programmes of overseas countries, which could help the Government to join hands with private property owners in built heritage conservation without having to spend an enormous amount of public money.

However, the Liberal Party is worried that if the Government fails to reach an agreement with the property owners, will it resort to the "imperial sword"? Take the Morrison Building in Hoh Fuk Tong Centre, Tuen Mun as an example. The Government recently invoked the Antiquities and Monuments Ordinance and declared it a statutory monument. Given the protection of the law, no alternations could be made without making applications to the Government. The Liberal Party agrees that monument protection is important, but we oppose the practice of declaring privately owned properties as statutory monuments unilaterally. Not only does this practice deprive the property of potential development opportunities, it may even contravene Article 105 of the Basic Law on protection of private properties. The Article states that "the Hong Kong Special Administrative Region shall, in accordance with law, protect the right of individuals and legal persons to the acquisition, use, disposal and inheritance of property". We believe that by exercising more patience and flexibility, the Government will be able to reach a consensus with the property owners eventually.

The Liberal Party agrees with the proposal as contained in the original motion on setting up a monuments conservation fund to enhance the conservation of monuments. Given the experience in countries all over the world, proper conservation of monuments requires a lot of financial resources. I believe it is most important to revitalize the built heritage, so that they could take on a new life in today's new environment.

Shanghai New World, a place which the people of Hong Kong are familiar with, was converted from the building compound where the Chinese Communist Party convened their first meeting, including Shi Ku Men, and so on. Now a new landmark of Shanghai, it is an integrated complex with modern shopping arcades, catering and entertainment facilities. Another example is the Queen

Victoria Building in Sydney, Australia, which has a history of a hundred years, which is now a famous shopping centre of the city. The stained glass panels and the centennial clock are now major attractions to every visitor.

Therefore, Deputy President, the Liberal Party has always advocated the development of heritage tourism. While proper protection should be given to built heritage, eating establishments, cafes and shops could run their businesses in the vicinity to make them places of choice for both visitors and local citizens to hang out. I believe not only revitalization projects of similar type will help enhance our understanding on our cultural heritage, they could also create business opportunities, boost economic activities and increase employment opportunities.

Lastly, I would like to talk about the amendment proposed by Dr YEUNG Sum. He suggested setting up another statutory body on antiquity protection in addition to the existing Antiquities Advisory Board, but is it supported by the public? What are the terms of reference of this new body? Before we can make it clear, we believe this is not the time to set up another stove at this stage. Just now Dr YEUNG said the existing body did not have enough money or powers, and that it was a "toothless tiger". Certainly, those are problems that can be tackled and ameliorated. If power is wanting, give it the power; if money is needed, give it the money; and if the teeth are missing, give it the teeth. This will be able to serve the same purposes, will it? According to the argument of Dr YEUNG, if this body was to be responsible for both acquisition and operation, it will take up a role far greater than promotion of conservation. I wonder if he would like to make this new body a super kingdom as well. We are fairly worried about this. Therefore, we cannot support his argument at this stage.

Deputy President, I so submit.

MR ALBERT HO (in Cantonese): Deputy President, conservation policy has become one of the hottest topics in town recently. Subsequent to the Star Ferry Pier incident, the public are calling for reforms to the town planning and conservation policy, as well as changes to the government practices in which "development comes before everything else". I believe these calls are loud and clear.

I would like to point out the inadequacies of the current conservation policy. Under the existing laws, matters relating to heritage conservation are mainly dealt with by the Antiquities and Monuments Ordinance which confers on the Government powers to declare valuable buildings statutory monuments. Apart from this piece of legislation, no other related legislation is in place to protect valuable built heritage. Although the Antiquities and Monuments Office adopts a three-tier grading system to keep track of buildings with historical and archaeological value, that does not necessarily protect these buildings against demolition. The grading system is strictly an internal guideline without any statutory authority. For example, even though Kom Tong Hall was classified a Grade II historical building, it could be preserved only because it was acquired by the Government. Therefore, it is evident that the grading system has shortfalls and loopholes of its own. As regards the Antiquities Advisory Board (AAB), although it can give grading on historical buildings, it has been reduced to a "toothless tiger" because it does not have the financial capability to acquire private properties.

Therefore, the problem with the current conservation policy is that the Government has made town planning and heritage conservation two separate concepts. Under the current Town Planning Ordinance, the Administration is not required to take conservation as a factor of consideration in the course of planning and development, and in most cases the AAB will be notified only when the demolition of valuable buildings has already commenced. Even for declared monuments, the emphasis is merely on the buildings themselves, without any requirement for any buffer zone in the vicinity of the monument, much less any restriction on its neighbouring development, resulting in incompatible styles between the declared monuments and their surrounding environment.

Meanwhile, Deputy President, the Government has always been slow-reacting when it comes to issues affecting the monuments. Often times, remedial measures are taken hastily only when the monuments are at the risk of being demolished amid strong opposition. Some of the monuments may have narrowly escaped, but many of them did not make it and were unable to survive demolition due to belated actions on the part of the Government.

I believe many people have visited Macao. Since Macao has got a better heritage conservation policy, the heritage of Macao has become a major tourist attraction in its right. The Senado Square of Macao is an example of successful

heritage conservation. The square in front of the Leal Senado Building located in the centre of the city is surrounded by important government buildings, such as the Leal Senado Building, the Post Office, the Holy House of Mercy, and Igreja de São Domingos. Together with the adjacent streets, the area has been made a pedestrian precinct with rich cultural-historical characteristics. Property owners of buildings located in the vicinity of the square are required to maintain the characteristics of the external walls of the buildings, although they are allowed to carry out internal renovation or conversion. In the '90s, the local government renovated some of the shops and residential dwellings within the area to restore the architectural characteristics of the previous century.

Macao's success in heritage conservation is the result of a comprehensive conservation policy devised and implemented by the local government, such as cultural funds and comprehensive legislation on conservation. Meanwhile, the government is willing to offer incentives to private property owners to encourage their involvement in heritage conservation. Of course, the Secretary may argue that unlike Hong Kong, Macao does not need to pursue high-density development, so they are in a better position to carry out heritage conservation when compared to Hong Kong. However, I would also like to point out that this is also a matter of attitude and basic policy. I believe if the Government is serious in conserving our historic monuments, consideration should be given to formulating a comprehensive heritage conservation system.

I would also like to explain the view of the Democratic Party in proposing an amendment to Dr KWOK Ka-ki's amendment. It is not that the Democratic Party does not agree with Dr KWOK on what he raised in the amendment, that is, the direction of and suggestions about town planning. As other Members of the Democratic Party and I pointed out earlier on, heritage conservation is not a factor of consideration in the existing town planning policy. I agree that heritage conservation should be made a factor of consideration in the existing Town Planning Ordinance, but we do have reservations about making it the overriding principle, as Dr KWOK suggested. A number of different factors have to be taken into consideration in town planning, including housing and traffic, and so on. If heritage conservation was made the overriding principle or the single most important principle without regard to other factors, we are afraid that would be a bit going too far. We do agree that conservation, like other important factors with respect to urban development, should be made an important factor of consideration in urban development.

I would like to stress that just because we have reservations about the amendment proposed by Dr KWOK, it does not mean that we are satisfied with the Government in its current direction of town planning. As a matter of fact, if the Government has given due consideration to heritage conservation in conducting town planning, it would not have been necessary for Dr KWOK Ka-ki to propose his amendment today.

I so submit. Thank you, Deputy President.

MR ALAN LEONG (in Cantonese): Deputy President, when news came out from the Government that it was prepared to resume consultation on built heritage conservation policy, we viewed it as a "blessing in disguise", hoping that with the loss of the clock tower and the pier, at least the Government would have become conscious of the changes of attitudes in the civil society, and that it would have dialogue with the public sincerely in an attempt to search for a new direction for heritage conservation. However, judging from the direction presented by the Home Affairs Bureau last week, the Government does not appear to be aware of the huge differences it has with the general public.

The major points of the statement made by the Government last week include the inclusion of "collective memories" as a factor of consideration, and the disclosure of a list of built heritage worthy of preservation with 496 buildings on the list. In the Questions and Answers Session held in this Council last week, the Chief Executive further remarked that the list was the result of government efforts on heritage conservation over the past two years. We cannot help but question: With just some vague discussion on "collective memories" and a list of built heritage with grading, is that all the citizens wanted?

Apparently, if the community was "okay" with the above measures, the controversy over the Star Ferry Pier would not have had arisen in the first place. The people who took the move to protest care not just about whether or not the clock tower which had always been with them should be preserved, or whether or not more people with dissenting views should be appointed to the so-called advisory body. The public are no longer contented with this kind of outdated, appeasing or condescending attitude of governance; they want to take a proactive approach to participate in the decision-making process of heritage conservation.

Deputy President, the motion proposed by Ms Audrey EU today, together with the various amendments proposed by other Members, have basically covered the new lines of thinking and ideas put forth by different sectors of the community with respect to heritage conservation. Public concerns are basically focused on two major directions: enhancing built heritage conservation from a financial perspective, and further opening up the decision-making mechanism and procedures to the public.

(THE PRESIDENT resumed the Chair)

President, an effective way of providing financial support is to set up a monuments conservation fund for the purposes of acquiring private properties with major cultural-historical significance and providing subsidies to local communities to set up heritage trails of their own. The Star Ferry Pier incident has already demonstrated the public's passion and willingness in taking part in heritage conservation. If the Government could work with non-profit-making organizations actively involved in such efforts and make them partners in the operation of the fund, certainly more public wisdom will be incorporated into the efforts on heritage conservation.

Another issue to be considered is the setting up of a more objective system and procedure for classifying and conserving built heritage. The current mechanism of declaring a monument with the approval of the Chief Executive based on the recommendation of the Antiquities Authority, a post taken up by the Secretary for Home Affairs, with the advice of the Antiquities Advisory Board is outdated. Another revelation of the Star Ferry Pier incident is that even though the Government has employed more administrative parlances to indicate that consultation has been conducted in accordance with the law, professionals, non-government organizations as well as the District Councils continue to have a feeling that they have been neglected in the whole process.

President, if sufficient consultation has been conducted just as the Government claimed, why would various deputations have found it necessary to state their opposition in respect of the demolition of the Star Ferry Pier in the Central and Western District Council and in this Council and to express their

opposition in such strong statements? If the District Councils could participate in early discussion on whether or not individual buildings should be demolished, it would give an opportunity for the community to have a more focused, detailed discussion on the plan of the Government, instead of only being able to consider the impact of a huge project in a general sense.

The public is concerned not only about which buildings should be conserved, but also whether a compatible milieu could be maintained in the future. Take Tsui Sing Lau Pagoda (Pagoda of Gathering Stars) and the Tang Ancestral Hall at Ping Shan, Yuen Long as examples, although they are declared statutory monuments, they perch in solitude surrounded by barbeque pitches and parking lots for container trucks. The heritage conservation policy is unable to protect the monuments' surrounding environment, and there is a pressing need to rectify this at the policy level.

President, apart from tackling it at the policy level, the Government needs to readjust the bureaucratic mentality. Heritage conservation does not call for a halt to development; it calls for developing an attitude that is more accommodating, that pays greater respect to our collective history and culture. We must not sit idly with folded arms and allow the built heritage that the public treasure so dearly to end up being demolished or relocated to another place of no significance. We must not look at our history with apathy and dispassion. Instead, we must treasure it dearly and do our best to conserve it for our posterity. This is just the right thing to do.

President, I so submit.

PROF PATRICK LAU (in Cantonese): President, the rising public concern for heritage conservation recently is good news to me. It illustrates that the people of Hong Kong, the younger generation in particular, are now more aware that buildings help nurture a sense of belonging and a sense of identification to the city in which we live. In fact, various town planning theories have confirmed that any municipal government must have a thorough understanding of the historical characteristics of the entire city, including the local cultural characteristics, the sense of values of the local residents and the economic pattern, and so on, before it could effectively develop the city into a metropolis which the local residents love and which visitors find attractive.

So what are the local characteristics of Hong Kong? Given its historical and geographical background, Hong Kong is a pluralistic city where there is a blending of the eastern culture and the western culture and where things both old and new co-exist. In addition, while Hong Kong is a small place, it is the most densely-populated city all over the world. The city is jam-packed everywhere. Rapid development has resulted in a unique space of living. It is true that many visitors have found Hong Kong intriguing; even the government of Dubai has said they have to develop the country into "a Hong Kong in the Middle East". Therefore, Hong Kong is unique on many scores. I believe heritage conservation, apart from bearing testimony to the historical development of Hong Kong, can also help Hong Kong maintain its local characteristics.

I support setting up a monuments conservation fund, because this is an effective way to preserve valuable buildings. Apart from buildings, consideration should be given to facilitate the sustained renovation and maintenance of streets and localities. We believe that it is most important to pay attention to the revitalization of built heritage.

President, I would like to talk about my personal experience in this area. I am very pleased that Mr WONG Kwok-hing mentioned the case of Vancouver just now. It has got a Chinese name, but at that time it was called the "Granville Island". That was one of the projects handled by me when I was working in the planning department of the Vancouver Town Planning Commission. After returning to Hong Kong in 1973, I studied the ancient architecture in many villages of the northern part of the New Territories together with students of the University of Hong Kong. We studied many beautiful studies, ancestral halls and even entire ancient villages. Subsequently, we published a book entitled *Ancient Architectures in the Villages of Hong Kong*, which led the Government to set up the Antiquities and Monuments Office in 1974. I participated in many conservation projects for ancient buildings as well, such as Sam Tung Uk. At that time, even the MTR Tsuen Wan Line had to "give way". Members may also know that Mr Abraham SHEK of The Alliance has devoted a lot of efforts to the Western Market as well.

What I want to say is that heritage conservation is very often initiated by people. Why could Sam Tung Uk be preserved? This important place is preserved thanks to the initiative of Mr James HAYES, who was responsible for managing Tsuen Wan at that time.

When building facilities are installed in old places, careful consideration must be given to the integration of the new with the old. In addition, certain space must be reserved *in situ* for cultural development to create novel and creative local characteristics. Therefore, a set of criteria must be set up to preserve historical memories, community outlook and local cultural characteristics. I would like to stress that this should be a set of reasonable criteria co-developed and jointly formulated by professionals and cultural experts.

President, recently the Hong Kong Institute of Architects and I have worked together to study how we should respond to the government consultation on heritage conservation, and we have already submitted our views. We believe, for any heritage conservation policy to succeed, complementary policy on town planning and land use must be put in place. The town planning strategy of the Government has always been infrastructure-led, where the design and layout of urban areas are dominated by road-building or tunnel-building projects. This kind of thinking is very outdated today and is undesirable indeed. Therefore, I hope that apart from focusing on such areas as heritage conservation and environmental protection, infrastructure projects should be made to support the government new policy. In this regard, take the Star Ferry Pier incident as an example, how could antiquity protection be hampered by just a road? In fact, heritage conservation does not necessarily hamper the development of a city. Honestly speaking, I believe the Government should face this issue squarely. Like many Members have mentioned just now, this could be accomplished by means of land exchange, transfer of plot ratios and acquisition of antiquities, and so on. I believe only by doing so can we enable the public to understand that heritage conservation does not conflict with urban development. On the contrary, more employment opportunities could be created. Members have also talked about how to engage more citizens in these endeavours. I believe promoting heritage conservation can provide economic benefits and increase employment opportunities, and it will bring us nothing but all kinds of advantages.

Finally, I would like to talk about an issue of Hong Kong which probably no other Members will raise, and it is about the many problems in our current legislation with respect to buildings. Since new buildings are drastically different from old buildings, the conservation of built heritage calls for new thinking. Consideration should be given to making new legislation on buildings in order to preserve these antiquities. Therefore, I hope the Government will

work with professional bodies, cultural organizations and representatives from the community.

PRESIDENT (in Cantonese): Time is up, please sit down.

MR LAU WONG-FAT (in Cantonese): Madam President, first of all, I have interests to declare. A couple of days ago, I learnt that a building owned by a company of mine is on the list of declared monuments. However, this will not affect my views on related issues.

Antiquities and monuments bear the imprints of human history. It is about cultural inheritance as well as collective memories which has suddenly become very popular recently. As a matter of fact, communities around the world are according more and more importance to protection and conservation of antiquities and monuments, and we can say that this is a general trend with universal support.

Given the extraordinary historical background of Hong Kong, and the fact that it has developed into a prosperous and affluent society, Hong Kong should be advantageously positioned for the protection of antiquities and monuments to achieve outstanding results which the people of Hong Kong can be proud of. Regrettably, the performance of Hong Kong has been only so and so. The crux of the problem is that the Government has all along failed to accord priority, determination and commitment to this cause, and it has failed to excel and exert its best in this matter.

The recent demolition of the Star Ferry Pier by the Government has aroused widespread public concern. Now that the siren is on, the Government has decided to resume consultation on the built heritage conservation policy. In the Question and Answer Session held in this Council last week, the Chief Executive responded by saying: it is never too late to mend the fold. The Chief Executive said, "..... conservation should not simply be based on the value and the age of the building; a balance between conservation needs and economic costs should be maintained; and private property rights should be given due regard". This shows that the Government has taken a more proactive approach to the protection and conservation of antiquities and monuments. In particular, the stress on "private property rights should be given due regard" is, in my opinion, the key to the problem.

Madam President, there is certainly room where improvements can be made with respect to the existing policy and legislation on protection and conservation of antiquities and monuments. The setting up of a conservation fund and the formulation of a set of proper consultation procedures, and so on, as Members have suggested, are effective measures to address the problem. However, in my opinion, the success of the related policy and legislation is necessarily dependent on the offer of financial incentives to property owners whose privately owned antiquities and monuments are being affected, such as acquisition, land exchange and the transfer of plot ratios, and so on.

Government officials always say that "there is no free lunch in this world", don't they? Protection and conservation of antiquities and monuments benefits not just individual citizens but also society as a whole; there is no doubt that they are for public use too. In fact, when a private property is classified a declared monument by the Government, it is like private land being resumed by the Government for construction of amenities, such as building a road or building a service reservoir. There are no differences between the two in nature. As such, compensation should be made, or other forms of financial incentives be provided.

Furthermore, Article 105 of the Basic Law states that "The Hong Kong Special Administrative Region shall, in accordance with law, protect the right of individuals and legal persons to the acquisition, use, disposal and inheritance of property.". As such, any law on protection and conservation of antiquities and monuments that does not provide for a compensation mechanism will certainly result in innumerable disputes and legal proceedings on the one hand, and will inevitably force the property owners to expeditiously demolish buildings with potentials of being classified as monuments in order to avoid financial losses on the other. If this should be the case, not only will the Government fail to achieve the objective of protection and conservation of antiquities and monuments, it will also fail to contribute to a fair and a harmonious society.

Madam President, on the premise of protection of private properties, arrangements should be made in the light of different circumstances to encourage private property owners to join hands with the public in the protection and conservation of antiquities and monuments with the aim of achieving a win-win solution. There are many successful examples around the world from which reference can be drawn. I have visited Yunnan recently and developed a great

interest in the efforts of the local government in developing the ancient cities of Lijiang and Dali into tourist attractions with rich historical and cultural characteristics. In my opinion, among the 700-odd villages in the New Territories, some exquisite villages can adopt a similar model to become both conserved monuments and tourist attractions capable of generating revenue.

Madam President, given the fact that antiquities and monuments are widely scattered in different places in Hong Kong, Kowloon and the New Territories, and it is the local residents who are most familiar with the actual situation, authority should be delegated to representative local bodies such as Heung Yee Kuk and the District Councils, so that they could take part in discussions with respect to the classification, protection and conservation of antiquities and monuments within the region. This should be a wise arrangement that can cater for different needs in the light of the actual circumstances. I firmly believe that if only the Government has the determination, commitment and new thinking, efforts on the protection of antiquities and monuments in Hong Kong will turn a new leaf with impressive results.

Madam President, I so submit.

MR CHEUNG HOK-MING (in Cantonese): Madam President, now that the Government has announced a list with 496 buildings being classified for grading as built heritage, it has shown an improvement in attitude.

However, I believe many Members know clearly that there are very often conflicts between heritage conservation, urban development and public interests. This being the case, how do we strike a balance between them to enable sustained development of society in a balanced manner? Since Hong Kong is a pluralistic society, I believe multi-lateral discussions among the Government, the general public, District Councils, Heung Yee Kuk, professional bodies and residents' associations are necessary for reaching a consensus for solving the problem. Therefore, we should demand the Government to review the composition of the Antiquities Advisory Board as well to enhance its representativeness.

My personal opinion is it takes water to carry a boat. As such, it is obligatory for the Government to be financially committed. We must monitor

this very closely. Having studied the scope of the consultation exercise on the policy on built heritage conservation proposed by the Government, it is easily noticeable that the Government stops short of proposing any long-term policy on conservation. It continues to use the usual trick of "putting new wine in old bottles" with the use of general statements on revitalizing built heritage. However, if no resources are committed, how could it succeed in conserving and revitalizing heritage and monuments? Everything will be nothing but empty talk. I believe Members will remember that when the Government released the new conservation policy the year before last year, the Democratic Alliance for the Betterment of Hong Kong (DAB) and Heung Yee Kuk already pointed out the key problems of the policy, and we joined forces with ten-odd representative environmental bodies and demanded the Government to set up a nature conservation fund. However, no positive response has been received from the Government to date, which is still mapping out how conservation can be carried out. Will placing the antiquity and cultural heritage policy at the charge of the Home Affairs Bureau not commit the same mistake again? At present, we find it hard to be optimistic.

Madam President, there are approximately 80 declared built heritage, including the Tai Fu Tai Mansion in Yuen Long, Kat Hing Wai, the Lei Cheng Uk Han Tomb in Sham Shui Po, Shatin TSANG TAI UK, the Sam Tung Uk Village in Tsuen Wan and the Cheung Po Tsai Cave in Cheung Chau, and so on. However, how many citizens actually know the locations of these places, and how many of them have actually visited these places? With regard to how we could expose the inherent value of the monuments of Hong Kong, we need to explore a new direction for protection and conservation of antiquities and monuments. We need to promote and combine education on arts and history, art, creative industry, tourism and community involvement for creation of more employment opportunities by drawing reference from success experience in overseas countries with respect to revitalization of ancient buildings. Otherwise, even if the Government formulates a conservation policy, it will only turn a crystal into a pebble and reduce it into a cold, icy body devoid of a soul.

I remember that after the SARS pandemic, the people of Hong Kong once took an interest in taking part in cultural tours in the New Territories. At that time, many tourists and tour guides complained about the lack of facilities for

cultural tours. Systematic tour routes had not been developed. Illustrations on the monuments were not provided. The surrounding environment was most unsatisfactory, and there were insufficient public facilities and transport. The Government quickly worked out some remedial measures, including the commissioning of Tourist Ambassadors to brief visitors on the historical background of the monuments. Evidently, there is a gap between our heritage conservation policy and the full utilization of our monuments. If the two cannot work closely together in a complementary manner, it will undermine the benefits each of them can bring to society.

Our neighbour Macao has proved to be more successful than we are in protecting and revitalizing cultural heritage, which have provided major tourist attractions in addition to their gaming industry. This is a good example whose experience we should learn. There are in fact a considerable number of such treasures in Hong Kong, which we have overlooked all along, otherwise, how could the SAR Government have published a list of built heritage with grading on close to 500 buildings over a short period of time. In this regard, the DAB hopes that the SAR Government will make good use of this opportunity to formulate a proper and comprehensive policy on heritage conservation, to get rid of its inflexible, outdated thinking with respect to built heritage conservation, to upgrade Hong Kong's tourism industry, to rejuvenate our invaluable historical treasures and integrate them into the community of Hong Kong, so as to revitalize these buildings worthy of conservation for adaptive re-use.

Hong Kong is a society that upholds the rule of law with emphasis on private property ownership. In the Question and Answer Session held recently, the Chief Executive also underlined the importance of giving due regard to private ownership. Therefore, whenever authority is exercised for the purposes of built heritage conservation, careful consideration must be given to the adverse effects on private property ownership under the current system in order to safeguard the system of rule of law which Hong Kong practises.

Given these remarks, I support the amendments proposed by Mr WONG Kwok-hing, Mr Howard YOUNG and Miss CHOY So-yuk. I will abstain from voting on the amendment proposed by Dr YEUNG sum.

Madam President, I so submit.

MR DANIEL LAM (in Cantonese): Madam President, the Heung Yee Kuk (HYK) has always accorded a high priority to heritage conservation, which is a matter of great concern to us. Since many antiquities and monuments are found in the rural areas of the New Territories, it is a matter that has a bearing on not only the property interests of the indigenous inhabitants, but also their traditional way of living. Therefore, the HYK has the responsibility to reflect to the Government the views and aspirations of the villagers on related issues. The remarks the Chief Executive made recently with regard to antiquity and monument conservation indicate that the Government has the sincerity and the determination to handle this matter properly.

Madam President, the controversy arising over the demolition of the Star Ferry Pier has caused the Government to resume consultation on built heritage conservation policy. With regard to the Government's decision on resumption of consultation, the HYK is of the opinion that it is appropriate.

However, I believe in the course of monument conservation, property owners must be properly consulted. Earlier on, the HYK made a suggestion to the Government for the setting up of a conservation fund. If it is necessary, I believe the Government should set up a monuments conservation fund as well, so that, where it is necessary, it could give a reasonable offers to property owners for acquiring the monuments.

I so submit.

MISS CHAN YUEN-HAN (in Cantonese): Madam President, first of all, I would like to thank those young people who have taken part in defending the Star Ferry Pier, who caused society to pay attention to what the people of Hong Kong really want, such as antiquities and monuments, as well as things and matters that have been witnessed to our growth all along. It has also triggered off public discussion, which I believe is a good thing.

The consultation on the Antiquities and Monuments Ordinance has been shelved for three years. Now that dust is tapped off and the consultation resumes, I believe this is a good thing. However, with regard to this matter, I wish to remind the Government that, with increased public awareness of antiquities and monuments and urban planning, there are huge discrepancies between the public and the Government in terms of the culture of governance.

We no longer focus just on money, like we did in the past, or like what the Government is doing right now. The people of Hong Kong have developed an interest in matters that are rich in local characteristics. We very much hope that fundamental changes will take place in urban construction for planting a root for the city, and we hope that the Government will listen to our views during this course. Will the Government listen to our views through different channels? I think the Government should realize this in terms of governance. If all the Government does is to produce a consultation paper which has been shelved for three years, do you think it will do? I do not think that it will do.

Recently, I attended a meeting on the West Kowloon project together with a number of deputations, on which I had made some comments. I remarked that it was important for the Government to modify the existing framework and to take on a different point of view. However, as I said just now, all the Government is doing right now is to produce a consultation paper which has been shelved for three years. The Chief Executive has written a letter to Hong Kong for that matter, in which he sounded pretty sincere. However, if these are all what the Government will do, I believe there are some discrepancies between the view of the Government and the views, wishes and aspirations of the public. In my opinion, if these are all what the Government will do, and if it will be doing things the same way it did in the recent past, then it will give me the impression that the Government is really handling the matter from an economic perspective rather than from the perspective of antiquity and monument conservation. This is my view. Of course, it may be true that the Secretary is serious in this matter, and it may be just that he is unable to press ahead due to different reasons behind it all. I have read all the articles written by the Secretary recently.

Why I am so overwhelmed with all of these "grievances"? That is because like other citizens, I made a lot of suggestions to the Government in the past on projects like the Star Ferry Pier, the Central Police Station Compound and Nga Tsin Wai Village, including the one in 2004. I believe it is not going to work if the Government should keep putting urban development and antiquity and monument conservation at opposite positions instead of making the two an integrated whole. It is not going to work either if the Government does not stop viewing land as purely property projects, if it does not take a different view in order to explore things that the people of Hong Kong have developed an interest in, or if it should continue to neglect our life in this society. Just now a number of Members from the Heung Yee Kuk have related the views of the villagers. Furthermore, we have many urban planning projects, and the public has many

different opinions too. It is not going to work if the Government should continue to neglect the views of the public.

If we compare ourselves to Macao, it is evident that Macao has accomplished in this area in even greater details. I already mentioned this in this Council before when I was speaking on another topic. I organized a symposium together with PolyU and CUHK and invited a Portuguese designer from Macao to explain how Macao had worked with the public in protecting their international cultural heritage. I believe there are many things in Macao today that can attract the people of Hong Kong; gambling is one of them of course, but the culture of Macao and the Chinese-Portuguese culture is a major attraction to the people of Hong Kong as well. I believe the Government should do some reflections, and I hope it will really learn some lessons this time.

For many years, I have kept saying that my friends and I have come up with many different plans. I have got many plans with me today too — I am not going to show them all now — which include plans like an eight-year clause for monuments, the economy of local culture, the culture of Yung Shu Tau, and so on. I had sent these papers to previous Secretaries as well, including Mr LAM Woon-kwong, whom I sent a copy of our paper on "The Culture of Yung Shu Tau". I am saying this because we want to use an example to illustrate our ideas, and I wish the Government will appreciate the public opinions. When changes take place in public opinions, the Government needs to be aware of that.

Nga Tsin Wai Village is the only surviving walled city in Kowloon. Since the beginning of the '80s, villagers have kept conducting signature campaigns and inviting public officials to visit the place. That was even before I became a Legislative Council Member. We made many efforts to request the preservation of the village. The body that we had contact with at that time was the Land Development Corporation, of which Mr Abraham SHEK was a member. Regrettably, although the Antiquities Advisory Board had confirmed in 1998 that the village has rich historical value, the Government at that time stopped short of according good grading to the village, for reason of the absence of the outer walls and a suspension bridge in the village. I did ask people why the outer walls and the suspension bridge were missing. It turned out that during the Japanese invasion of Hong Kong, the villagers had requested the Japanese army not to tear down the village. The Japanese army agreed on condition that the outer walls had to be demolished for the steel they could get.

This is the history. A walled village without walls represents history nevertheless. But the Government did not listen to that. The villagers were enraged. In particular, the village representative, "uncle nine", who is dead now. If he should hear about this in heaven, he will be overwhelmed by fury. There were many ancient structures of the so-called "wide goose hill" style in the walled village, which were traditional elements for walled villages, and they have not disappeared yet. Even (Shanghai) New World has kept some ancient structures to integrate the old and the new.

Last month, a Taiping Qing Qiao ceremony was held in the walled village, and this is an activity with a history of several hundred years — it has a history of more than 600 years. In other words, the Taiping Qing Qiao ceremony has been held for several hundred years. A lot of people including scholars attended the ceremony, because everybody agreed that it was an event with important historical value. They would take students on a field trip in the village, where they could discover many different things. This is the only ancient village with a history of 600 years located right in the city. Many years ago, there were things like batteries and sentry towers; unfortunately, while our views were being presented to the Government, demolitions were already underway. While views were being presented to the Government, the real estate developers were given a free rein to carry out demolition works. So what happened eventually? Right, the walled village is already very worn out, but there are still many items there. You may try to excavate a bit at places just next to the walled village, and you will still be able to unearth many items. It depends on the decision of the Government.

Secretary, when you took up the post of Secretary under the accountability system in 2002, I invited you to visit Nga Tsin Wai Village. I very much hope that you can visit the village with me again, because the villagers would like you to listen to their views, the views of scholars, and the views of a group of citizens who would like to plant a root for Hong Kong. They no longer want to have colonial style governance, and they do not want to have the views of those who govern in a rootless manner. If the Government fails to listen to that, the people of Hong Kong will feel disappointed, and I myself would be very disappointed too.

Secretary, once again, I invite you to visit Nga Tsin Wai Village again. Thank you.

MR ALBERT CHAN (in Cantonese): President, history is invaluable, so are collective memories. When we look at the development of many ancient cities and regions, we place much emphasis on attractions bearing collective memories. They may not necessarily be structures which are very ancient, nor do they have to be buildings with special architectural value. Nevertheless, if the public believe there is special value in the buildings, they will make an effort to have them preserved. The Berlin Wall is an obvious example. The wall itself does not have much architectural value, but it bears a huge significance politically and historically. People, not just the Germans, but also people from all around the world, have found special meaning in this wall, or particularly the collapse of this wall. Visitors to Berlin will always pay a visit to the Berlin Wall, where they will have some recollections on what once happened in the past.

In Hong Kong, while the people of Hong Kong treasure our collective memories, our Government suffers from collective amnesia instead. Over the years, we have seen how our city developed — the Hongkong Bank, the Hilton Hotel, the Central Post Office, down to the Marine Police Headquarters at Tsim Sha Tsui, the clock tower of the Star Ferry Pier, and to the Queen's Pier due to be reprovisioned — it can be said that these are the inevitable sufferings bought about by executive-led government and the pragmatic style of town planning by the people of Hong Kong. Over the years, I have submitted a number of proposals to the Secretary, including proposals which the Secretary is familiar with, such as the one about the buffaloes in Pui O, the silver mine cave in Mui Wo and Cheung Po Tsai Cave, and so on; I have also mentioned many places, including Fan Lu at Southern Lantau. The many proposals submitted by me have made up part of the collective memories as well. In fact, the Government should make an effort to develop them into major attractions. Maybe Cheung Po Tsai Cave be featured in a movie, but the cave itself remains dilapidated. The silver mine cave in Mui Wo is in even poorer conditions, and it has been sealed off altogether.

There are in fact many attractions like these in different regions all over the world, where the historical spots are developed into tourist attractions. I do not know if the Secretary will bring us any good news soon. I have studied this issue for a very long time. I once invited the Secretary to check out the buffaloes in Pui O, cute buffaloes they are. Last week, I had a meeting with Lantau Buffalo Association again. The association has merged with Cow Watch to form a Lantao Buffalo and Cow Association with the aim of putting more efforts in this area.

Talking about attractions, there are innumerable attractions indeed. Let me give an example. I wonder if Members are aware that there is an ancient bridge at Shui Tsan Tin Tsuen in Pat Heung, Yuen Long. The bridge has been there since the Qing Dynasty, and it is built of granite slabs more than 10 ft long. The Government has not damaged the bridge. It is now covered with steel and concrete because while the Government does not want to damage the bridge, it has to allow vehicles to pass on it. If one wants to check out the bridge, the only way of doing so is to get under the bridge so he could get a look at those granite slabs. This is ridiculous indeed. The Government should conserve this ancient bridge, convert it into a footbridge, and erect a plaque to let people know that this bridge has been around since the Qing Dynasty. There are only a handful of structures of this type in Hong Kong. The Government could build another bridge for vehicles adjacent to this ancient bridge, instead of covering the ancient bridge using modern technology. Secretary, that bridge is called Lee Tat Bridge. I have made several written submissions to the Government demanding the restoration of the bridge and making the bridge an attraction, so that people will learn of this attraction in Pat Heung, Yuen Long. Is that right, Chairman LAU Wong-fat? Buildings with historical value and bearing collective memories like this one should not be buried or covered at all.

I believe the incident of the clock tower of Star Ferry Pier is an awakening. I am very excited, because having taken part in social movements for more than 20 years, this time I saw a group of young people although Members of this Council have been sworn at, I think this time there are enough reasons we should be sworn at, because we have been slow-reacting. I think it is very exciting that the younger generation has got this drive and passion to press ahead this new campaign. I would compare the incident of the clock tower of Star Ferry Pier to The Prague Spring — this is an exciting and promising new campaign. I hope this spring will bring with it a scent of fresh fragrance, blossoms and fruits. Otherwise, with some sprinkles of shower, it will be spoiled by the collective amnesia of the Government.

I have to commend the Government on one score. While we may describe the Government as being good at putting off the fire or skillful at crisis management, or it has employed a strategy of dividing, the Government has responded exceptionally swiftly this time. Certainly, this is by comparing it with its previous sluggish reactions. In just a short period of time, the Government released a consultation paper in response to the demand of the public. Subsequently, it identified more than 500 attractions and agreed to

expand the membership of the advisory board to channel out public complaints and rages. However, Secretary, it is most important to amend the legislation, because the existing Antiquities and Monuments Ordinance is insufficient for the purposes of protecting collective memories. New legislation should be formulated to ensure the preservation of buildings bearing collective memories by means of town planning procedures, guidelines, instructions, or by regulation of land uses, and so on. If the Government stops short of amending the legislation or changing the laws, everything it says will be nothing but lip-services without any concrete effect or actual protection. I hope the incident of the clock tower of Star Ferry Pier — The Prague Spring of Hong Kong — will compel the Government to preserve attractions bearing the collective memories of the people of Hong Kong. Thank you, President.

MR LEE WING-TAT (in Cantonese): President, many Members have spoken on the heritage conservation policy. The words I heard most often today, in this Council and in the Ante-Chamber where I took a break, are "collective memories".

First of all, as discussion is being resumed, let us review why it appears that not much attention has been paid to this issue in the past. Of course, to me, or in the eyes of the Government, conservation of antiquities, monuments and heritage has never been an important policy and it has never been given any priority — well, that is in the eyes of the Government, not to me. Honestly, since I have become a Member of this Council, although I had taken a leave for four years, but with my experience in policy discussion over the years, I have noticed that a policy on heritage conservation has been given a very, very low priority. It has never been an important item on the government agenda, nor is it an important job for Bureau Directors.

So now there was the incident of the Star Ferry Pier clock tower. Of course we have to thank those young men. Compared to this Council, they have been more effective in forcing the Government to reflect and discuss this issue. However, I hope the Secretary and the Chief Executive will stop responding to the crisis with the attitude they currently employ, and that is, to come up with solutions that are "hastily prepared". The Government has proposed to restructure the Antiquities Advisory Board (AAB) and listed some 400 attractions of Hong Kong for discussion. However, are they the crux of the problem?

In all these years, I am more familiar with policy on land planning and housing. I have to say candidly, that the new discussion being conducted now is flawed and incomplete by itself. Simply by listing 400 buildings or attractions for consultation and ask the people if they should be conserved or whether or not they are subjects bearing collective memories is extremely biased and incomprehensive. Honestly speaking, certain elements of the heritage conservation policy are related to the policy on land planning, and that is very important. They are perfectly relevant to the policy on environment and public works, which are the responsibility of the Secretary Dr Sarah LIAO. Without a comprehensive review of the policy of the Government, it does not help to have Secretary Dr Patrick HO telling us that new members have been added to enhance the composition of the Antiquities Advisory Board, or some 400 attractions have been identified and listed.

I wonder if Secretary Dr Patrick HO has read an article published by Prof LUI Tai-lok of The Chinese University of Hong Kong? He opines that the politics of consultation has come to an end. People nowadays are no longer satisfied with the Government for merely having a handful of new members appointed to an advisory board which is at a low, and very low level. Not being a statutory body or a Policy Bureau with statutory authority, how could the AAB satisfy the strong calls in the community for greater participation? Therefore, I hope the Government will not be complacent with staying at the same level.

When I said the AAB did not have any authority, the Secretary appeared to have shown some reactions. True, I know that it has the authority to make the so-called Grade I and Grade II gradings, but compared to the antiquities and monument commissions and related legislation in many other countries, Hong Kong is lagging far behind in this respect. Therefore, I hope the Secretary will give it a thought as to where it should recently, radio stations and television stations have been interviewing these young people, but I believe there are exaggerations of the influence they have caused. Of course, these young men will be making new proposals to the AAB, but how would the Government deal with the young people who are unwilling to join the AAB? How would the Government deal with the young people who have struggled with the Administration by peaceful means in the incident of the Star Ferry Pier clock tower? How would the Government deal with university professors? Many cultural practitioners who have participated in the incident of the Star Ferry Pier clock tower are not members of the AAB either. Therefore, I hope that the

Secretary can consider the matter from a wider perspective, because unlike in the colonial era, the citizens are no longer satisfied with the problem being considered resolved simply by having a few members appointed to an advisory board. This is outdated now. I hope the Secretary can spend some time to read the article by Prof LUI Tai-lok, so that we will understand this logic.

The second main point I would like to raise is that this is not a matter that the Home Affairs Bureau can handle alone. Secretary, your argument is based on the premise that according to government policy, the Government will not be financially committed to acquiring these buildings. The most the Government will do is to honour their cultural significance, or to try to encourage private organizations or the business sector to get engaged in conservation, but it seems that not much can be done in this regard in Hong Kong. After all, how many real estate developers will put a halt to their redevelopment projects when they have acquired more than 90% of the ownership of a lot, simply because Dr HO tells them they are honorary citizens or honorary developers? I have never seen any case like this yet. What I have seen is that, where there were "lucrative business opportunities" in the West Kowloon project, every company claimed they cared about culture, such as having Pompidou Centre as a business partner. But now the West Kowloon project is halted, which developer, if any, is still working with you on matters like this, Secretary? Two years ago, when the four or five major developers saw "lucrative business opportunities" in the West Kowloon project, soon enough there were joint projects with the Pompidou Centre and later on joint projects with the Louvre. But now that the development of the West Kowloon project has been halted, where have all these people gone?

Secretary, I would like to point out that you should not be attending this motion debate by yourself. Secretary Michael SUEN should have attended too, because town planning is actually related to land planning. It relates to the cost the community has to bear if something is classified as an antiquity and monument for conservation. Is the community prepared to bear the cost? Should the cost be borne collectively, meaning it will be met with public money in the form of taxation, or, if that is not the case, will the use of antiquities and monuments or the development of old districts be halted by means of legislation? Issues like these are not discussed in the paper. The paper only tells us that the Government is not going to be financially committed to acquiring these things. If this should be the case, then it might turn out that everything the Government

says will become lip-service. There was a newspaper report in the following day about an old building in Mong Kok which the Government thinks is worthy of preservation. The building is fully occupied with residents, and they said the Government had told them they would be given compensation when they were asked to leave, and the Government would be responsible for the conservation. If residents of the old building were engaged in the conservation, how will they be rehoused in the future? How will they be accommodated? Therefore, I hope that when the Government resumes handling this policy, the Policy Bureau to which Secretary Dr Patrick HO belongs should not be made solely responsible for the matter. Dr HO could take up a leading role, but Mr Michael SUEN and Dr Sarah LIAO should be engaged as well. Thank you, President.

MR LEUNG KWOK-HUNG (in Cantonese): President, it is trendy for people to talk about "vision" nowadays, and people even talk about how to transform "vision" into "reality". Because of the clashes between protesters and the police in the Star Ferry cock tower incident, all of us are now saying that part of the vision of Hong Kong people is how to preserve those so-called antiquities and monuments. In fact the building we are now inside is a monument *per se*. This building is a bad example because it was formerly the Supreme Court, right? When you enter this building, you may not know the original functions of this Chamber in the past. You probably do not know anything about it. Sometimes, when I showed some secondary students around this building, I would introduce it this way, "Dear students, this was formerly the Supreme Court." But when they asked me what this Chamber was used for, I had no ideas at all. Buddies, this is the situation here — no one knows what it was like before it was converted into the Legislative Council Building. Therefore, no matter what I am going to say, I am just wasting my energy here. In fact, I am just following the trend in rising to deliver this speech, as everyone is speaking on antiquities and monuments.

Next to us was the Hong Kong Cricket Club. When I was very young, I could see many foreigners enjoying some drinks and bowling there — I had no idea what kinds of ball games they were playing. Can anyone tell me it was really where the Cricket Club was situated? Buddies, are there any photographs illustrating that it was the previous site of the Cricket Club? No. Let us go further. There we had the Head Office of the Hongkong and Shanghai Banking Corporation. What was it like previously? No one knows. No a single

photograph is displayed there, nor is there a model showing us roughly what it looked like. Nor is there any description by the side of the bronze lion's statues telling us that they had once been shelled by bullets fired by Japanese soldiers when they invaded Hong Kong. The gunfire was so severe that some bullet marks were left on the bronze lion statues. But no one knows for sure what had actually happened. Someone had pointed out those so-called bullet marks to me, and I said they did look like bullet marks.

In fact, we simply could not care less about antiquities and monuments! We have been used to it — we had put up with the destruction done by property developers. This is where the problem lies. In other words, what kind of vision does Hong Kong want? The vision of the rich is to make more money. They would say, "Antiquities and monuments? Are you crazy? Why on earth should you expect to see antiquities and monuments in Hong Kong? Just take a plane to France and you can see them there. I like antiquities and monuments, but I like money even more. Make more money and you can go ahead to see the antiquities and monuments, or you may even buy some antiquities and monuments and appreciate them at home — make a trip to Egypt and buy a mummy to display it at home." I have also seen some Greek stones. When you travel to Greece, you may find lots of heads of stone. Those who claim to have a passion for antiquities or those who are greedy will bring back such Greek busts to decorate their homes.

Therefore, the discussion on antiquities and monuments does involve some class factors. Most antiquities and monuments do reflect the best of human civilizations. Although I strongly dislike the statues of kings, noblemen, generals and high officials, because, buddies, it was these kings, noblemen, generals and high officials who forced the craftsmen or the talented craftsmen to produce such statues, sometimes even without feeding them properly. But these are the cultural heritage of human beings. Although I hate those kings, noblemen, generals and high officials, I still think that we should preserve such items because, apart from being carriers of history, they are also the best of human arts and craftsmanship.

However, I still want to ask this question: Does Hong Kong have such things? In fact, no. Even if we did have some in the past, they had already been demolished and destroyed. Therefore, we are starting to create something — West Kowloon. We can produce whatever artistic cultural elements that we do not have. Something we call "M + what", or like the Malteser chocolate or

the "M and M Chocolate". For all those "M and X" and "M and Y", they are all about nothing, but money. In other words, the current practice is, for anything we do not have now, just go ahead buying them. As long as we can make lots of money, we can break whatever we have now and then buy something else home. For all the sentimental scenes that come before our eyes, there are all kinds of different motives behind them.

What kind of vision do we have today? The vision we have is The Chief Executive does not have the abilities to materialize his own vision, or he does not have any visions at all. I have already made this accusation against him many times. Can he come forward today to tell us what kinds of viewpoint he holds about Hong Kong? Does he have any viewpoint on the issue of antiquities and monuments? Does he have any cultural policies? In fact, Secretary Dr Patrick HO has been subject to great injustice. When the Chief Executive feels like it, he will instruct the Secretary to produce the video clip "Our Home Our Country". Has he ever mentioned any cultural policies? "Hey, buddy, please produce "Our Home Our Country" for me as soon as possible."

We do not even have a ministry of culture. We often mention the cases of other countries, such as the Minister of Culture in France, right? Andre MALRAUX was an internationally renowned novelist. Everyone knows this. But we do not have one. Therefore, I ask: Do we have any culture? Does this Government have the ability to transform vision into reality? Let me tell you the answer: No. I do not intend to offend you, Secretary, because you are not that type of persons. You are a medical doctor, right? I do not know why he asked you to take up this job. Why does he not ask you to take up a job in the Department of Health? Therefore, while we are delivering speeches here, why do we not call on the Government to establish a ministry of culture? Why do we not put forward such a request? It is all because we think that our culture is unimportant. Therefore, among us, we have a Secretary by the name Michael SUEN. He can play tricks while attending a meeting here. On the one hand, he could give orders to arrest the protesters and pull down the clock tower, and on the other, he can sit cozily here and proceed to become a horse owner. The culture of such persons is to join other horse owners in enjoying this type of lingering colonial culture.

Members, if we want to conserve culture and antiquities and monuments, the first thing we should do is to put a stop to the current domination by property developers and the major consortia. Our property developers and consortia

have never said that Hong Kong have any culture of its own. Let us browse through the *Hong Kong Economic Journal* and other newspapers, or even the intellectual newspapers, they all attach great significance to the discussion on how to earn lots of money. They have all accorded top priority to making money. Regarding The Link REIT, it would create great difficulties for the poor. It does not matter, because our culture is making money. We do not respect the socially disadvantaged. The antiquities and monuments we want to have, and the culture we want to have are the culture of the leisure class, the culture of the rentier class and the aesthetic values of the rentier class. Up till today, I can bet with my head that Donald TSANG cannot put forward any cultural policy. Therefore, please tell him not to boast of his ability of transforming vision into reality, nor should he list hundreds of buildings in a hurry to compensate this. I demand him to discuss the issue of culture in the context of his ability to transform vision into reality.

MR BERNARD CHAN: Madam President, as one of the new members recently appointed to the Antiquities Advisory Board, I find the ideas in this motion very interesting. I think it outlines some of the issues that the Advisory Board will have to address.

The idea of a dedicated conservation fund is worth considering, although there are probably alternative ways of paying for conservation. The main point to stress here is that the preservation of old buildings will need funds. Many of these monuments are in poor shape and need to be repaired, cleaned or renovated. Many are privately owned, and the owners will have to be compensated.

The community needs to ask itself how it ranks conservation alongside other priorities. At what stage, for example, would we consider an increase in tax or a cut in other forms of spending to pay to conserve monuments?

At the same time, I wonder whether all old monuments will really be long-term economic burdens. We know that many could become tourist attractions. And, experience in other cities shows that old buildings can be given exciting and profitable modern uses. They don't have to sit there, empty and locked up. And they don't have to lose money.

Of course, we also need to decide which buildings are to be preserved. There are no objective measurements that we can use here. But I certainly

agree that a framework for evaluating the community costs and community benefits of projects would be extremely useful.

I also agree that we need to have broader participation by District Councils and residents in town planning. In fact, I think this goes to the heart of the problem that we saw with the demolition of the old Star Ferry pier. It seems quite clear that the old system of consultation and decision-making is no longer appropriate.

There was a time when people didn't question government policy. But that is now changing. We have to ask ourselves how we can genuinely open up the consultation process. I do not think it is simply a question of some policies being unpopular. I think the problem goes right back to the way the policies are decided. Public expectations are changing.

The issue that has highlighted this is heritage. But this change in public expectations will have repercussions for the whole of the Government. Thank you.

DR RAYMOND HO (in Cantonese): Madam President, it is beyond any doubt that Hong Kong has all along been placing excessive emphasis on economic development, thus overlooking the protection and preservation of certain monuments and old buildings with historic, cultural and artistic value or special architectural characteristics. Some classic examples include the old Hong Kong Club Building and the Old General Post Office in Central, which were demolished to make way for redevelopment. Many people, including myself, still find this a great pity now. Such buildings, similar to the present Legislative Council Building which was formerly the Supreme Court, all possess architectural characteristics and historic value. Yet, very often, many of them could not escape the fate of demolition.

The number of monuments has diminished due to their deteriorating conditions over the years and their subsequent demolitions. Consequently, Hong Kong people have developed an increasingly heightened awareness of the conservation of the cultural environment, and they are more and more concerned about the conservation of monuments. The recent protests, which were sparked off by the demolition of the Star Ferry Pier, serve well to illustrate this point, and they also serve to testify that the development of Hong Kong is comprehensive

— at least more comprehensive than before, and Hong Kong is gradually moving in a better direction. However, for those who aspire for the preservation of the Star Ferry clock tower, their action in trying to hamper the implementation of the demolition project at the last minute was debatable. The Central Reclamation Phase III Project is the result of extensive consultation conducted for many years. The project was endorsed after repeated discussions in our relevant panel and committees. The repeatedly delayed project could at long last be implemented after going through lots of difficulties. Individuals should not try to override the consensus attained by society through their protests just because of their personal preferences. If this precedent should be allowed to establish, the implementation of all other public works projects may face similar unpredictable variables, and their progress will definitely be impeded to varying extents, and this will be detrimental to the development of society.

However, we should also examine the issue from another perspective. We should review the Government's consultation process to see whether it is sufficiently extensive and deep. Most importantly, it could be a case of the Government not having done its work adequately, thus failing to heighten the people's interest in and understanding of its proposals or plans to make them grasp the opportunities to put forward their views, supportive or otherwise. Therefore, in this incident, if we can examine it from two or three perspectives, we may be able to derive some lessons which will benefit us in future. Alternatively, we may hope that the Government can do better in future, so that similar incidents will not happen anymore. If so, the Government will not make so many people unhappy — they seemed very upset. I also hope that the Government can step up its effort to perfect the consultation exercise and mechanism with regard to the conservation of monuments, so as to ensure that any development plans that may involve monuments and historic buildings would have the joint involvement of the relevant stakeholders in society, thereby facilitating the attainment of consensuses. Recently, the SAR Government has announced that it will once again conduct consultation on the policy on built heritage conservation. It has finally taken a right step forward. Besides, the authorities have in the meantime released the assessment checklist of 496 buildings, and this has also provided a significant foundation for future consultations and discussions. Apart from this, I think there should be a classification of full and partial preservation of heritage items and historic buildings, so as to determine whether it is necessary to identify alternative sites for their reconstruction, full relocation or *in situ* preservation. Take the Lei

Cheng Uk Han Tomb in Shum Shui Po as an example. The Han Tomb and the site from which it was unearthed are inseparable, so it should fall within the category of full preservation. It would be most inappropriate if it is relocated. Therefore, *in situ* preservation is a correct approach. With regard to some historic buildings, since their preservation value rests with their contents, such as their architectural characteristics, so it is not necessarily essential for us to preserve them *in situ*. Instead, they can be relocated completely to another site. The Murray House now reopened in Stanley is one of such classic examples. On the premises of facilitating community involvement and seeking consensus, the design proposals of relevant development programmes can be adjusted and co-ordinated according to the classification of the monuments and whether they warrant *in situ* preservation.

Madam President, the preservation of historical and cultural relics is conducive to our self-identification, and it should be respected. However, in order to ensure the sustainable development of the commercial and industrial sectors, so as to maintain and improve the quality of lives of the local people, it is inevitable to launch new development projects. With due regard for the overall benefits of Hong Kong, we must really strike a good and comprehensive balance among cultural conservation, respect for history and urban development. I so submit. Thank you, Madam President.

MS MARGARET NG (in Cantonese): President, the Secretary must be feeling very aggrieved today because the Government has already taken a series of actions right after the Star Ferry clock tower incident and it has also offered certain appointments to several young people of the new generation. Why do we still say that it has failed to catch up with the times? Why do we still say that we are dissatisfied? Although I think it has made some improvement, it seems hardly convincing for me to say so.

President, that thinking is really outdated. It is because, despite the development of events, the Government is still discussing consultation, studying how to gauge public opinions. What the Government should discuss is not what others have already done. Instead of listening more to the opinions of certain people, the Government should be discussing and working closely with the people in joint policymaking and involvement in the conservation of antiquities and monuments.

Secondly, what the Government requests the Antiquities Advisory Board to do is still to compile a checklist of buildings that are considered heritage items worthy of preservation. How does the Government conduct its conservation work? What are the actions and plans that it will implement? How can we make it work steadily and continuously? The answer to all these questions is an "No". The most significant point is the standards. When the Government talks about the conservation of antiquities and monuments, what is its own understanding of the issue?

Mr LEUNG Kwok-hung mentioned earlier that when we entered this building which was previously the Supreme Court, we knew very little about it. Regarding the professional standards in such aspects as restoration, conservation and adaptive re-use, and so on, we are completely uncertain about them. Regarding the Murray House in Stanley, as mentioned by Dr Raymond HO just now, I think anyone who has visited Stanley and seen it personally would probably want to weep because the restoration approach adopted is really dreadfully crude by world standard.

On a certain day, I visited the Flagstaff House, which was built in 1846. Let us now take a look at how the authorities have repaired it. They still adopted some very crude and violent approaches in dealing with such monuments. It simply frightens me. It is similar to what happened several decades ago — not several decades ago, but in 1980. At that time, I visited the Summer Palace in the Mainland. I did not have a very clear idea of how monuments should be restored then, but the general idea I got was the monument was painted in some very bright reds and greens, giving it quite a brand new outlook; yet the original style was lost somehow. Therefore, the standard is a major problem.

Now, the Secretary said he would review the consultation document of 2004. In fact, the mindset is the greatest problem. Let us take a look at the consultation document. The strongest wordings appear in paragraphs 26 and 27. One of the last remarks is, "How much, and who should pay?" In Paragraph 26, it reads, "How much are we willing to pay to save and maintain our heritage? How much should we pay having regard to other competing claims? Should we as a community pay extra in the form of taxes or donations for this work? What is the most equitable way?" In Paragraph 27, it says, "On the other hand, are we prepared to face the cost of not conserving? Can we afford the loss of collective memory and pride, loss of the opportunity for future generations to enjoy and to learn from the places that help us understand and appreciate where

we came from"; and it goes on, ".....loss of opportunity to sustain a more diversified economy that provides niches for different kinds of skills and knowledge, loss of opportunity to generate economic benefits through cultural tourism, and loss of opportunity to build a better city? What balance should be struck between the costs and benefits of heritage conservation?" And ultimately, it was still a case of "Who should pay? Who should decide?" In other words, if you do not have the money, please shut up. However, these contradictions have ceased to exist in other cultures and countries, and it is no longer necessary to discuss such issues.

Earlier on, when Ms Audrey EU delivered her speech, she mentioned two British organizations, the National Trust, a private organization, and the English Heritage. They have adopted some very well established approaches in conducting their work. For example, the National Trust has an annual funding of £160 million. In addition to built heritage, its conservation initiatives also include the protection of the beautiful rural areas and the coastline. Very often, when we travel to other countries, we can see that the people there are doing very well in heritage conservation. In comparison, what is our situation? After enjoying the fruit of conservation initiatives of other people, have we engaged in any self-reflection of our own case?

Let us take the case of the English Heritage as an example. It is a statutory organization funded by the Government. It has an annual provision of £115 million plus £30 million in additional revenue. The work it undertakes is diversified. Apart from tendering advice, it also allocates funds to other organizations to assist them in implementing conservation work. The English Heritage also encourages public participation in the conservation of environmental heritage, such as conducting research, compiling data and taking educational initiatives, and so on. At the same time, it also undertakes culture conservation work, and many historic buildings are being preserved by it.

In the consultation document of 2006, it suggested how the cause could be taken forward one step further. In discussing how a proper balance can be struck, it clearly proclaimed that heritage and culture conservation is not a "loss-incurring business", but it is indeed a resource that generates economic benefits, instead of just having educational benefits and cultural benefits. As regards balance, a set of established principles are already in place. The document suggested that, when someone launches any development, if it involves some cultural items or if it will cause damages to certain heritage items, a

question would definitely be asked: Are there alternative methods to proceed with the development, thus minimizing or even avoiding the damage altogether? If the damage cannot be avoided, and the cultural items will be damaged, what kind of consequences will arise?

President, we must really promote the cause more expeditiously. Thank you.

DR FERNANDO CHEUNG (in Cantonese): President, several days ago, the Government discovered some relics of the Peak Resort of the former Governors in the course of implementing the Peak Improvement Scheme. The official in charge of the project described the discovery as "an unexpected pleasant surprise" and said that the Government would put the preservation of historic buildings before all else; as such, an order has been issued to make the works of the Scheme give way completely to the conservation work involved. The amenable attitude of the Government, very much the same as the Chief Executive's "tender loving style" in "Letter from Hong Kong" as described by Mr Alan LEONG, seems most awkward. In the Star Ferry Pier incident, we can see that the Government used physical force to remove protesters and dismantled a heritage item overnight (which everyone finds it justifiable to conserve) and had it smashed into pieces as soon as possible without letting anyone aware of it. Now, all of a sudden, it has become so concerned about heritage items. Such a change is really baffling. Is someone suffering from schizophrenia?

Of course, the Star Ferry Pier incident has aroused great concern in society and the Government has learned a lesson in a hard way. From the recent reaction of the Government, it seems to me that it has awakened to the fact that our society is not solely money motivated and that the people are not so philistine. It starts realizing that the people are not only concerned about economic development, and that development is not supreme to the extent of overriding everything. They start to realize that Hong Kong people do cherish our past as well as our culture, from which we can seek self-identification. Such a pleasant surprise or renewed discovery seems to have given rise to this discussion as well as the Government's so-called new round of consultation.

However, I would like to take this opportunity to point out that some of the people involved in this Star Ferry Pier incident which has brought about a change

in the Government's attitude are now facing imminent prosecution in the Court. One of them, HO Loi, a single mother, used a cutter to slice open the screen covering the bamboo scaffoldings erected at the Star Ferry Pier. She did it because some protesters had rushed inside the screen where the media could not take photographs of what was happening there. So she cut the screen. She is now facing a charge of criminal damage. Since she was holding a cutter, she was subsequently charged for possession of offensive weapons. I find this incident totally ridiculous: The cutter held by a gentle woman can be compared to the bulldozer, while the screen covering the bamboo scaffoldings (what she had damaged) can be compared to the Star Ferry clock tower (what the Government had damaged) — such a sharp contrast does give me a feeling that defies description.

It seems that the Government does not have any clear concepts of heritage. It had released a consultation document on the conservation of built heritage in 2004 which mooted many issues of principles that did merit our careful contemplation. However, with the lapse of nearly three years, it still has not started another round of consultation. Even the "three measures for conserving monuments" proposed today were actually mentioned in the consultation document in the last round of consultation. They are just "some old tunes" played once again in a new setting. Also, there is absolutely no comprehensive strategy this time around. As Mr LEUNG Kwok-hung has said, no explicit cultural policy can be presented to the people.

As a matter of fact, what is the concrete purpose served by the release of the list of 496 so-called cultural heritage items? The present problem is, among these items, 40% are privately-owned properties. After the release of this list, is there any open and transparent procedure in place to specify how these private built heritage can be conserved? The saddest part of this move is that many conflicts of interests will emerge after the release of the list. The property owners may think of the many difficulties they may face if they want to demolish their properties to make way for future development projects. Since no explicit procedure has been specified, the current owners may employ many different tactics to possibly make the relevant buildings deteriorate quicker and thus lose their conservation value. In doing so, they can make it possible to demolish their buildings quicker in furtherance of commercial interests through the implementation of development projects. Given that principles or procedures for conserving the heritage items are absent, is it not a detrimental move of the Government in releasing the list?

All along, the grading of buildings does not serve any significant purpose. It is because owners will be notified of the grading only when they apply for demolition of their buildings. If the owners still opt for demolition ultimately, basically there is nothing that the Government can do about it. Secretary Dr Patrick HO is now present in the Chamber. He once said that the Government had some established procedures for handling privately-owned built heritage. However, if we really want to turn such buildings into monuments, in fact the only option open to us is to conduct negotiations with the owners concerned on the amount of compensation. In overseas countries, there are actually more explicit and flexible mechanisms in place. But we are most unclear, much less transparent, in this aspect, thereby resulting in the demolition of many such privately-owned historic buildings over the years. If the Government really understands that it has to race against time in this cause, I hope it can expeditiously implement these policies and measures.

The Government made a volte-face after the demolition of the Star Ferry Pier simply because it starts understanding that collective memories are important now. Yet, does the Government really understand what actually collective memories are? The Government is still adopting some backward concepts in conserving individual buildings. But this is not all that we are discussing. Instead of just preserving some old buildings, what we want to preserve are actually some community ways of life, networks and the living habits of the people. These are issues that involve broader town planning and development concepts. With the general improvement in the market, more property development projects will soon be launched. If we continue using economic benefits as the only yardstick for measuring everything, urban renewal initiatives will continue tearing down all the cultural items in the districts and driving residents away from the old districts. As a result, heritage conservation can only preserve the outward appearances of some old buildings, and this will serve no purpose at all in cultural inheritance.

With these remarks, President, I support the original motion.

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

MRS SELINA CHOW (in Cantonese): I believe the recent Star Ferry Pier incident has made every Hong Kong resident reflect upon this: What kind of

attitude should we adopt in the conservation of monuments? However, the Home Affairs Bureau, being the Bureau that should keep tabs on the pulse of society and public opinions, Secretary Dr Patrick HO must admit that he has actually lost touch with society in this regard. The Government may assert that this has always been the established practice which no one has ever raised any objection, and they simply do not understand why some people should have suddenly resorted to such violent actions. I do not necessarily agree with violent actions. But I believe that the Government does have the responsibility to contemplate why such violent actions have been taken. What has made these people feel helpless and worried? They feel that the Government is totally indifferent to the conservation of heritage and monuments. The Secretary now says that the Board will be reshuffled. This is indeed a good step that should have some remedial effect. I hope consultations would not be held one after the other or even for a third time without drawing a concrete conclusion.

In fact, I think there are three aspects that must go through the consultation process with the new Board and then some conclusions must be finalized. First, we must make the public understand how monuments and heritage items are determined. At present, we have 496 monuments before us. But how are the criteria determined? How do we make reference to the international standards? How is their architectural value assessed? How should public opinions or collective memories be taken into consideration?

Regarding collective memories, I would like to say a few words about them. I have consulted some specialists and found that collective memories do not exist on their own because they are very vague and abstract. Collective memories can give full play to their functions in the conservation of monuments only when they are complemented by some hardware. Each society has lots of collective memories. If such collective memories do not combine with some hardware, they do not carry any significance in the conservation of monuments. Therefore, there is a very significant interrelationship between hardware and software.

Therefore, I would like to highlight the fact that Ms Audrey EU mentioned the Government Hill earlier on. I have no intention of repeating all the arguments in the debate then. However, if we look at the record of that debate on the Government Hill again, we would definitely find out how the values of the

hardware and the software are determined, and what the historic value of the so-called collective memories or the software is. Nowadays, the Liberal Party no longer believes that the so-called conservation of the Government Hill — which had been thoroughly debated — should mean that all the buildings in the entire area cannot be demolished. If we want to preserve these buildings, is it worthwhile for us to pay such a price? In the architectural aspect, we must obtain the opinions from the professionals before their architectural value can be established. With regard to the historic value of these buildings, how old should they be to justify conservation? There are international standards in this regard, while some Hong Kong factors should also be incorporated into the consideration. Everyone must be informed of how these are determined and what the criteria are.

Next, how should actions be taken? Now, heritage items are classified into three grades. We all know that the three-grade classification does not serve any major purposes. It is because if the buildings in question are Government properties, the Government may choose not to demolish them. But once the heritage items are privately-owned, the system no longer works. Therefore, how can the problem be dealt with in a collective manner? We all know that not all heritage items of the three gradings cannot be demolished. Some cannot be demolished because they belong to the category with the highest value. But we still have those belonging to Grades II and III. We must expeditiously identify ways of handling them sensibly. It is because there are many internationally accepted methods that can be employed. Insofar as Hong Kong is concerned, the land is such a precious asset here. If certain buildings do not justify preservation, we must have some other ways of commemorating them.

The third point is very important. It is about how we should make use of the existing monuments. At present, many people keep saying that "No demolition, no demolition". But what should follow "no demolition"? We are now talking about living monuments, that is, the monuments have to be full of life. In other words, we must utilize the monuments. In Melbourne, for example, the local post office which is a monument has now been converted into a shopping mall. Even the Covent Garden has already been utilized for some commercial purposes. Many such buildings could have commercial value, so it is very important for us to identify ways of utilizing them without damaging their value as monuments.

We very much agree with what the Chief Executive said in a Question and Answer Session in this Council to the effect that it was important to conserve monuments and the significance of such efforts should certainly be acknowledged, but we should not do it without considering the costs involved. In fact, the Basic Law has stipulated explicitly that the right of private ownership of properties should also be protected. If the Government does not accept this point, then it is simply deleting privately-owned properties from the 496 heritage items that have been categorized into the three grades. At present, the Government absolutely does not have the capability to conserve all the Grade I heritage items. Actually it should conserve such items once they are proclaimed as monuments. If it is necessary to conserve them, then the Government should specify as a matter of policy that all Grade I heritage items would be considered as possessing value as monuments and they must be conserved; and even if they are privately-owned, the Government would have to allocate the money to acquire them. If you ask: How can the Government procure such money? In fact, the Government does possess a lot of money. If the entire community thinks that a certain item is really valuable and significant and that the monument has to be conserved in this manner, and if we all consider this item valuable, be it for the sake of tourism or for the promotion of a sense of belonging in society, and so on, the Government will have to allocate the money by all means for its conservation.

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

MR CHIM PUI-CHUNG (in Cantonese): President, the issue we are discussing today is ultimately one that is about value. Regardless of whether we are talking about monuments or modern buildings, we all judge them according to our values. When we talk about the monuments, we mention the collective memories of the people. I think, when we were students, we had visited Hung Mui Kuk, and we had also visited the Bride's Pool in Tai Po. These are the collective memories of our trail-walking experience.

When we talk about collective memories in relation to the Star Ferry Pier, in retrospect, may I ask what it consisted of? It included a clock tower and a rock. In the present phase of the construction works, we understand that, under the Government's design, since the pier had blocked a road, so we are left with two options: The first one is to demolish the pier but leave the clock tower intact,

and the second option is to remove the entire building. The building has a history of several decades. Regarding the rock, I firmly believe that the rocks on the Victoria Peak must have a history of several centuries because the city of Hong Kong has been developed for over 160 years. Yet I firmly believe that rocks on the Tai Mo Shan even have a history of over a thousand years. Can we carve out a rock there and then put it by the side of a clock tower for reconstruction? In this connection, do you really find that it possesses commemorative value? This is my personal view on the issue.

If politics is involved, or even be made use of in the issue, then it is absolutely another story. We understand that, as I have said just now, the city of Hong Kong has been developed for over 160 years and it has benefited from the overall world heritage view. Why did I say so? Let us take Paris of France and London of Britain as examples. In particular, the buildings in Paris usually consist of only two to three storeys because the Parisian Government does not allow the construction of very tall buildings. But cities like Hong Kong and Singapore can enjoy modern architecture and very tall buildings can be constructed — there are skyscrapers as tall as several tens of storeys or even nearly 100 storeys. This is because different values are adopted in different places. Do you fancy the values of appreciating those modern 100-storey buildings, or do you fancy the values of enjoying ancient buildings which enable us to commemorate some worthy causes? This is an issue of values.

True enough, with Hong Kong's history of more than a century, we cannot follow others in whatever we do. Our financial system has to follow those of others. And we also intend to do better than others in social welfare. We even want to have better monuments than others. We are really just dreaming. Of course, you may say that "A sparrow is small, but it has all five viscera". We do want to have all kinds of everything. We have no objection to the conservation of heritage. For example, in West Kowloon, the Government has talked of developing this district into a cultural centre. May I ask: How can we centralize everything here and be able to rank first in whatever we do? This is just another type of political excuses and political tricks, to which I do not object either. However, everything depends on whether you have the real capability. If you are good enough, then go ahead with your creativity and production.

With regard to tourism and other aspects of Hong Kong, Macao announced today that it had over 23 million inbound visitors over the past year,

and in anticipation of exhibitions to be held next year, they forecast that this figure would rise and even surpass that of Hong Kong. The Chief Executive had told us in a recent Question and Answer Session that he would not allow others to seize this exhibition business from us. Does he mean to say that he would deploy armed officers to the airport and stop visitors from going to other cities — during the period of visiting Hong Kong, you must stay in Hong Kong?

With regard to the policy on conservation of monuments, the Government definitely needs to formulate such a policy. In order to formulate a set of policies, of course the Government has to conduct consultation for the purpose, as in all kinds of affairs. But the consultation must be both precise and concise and be readily understandable to the people. Otherwise, it will create opportunities for different political organizations to make use of the issues to gain political credit, thus making the people confused. Can the clock tower be preserved? If it has to be preserved, then we can rebuild it elsewhere in future. I have a negative comment on this: In preserving the clock tower, are we remembering and commemorating the "good old days" of British colonialism? Or do some people even want to hold a celebration together with officials from the former Administration? These people are actually under the negative influence of colonialism.

Of course, I have no objection to your passion for antiquities and monuments, or even collective memories. What actually are collective memories? Can we regard over 100 triad members gathering together as a collective body? If the figure is not large enough, they can make tens of thousands people to turn up, by then, it should be sufficiently collective. Therefore, President, I demand the SAR Government to specify whatever it wants to do in a most explicit manner and publicize such details to the people. But I absolutely cannot put up with any political organizations seeking to exploit such opportunities to garner political support. In different debates, we all have different stances and backgrounds. This is an absolute fact. But in whatever we do, our motive is to make the people have a better understanding of certain issues, so as gain stronger support from them. People should not exploit the divergent views to cause social confusion, so as to stir up even more confused situations.

Certainly, we understand that Hong Kong is after all an extremely capitalist society. There are certain unique values in a capitalist society. As I have said

just now, in whatever we do, for example, building exhibition venues or monument display venues for opening up to the public, as in the case of the Ruins of St. Paul's in Macao — of course, the Ruins of St. Paul's does not charge any admission fees — but many tourist attractions do charge admission fees so as to boost their values and enhance their tourist-drawing conditions. On the contrary, if we can erect a very tall building on a piece of land in compliance with the commercial and business conditions in Hong Kong, why should this be ruled out?

Therefore, the Government must strive to formulate a set of concise and precise policies. And on the other hand, the Government should not be at a loss as to what to do when it is subject to the pressure of any political groups. This is the situation which the SAR Government must address urgently now, and this is also the opinion that the people would like to hear most.

President, I so submit.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): If not, I shall call on Ms Audrey EU to speak on the amendments. The speaking time is five minutes.

MS AUDREY EU (in Cantonese): President, Dr YEUNG Sum's amendment mentions that the statutory body taking charge of conservation initiatives may directly acquire and operate any public or private monument items. The Civic Party basically agrees to this point, but we wish to add that there are many different possible approaches in the conservation of monuments. Apart from preserving them by maintaining their integrity, in fact we may also inject commercial factors into them such as refurbishing the monuments for conversion into museums, so as to generate funds by collecting admission fees, selling souvenirs and conducting guided tours, and so on. So, it may not be necessary for the body to directly acquire and operate such monuments.

Another point in Dr YEUNG Sum's amendment is also mentioned in the earlier speech of Mr Howard YOUNG, which is, "the Government should set up

a statutory body on antiquities protection". We worry that there might be certain duplication of duties between this body and the Antiquities Advisory Board. How should they proceed with the division of labour, and how can it be made explicit on which one is responsible for making assessments and which one possesses the enforcement authority, and so on? Therefore, on this point, we still have some reservation. Yet, after listening to the speech of Dr YEUNG Sum, we find that he is actually not making it a must for both organizations to work concurrently on such work. So, basing on the Civic Party's conventional stance, unless there is a major clash of principle, we shall accept other Members' amendments as far as possible, in the hope of achieving the greatest possible consensus.

With regard to handling monuments in private ownership, all the amendments proposed by the DAB, the FTU and the Liberal Party have put forward some very good suggestions to provide certain financial incentives to private owners such as land exchange, transfers of plot ratios and tax concessions, and so on. In this way, co-operation between the private and public sectors can be fostered with the objective of preserving more privately-owned monuments. I believe between pursuing economic development and preserving built heritage, there is still a lot of room and methods for us to strike a right balance.

However, we must note that both land exchange and transfer of plot ratios involve the use of enormous public funds. On the other hand, negotiations may drag on for a long time and the work of conserving monuments may be delayed. Therefore, the authorities must have very explicit guidelines in place, so that on the one hand, adequate incentives can be provided; and on the other, the owners should not be allowed to make excessive and unreasonable demands. Earlier on, Mrs Selina CHOW asked in her speech whether we should carry out conservation at all costs. Of course, in our situation, there is still a long way from requiring us to do so at all costs. Therefore, we should consider establishing independent assessment and appeal mechanisms, so as to ensure that a proper balance can be attained between protecting the interests of owners and protecting certain antiquities and monuments which the public is concerned about.

Furthermore, Mr WONG Kwok-hing's amendment mentions that we should "formulate criteria for the preservation of collective memories, community sights and regional cultural characteristics". I very much support

this view. It is because the formulation of the above criteria will provide adequate reference for the Antiquities Advisory Board, so that its members can have some standards to rely upon in assessing the monuments and maintaining consistency, thereby demonstrating to the public transparency in the work of the Board. However, I also wish to point out that, very often, such guidelines contain rather abstract concepts. Therefore, apart from suitable guidelines, we should also have a mechanism that will allow fair participation, thus ensuring that the policy on conservation of monuments does reflect the aspirations of the majority public.

In conclusion, the Civic Party maintains its conventional stance, that is, it seeks to achieve the greatest possible consensus among all the different amendments. Although we may not totally agree with certain wordings, we still hope that the Government can adopt the "highest common factor", so as to achieve the greatest possible consensus. Therefore, President, the Civic Party will accept all the amendments. Thank you, President.

SECRETARY FOR HOME AFFAIRS (in Cantonese): Madam President, I thank Ms Audrey EU for proposing this motion on "Policy on conservation of monuments" for debate. I also thank Dr YEUNG Sum, Mr WONG Kwok-hing, Miss CHOY So-yuk, Dr KWOK Ka-ki, Mr Albert HO and Mr Howard YOUNG for their amendments. From the speeches enthusiastically made by the 22 Members earlier, we can see that built heritage conservation has become an issue of widespread concern in various sectors of the community. This also reflects a far stronger call for built heritage conservation in the community as a whole, compared with 2004 when the Government launched the Review of Built Heritage Conservation Policy, and the discussion of this issue is also more enthusiastic and focused than before.

Built heritage conservation is an indispensable part of the cultural policy. It is also an essential element of a cultural metropolis. Our current heritage conservation policy supports and promotes the conservation of heritage in Hong Kong. The fundamental principles of our policy are: (1) To conserve but not to take over the ownership; (2) Conservation should be based on heritage value, not simply the age of a building; (3) A balance between conservation needs and economic cost should be maintained; and (4) Private property rights should be given due regard.

It is true that the work in built heritage conservation is not satisfactory. Despite the enactment of the Antiquities and Monuments Ordinance as early as in 1976 and the establishment of the Antiquities Advisory Board (AAB) and the Antiquities and Monuments Office to take forward the relevant work, we must admit that the existing legal framework and the work of built heritage conservation in Hong Kong still lag behind the development and needs of the times.

The Home Affairs Bureau published the Review of Built Heritage Conservation Policy Consultation Document in 2004 to consult the public on the macro concepts of the heritage conservation policy, with a view to seeking a consensus in the community and fostering recognition of the concept of heritage conservation. We have raised three basic questions: What should we conserve? How do we conserve? How much, and who should pay? The consultation was conducted when Hong Kong had just recovered from SARS and so, even though a number of forums were organized and extensive publicity and promotional campaigns were launched to inculcate public awareness of heritage conservation, the majority of the views received were from professionals and concern groups, and the response of the general members of the community was just lukewarm at that time.

A summary of the results of public consultation was reported to the Legislative Council in November 2004. But as some of the issues covered in the consultation were very complicated, neither the Government nor the community in general could reach an overall and strong consensus on how much should be paid for conserving built heritage. But we have taken on board the views received during the public consultation in 2004 and developed since early 2005 a new set of criteria for assessing historic buildings with a holistic assessment strategy. The criteria, which cover such factors as social value and collective memory, have been adopted in conducting a comprehensive built heritage survey and assessment. For the purpose of the survey, 1 440 buildings with heritage value (including 496 graded buildings announced earlier) were selected from about 8 800 buildings completed before 1950 in Hong Kong for in-depth assessment. The survey is conducted jointly with an expert panel under the AAB and expected to complete by the end of this year. The results of the survey will form a basis for discussion in society and facilitate reform of the built heritage assessment mechanism and evaluation of the value of historic buildings. Our next step of work is to discuss with members of the public how much should be paid for built heritage conservation. The key consideration is

how many historic buildings we wish to conserve and in determining this number, a key factor of consideration is how and what we should conserve.

We originally planned to introduce a series of practicable measures in the middle of this year to improve our work in heritage conservation and facilitate discussion among the public and concern groups. In response to recent social and public concern and discussion over heritage conservation, we consider further public discussion necessary before introducing specific improvement proposals and measures. To this end, the Home Affairs Bureau will further discuss with the public the built heritage conservation policy in January and February, in order to more extensively and thoroughly gauge public opinions at a district level and from various sectors of the community. Apart from giving the public a more comprehensive and detailed explanation of the practical work that we have done for built heritage conservation, we will, jointly with members of the public, look into such issues as what historic buildings in Hong Kong have high conservation value and how they can be conserved. We will also take the opportunity to enhance the transparency of the existing heritage conservation mechanism, so that the public can gain a better understanding of our work in this area, and we will listen to public views with an open and impartial attitude.

I wish to reiterate here that the discussion to be conducted in this month and the next is not consultation. Nor do we intend to reintroduce the consultation document. Rather, our purpose is to discuss this issue with members of the community and participate in the process of heritage conservation together with the public.

Now, I would like to sum up my response to Members' suggestions and opinions.

Mr WONG Kwok-hing's amendment proposes that the Government should reform the policies and laws on the protection and conservation of antiquities and monuments on the basis of comprehensive consultation and formulate a timetable for legislative amendments. In fact, the Antiquities and Monuments Ordinance, which came into effect in 1976, provides for only one method of built heritage conservation, that is, declaration of monuments for conservation purposes, and stringent requirements are applied to any alternation work after declaration. This statutory mechanism, which provides for only one form of conservation, is rather rigid and there is still a lot of room for improvement. Many members of the public have expressed the view that there

should be more flexibility in the methods of conservation and that actions should be taken in a timely and appropriate manner, rather than conserving everything that is old and preserving the whole of anything identified for conservation.

To this end, it is necessary to reach a consensus with the public and study the formulation of new assessment criteria, in order to consider how amendments can be introduced to the scope and manners of conservation of historic buildings protected under the law. After consulting the public on the details of the built heritage conservation policy and measures in mid-2007, we will publish the timetable for amending the Antiquities and Monuments Ordinance.

Miss CHOY So-yuk's amendment urges the Government to conduct a comprehensive and extensive consultation on the built heritage conservation policy and expeditiously formulate a proper built heritage conservation policy, with the aim of striking a balance between heritage conservation and urban development, so as to facilitate sustainable and balanced development of the community. I believe Members will agree that heritage conservation often requires substantial input of social resources and public coffers, and involves many legal and technical issues, such as land use, town planning, urban renewal and private property development rights. We must expeditiously forge a consensus in the community on the assessment criteria for built heritage before the details concerning how many historic buildings will be conserved and how much social resources will be allocated can be assessed. I, therefore, agree with the amendment proposed by Miss CHOY so-yuk in principle. This is precisely the main reason why we have organized a series of discussion meetings, as we hope to hold further discussions with the public and listen to their views before implementing the proposals in the review of built heritage conservation policy.

Ms Audrey EU's original motion urges the Government to establish a monuments conservation fund to enhance the conservation of monuments. I heard that many Members are supportive of this proposal. The biggest problem now faced by built heritage is the lack of proper repairs and maintenance. As the historic buildings concerned are quite old, the cost of repairs and maintenance is generally quite expensive. Unless the buildings are used in a way capable of generating economic benefits, otherwise, the cost of their conservation is extremely high.

One of the objectives of setting up a heritage trust fund is to establish a dedicated body responsible for restoration and management of built heritage and to set up a dedicated fund to expand the sources of social resources for built heritage through fund-raising and donation. Similar heritage trust funds have also set up in many places overseas, such as the United States, Britain, Canada, Australia, Japan and Malaysia, to assist their Governments in promoting heritage conservation. We are also currently considering the establishment of a built heritage conservation fund in Hong Kong as an initiative of built heritage conservation, with a view to facilitating proper and flexible conservation, management and adaptive re-use of heritage, while at the same time encouraging donations from the community as well as their involvement in built heritage conservation and promotion, thereby enhancing the public's interest in and understanding of built heritage and putting in place a more flexible mechanism to support the relevant initiatives of the Government.

Given that conservation and management of built heritage is a long-term and ongoing commitment, considerable financial resources are, therefore, required. For historic buildings within the ambit of the Antiquities and Monuments Office alone, the repairs and maintenance already cost about \$33 million in 2005-2006. Adaptive re-use requires an even greater input of resources. The Bethanie, for instance, had undergone three years of restoration and redevelopment works at a cost of HK\$80 million, which was partly met by private and corporate sponsorship. It has now been converted into the campus of the Hong Kong Academy for Performing Arts.

Certainly, these are just preliminary ideas of setting up a heritage trust fund. As regards some basic questions, such as what historic buildings and how many historic buildings we should conserve, how to conserve, and how much should be paid for their conservation, it is still necessary to listen to public opinions.

Mr WONG Kwok-hing's amendment proposes that the Government should make reference to the monument sponsorship policy overseas. We understand that in foreign countries, monument sponsorship includes not only donations in money terms, as the public can carry out restoration, cleansing, recording, education and publicity work for the monuments under their sponsorship. One can contribute either money or efforts, so that the public (be they individuals, communities, or enterprises) can have more opportunities to draw close to and understand built heritage, and also take part in the conservation

of heritage. We agree in principle that this idea is worthy of in-depth studies, and we hope that this kind of programme can be complementary to the implementation of the proposed heritage trust fund as a measure to encourage public donation for and participation in built heritage conservation and to develop and promote a sense of cultural honour.

Mr WONG Kwok-hing's amendment suggests making reference to the successful experience of overseas countries in adaptive re-use of built heritage, with a view to promoting diversified development in society and hence creating more job opportunities. This, I cannot agree more. I believe Members also agree that built heritage is not purely for conservation and appreciation, for we also have to ensure that built heritage under protection can become part of the modern-day life of the people and hence give play to their social functions. They are not just relics of history for exhibition purposes only. While channelling social resources to their conservation, we must have regard to the sustainable development of built heritage. To this end, an adaptive re-use approach should be adopted and that is, when it is impossible for the built heritage to maintain their original functions, the use of the buildings must be modified appropriately, in order to sustain the use and development of the buildings and enable them to integrate with modern living and even perform the function of revitalizing and regenerating the community. Only in this way can it bring cultural, economic and educational benefits to society, and this is the best way for the built heritage to "reborn". In the meantime, we should also pay attention to whether or not the cultural characteristics surrounding the built heritage can be conserved. We hope that by combining with the surrounding environment as far as possible, the objectives of promoting tourism and the local community economy and creating job opportunities can be achieved, and the "old things" of yesterday will be turned into "living things" of today. This is the most important objective of heritage conservation.

The cost of built heritage conservation and adaptive re-use is very high. It may require a hundred million dollars from the public coffers to conserve one single building, and if it is necessary to compensate for the potential development value affected by heritage conservation, hundreds of million dollars may be required. There are many proposals suggesting *in situ* preservation of entire streets or even the entire district. If we have unlimited resources, I would certainly wish that we can preserve all built heritage. But the reality is that Hong Kong is densely populated with a scarcity of land and as ongoing urban development is necessary, it is therefore an important topic as to how adaptive

re-use of built heritage can be achieved in tandem with continued urban development. I hope that we can have more discussions with the public.

Ms EU's original motion urges the Government to formulate codes for the evaluation of social benefits and proper consultation procedures. On the codes for the evaluation of social benefits, I think they mean that before carrying out each works project or urban renewal project, we must evaluate its impact on built heritage and ascertain whether it is consistent with social benefits and set out various options of conservation. As built heritage conservation is closely linked with town planning and urban renewal, we have put in place a sound mechanism to evaluate the impact of works projects or urban renewal projects on built heritage, and consult the public on the built heritage affected.

The rapid development of the Hong Kong economy has given rise to increasing public expectation for improved living standard. Greater and greater importance has now been attached to town planning and the living environment. There are also growing concerns about the impact of urban renewal on the historical and cultural ambience of the old districts in Hong Kong and the social network of the local residents. In respect of town planning, we seek to suitably conserve built heritage with historical value during the town planning and urban renewal process through a series of legal and administrative procedures. The existing Hong Kong Planning Standards and Guidelines promulgate the guidelines on heritage conservation for the protection of heritage, landscape, customs and traditions.

When preparing statutory or non-statutory land-use plans, due consideration is given to heritage conservation by the Government. At present, monuments and historic buildings can be covered by appropriate land-use zoning on the statutory plan and hence be protected, or appropriate provisions can be included in the relevant statutory plan to stipulate that any proposed demolition, addition, modification or alteration of the building concerned will require the planning permission of the Town Planning Board (TPB) before such works can commence. Moreover, the plans will be exhibited in accordance with the Town Planning Ordinance for public inspection and for the public to express opinions. As for the graded historic buildings which have potential for conservation, we would by all means encourage the owners or developers to conserve the whole or major parts of a historic building through the existing town planning mechanism and lease conditions. As a whole, due regard is given to the Government's heritage conservation policy in the context of town planning.

As regards urban renewal, since its establishment in 2001 the Urban Renewal Authority (URA) has endeavoured to employ a holistic and comprehensive "4Rs" strategy comprising redevelopment, rehabilitation, revitalization of old districts, and preservation of buildings with historical value in urban renewal projects. In taking forward its urban renewal projects, the URA will adhere to the heritage conservation policy of the Home Affairs Bureau and work closely and liaise with the relevant bodies and stakeholders, such as the Antiquities and Monuments Office, AAB and the District Councils (DCs), with a view to achieving conservation and adaptive re-use of historic buildings in its projects as far as practicable.

In launching renewal projects, including heritage conservation and revitalization of old districts, the URA will actively consult the public and proactively invite DC members of the district, the affected residents, professional bodies and stakeholders to participate in the planning and design of the projects. In taking forward the many projects in Wan Chai, Sheung Wan, Kwun Tong, Mong Kok and Sham Shui Po, the URA has organized community workshops, extensively invited participation from members of professional bodies, DCs and residents' groups, and conducted opinion surveys in the community. Through these community involvement activities, the URA can understand the aspirations and opinions of the community concerning the renewal projects.

Moreover, under the Environmental Impact Assessment Ordinance, when the designated projects may have an adverse impact on the environment at the cultural heritage sites, the department proposing the project will be required to conduct a cultural heritage impact assessment for the purpose of environmental impact assessment (EIA). The Environmental Impact Assessment Ordinance also requires the Director of Environmental Protection to adopt the opinion given by the Antiquities and Monuments Office on the cultural heritage impact assessment in the EIA, and the EIA report will be made public for public inspection.

Furthermore, the existing advisory mechanism for built heritage conservation operates mainly through the AAB. We agree that it is necessary to enhance public participation in built heritage conservation and open up more room for the public to express their opinions. We have reviewed the operation of the AAB and we are thinking about providing new channels for consultation within the AAB framework, so that the public can express their views on grading of built heritage as well as ways of conservation.

The Chief Executive has increased the membership of the AAB in the next term from 21 to 28 members who will come from various sectors of the community and various professions. This balanced composition has enhanced the community representation of the AAB. I hope that the AAB will, in its new term, actively collect views on heritage conservation from various sectors of society and concern groups in the community, so that the work of the AAB will receive greater recognition for its professionalism. To this end, three dedicated working groups will be set up under the AAB to conduct in-depth studies on heritage conservation in various aspects and also listen to public opinions and reflect them to the AAB. We will extensively invite members from various sectors of the community to join the AAB as co-opted members, with a view to expanding the channels of consultation.

Ms EU's original motion urges the Government to take into account collective memory. We appreciate the concern expressed recently by Members and the public on built heritage. Collective memory bears testimony to the cultural and social life that Hong Kong people have lived and also to historical incidents that we all have experienced. These experiences and memories help foster a greater sense of belonging among the public; they also help build up the cultural identity of Hong Kong people.

For this reason, we agree that built heritage conservation should not be confined to the historic and architectural characteristics of buildings, and the collective memory that co-exists with the buildings should also be conserved. As I pointed out earlier on, in early 2005, a set of new assessment criteria for determining the heritage value was devised using a holistic strategy covering a wide range of factors, including historical interest, architectural merit, rarity, group value, social value, collective memory and authenticity, and among the 8 800 buildings built before 1950, 1 440 buildings with historical value were selected as targets of in-depth assessment. However, I hope that Members can further discuss what collective memory is. We often talk about collective memory, but it seems that few people have explained what it means. How many people should be involved in order to be considered "collective"? How can a memory be proved collective? How long ago an incident should take place in order for it to be considered a memory? The concept of collective memory is rather abstract. Its interpretation varies from one person to another, and it varies at different times and in different circumstances. How should we identify and determine projects for conservation? Can collective memory override other factors? How should we strike a balance among the assessment

criteria? I agree that in this regard, we can make reference to such international charters as the Burra Charter and also the practices in other places. But a more important question is how to formulate a set of criteria that ties in with public sentiments in Hong Kong and a mechanism that can reflect and respond to the demands in society and of the public in this regard. In order to more clearly understand and grasp public opinions on collective memory, we will actively collect public views on this concept and forge a consensus, so as to consider how the existing criteria for determining the value of built heritage can be broadened and amended to duly include in the criteria the element and weighting of collective memory. We will consult Members on the new assessment criteria in due course.

The amendments sponsored by Mr WONG Kwok-hing and Mr Howard YOUNG propose that various financial incentives be provided to private owners, including land exchange and transfer of plot ratios, in order to encourage them to conserve heritage. Under the existing Antiquities and Monuments Ordinance, the Government can invoke the Ordinance to conserve a declared monument in private ownership, and prohibit any demolition and disruption of the monument without government permission. Besides, the Government will, in the light of the circumstances and needs, provide assistance in respect of repairs and maintenance. If the owner will suffer financial loss consequential to the declaration of monument, he can file claims for compensations under section 8 of the Antiquities and Monuments Ordinance. However, as property prices are very high in Hong Kong, the amount of compensation may be enormous and so, we cannot exercise this power rashly. In this connection, we will, in most cases, invoke the Ordinance and declare a building as a monument only after we have the consent and co-operation of the owner.

To encourage private participation in built heritage conservation, we are looking into ways to provide suitable financial incentives, including transfer of plot ratios and *in situ* or *non-in situ* land exchange, for conserving built heritage. However, these measures involve complications both technically and legally, and we have to study their feasibility in detail, such as how to calculate the unused development rights of a built heritage; and in the case of collective ownership involving many title holders, how to determine the development rights of individual title holder, and the time limit for transfer of development rights. These issues are far more complicated than imagined. It is also necessary for us to examine how many and which historic buildings will qualify under the scheme, and consider the cost-effectiveness of the public resources required. Moreover,

we must consider a question and that is, when compensation is made for the declaration of a private historic building as a monument but if it remains in private ownership, which means that the building does not have to be open for visit or enjoyment by the public, would it be considered an effective use of public money in public interest?

The financial commitment for providing the proposed incentives mentioned above is not small. Apart from compensation made directly to owners affected by the preservation of the built heritage, the proposed financial incentives, such as transfer of development rights and land exchange, will also affect the Government's proceeds from land sale and hence reduce the revenue to the Treasury. The implementation of other new measures will also involve colossal public resources, especially the proposed built heritage conservation fund, the scale and effectiveness of which will, to a very large extent, depend on its financial resources. To fully implement these improvement proposals, both the Government and the public are duty-bound to provide assistance and support. Apart from contributing money and efforts, we must consider in detail how the effectiveness of conservation of private built heritage can be enhanced with limited resources. How can we prevent possible transfer of benefits? According to the response that we received during the consultation exercise in 2004, the public considered that the cost must be borne by the whole community, but no specific opinions were expressed on how new sources of social resources can be tapped. On the principle of balancing built heritage conservation and other demands in society, will the resources for other public services be affected? So, these questions have to be explored in depth and considered carefully, and we hope that the public can give us more concrete views in these aspects.

Dr YEUNG Sum's amendment proposes the establishment of a statutory body on antiquities protection to take charge of related consultation and protection work (including compensation, land acquisition and conservation, and so on), and allow the statutory body to directly acquire and operate any public or private monument items. We consider that introducing amendments to the Antiquities and Monuments Ordinance, or together with making suitable amendments or adjustments to the existing town planning mechanism, are already sufficient to effectively enhance the work of heritage conservation. Moreover, empowering a statutory body for antiquities protection to acquire built heritage in private ownership will deviate from a fundamental principle of our existing policy on built heritage conservation and that is, to conserve but not to take over the ownership. On the other hand, having studied the proposal

carefully, we understand that in order to implement the proposal, it is necessary to revamp the powers and responsibilities of the relevant Policy Bureaux and enforcement departments and also introduce amendments to a number of ordinances, because heritage conservation involves not only the Antiquities and Monuments Ordinance, but also the Town Planning Ordinance, the Environmental Impact Assessment Ordinance and the Urban Renewal Authority Ordinance.

The amendments proposed by Dr KWOK Ka-ki and Mr Albert HO urge the Government to reform the TPB and relevant legislation, so as to make the protection of monuments and preservation of cultural environment the overriding principle or an important principle in town planning in Hong Kong. The Government is of the view that the overall objective of town planning should be to provide the public with a comfortable, safe living environment and space which can meet the various development needs in society, enable sustainable development and benefit the next generation. To achieve this objective, we must carefully review the many relevant factors having regard to the merits of each case, with a view to striking the most proper balance in formulating planning options. Heritage conservation and preservation of cultural environment is a major factor in this process. The existing Town Planning Ordinance and the TPB which operates in accordance with this Ordinance has enabled the decision-making process of town planning to have full regard to the various planning factors.

Ms EU's original motion also urges the Government to enhance the participation of such concern groups as DCs, professional bodies and residents' groups in the decision-making process of town planning. Public participation is an important part of the town planning process. Since the amended Town Planning Ordinance came into force in mid-2005, the entire planning system has been open to the public, as all planning applications as well as applications for amendments to plans have to be exhibited for public inspection, while members of the public can make representation to the TPB within a statutory time limit. Public participation and expression of opinion are also allowed in the course of planning studies and formulation of plans. Take the Kai Tak Planning Review as an example. The public (including district organizations and professional bodies) can take part in the discussion and express their opinions in the various stages of the studies, with a view to reaching a consensus. Public opinions will provide a sound foundation and recognition to the Kai Tak Outline Zoning Plan to be formulated in future. This *modus operandi* sets a model for future

consultation on town planning. As the Town Planning (Amendment) Ordinance has come into force for only a year or so, we do not see the need to further amend this Ordinance in respect of public participation.

Madam President, Hong Kong is a small place with a dense population. Given the rapid growth in population and pace of urbanization, built heritage conservation has become a very strenuous task, and it is a very difficult and lengthy process in taking forward the relevant work. In spite of this, over the past two to three decades, we have all along endeavoured to conserve built heritage and further promoted adaptive re-use of the same with public resources. Yet, the built heritage conservation mechanism in place has failed to catch up with the demands in society.

Heritage conservation means that the community, by consensus of the civil society, generally supports the Government to employ resources and authority to turn built heritage originally in government or private ownership into public sphere commonly owned by the people for nurturing cultural identification and a sense of cultural honour. This is the core values of a heritage conservation policy. A prerequisite for successful heritage conservation is that there must be a general agreement in society that historical relics are common cultural assets, worthy of preservation with the use of public and social resources, and that property owners should also agree that their properties are of cultural value and be prepared to co-operate with the Government on certain conditions. For this reason, public support and participation are fundamental to successful conservation of built heritage. Heritage conservation will achieve success only in a truly modernized city with people who have adequate civic awareness, home awareness and cultural awareness. For this reason, the Review of Built Heritage Conservation Policy is much more than a technical consultation on how to conserve built heritage in Hong Kong. We have to give thoughts to, among other things, the community values, lifestyles and even survival tactics of our city, and what we have to sort out first is the common values in Hong Kong society.

I believe it is a common objective of the public and the Government to strike a proper balance in the overall interests of society while doing our utmost to conserve built heritage in Hong Kong. We hope that the new policy on built heritage conservation can, by bits and pieces, foster cultural identification and a sense of cultural honour in Hong Kong people. A major characteristic of our

culture is a blend of the East and West. The environment around us at this moment in history is inherited from the activities of our ancestors, while the existing built heritage carries the memory of this generation of ours and will leave traces for tomorrow. The traces left by history are a definition of our cultural identity; they are the source of our collective memory which is irreplaceable. We have the duty to preserve these relics for our posterity. Here, I hope that Members and the public will continue to enthusiastically take part in the discussion on this issue of common concern, with a view to reaching a consensus and making concerted commitment for this cause.

Thank you, Madam President.

PRESIDENT (in Cantonese): I now call upon Mr WONG Kwok-hing to move his amendment to the motion.

MR WONG KWOK-HING (in Cantonese): President, I move that Ms Audrey EU's motion be amended.

Mr WONG Kwok-hing moved the following amendment: (Translation)

"To add "policies and laws on the protection and conservation of antiquities and monuments in Hong Kong are imperfect, and the" after "That, as the"; to add "antiquities and" after "public awareness of and participation in the conservation of"; to add "(a) reform the policies and laws on the protection and conservation of antiquities and monuments on the basis of comprehensive consultation, and formulate a timetable for legislative amendments;" after "this Council urges the Government to:"; to delete the original "(a)" and substitute with "(b)"; to delete "monuments conservation" after "establish a"; to add "on protection and conservation of antiquities and monuments" after "fund"; to add "protection and" after "to enhance the"; to add "antiquities and" after "conservation of"; to add ", as well as for repair, education and promotion work" after "monuments"; to delete the original "(b)" and substitute with "(c)"; to add "antiquities and" after "various options and their impact on"; to delete ", having regard to the preservation of collective memories; and" after "monuments" and substitute with "(d)

formulate criteria for the preservation of collective memories, community sights and regional cultural characteristics;"; to delete the original "(c) enhance" and substitute with "(e) establish a mechanism for"; to add "as well as the public" after "professional bodies and resident groups"; and to add "and community redevelopment; (f) consider adopting such means as land exchange and transfer of plot ratios to preserve more privately-owned monuments and prevent them from being demolished; (g) make reference to the sponsorship policies on antiquities and monuments, including sponsorship by individuals, enterprises and communities, etc, which have been implemented for many years in such countries as the UK, the USA and France, so as to pave a new way for the protection and conservation of antiquities and monuments in Hong Kong; and (h) draw from the successful experience in revitalizing antique buildings, such as the derelict industrial park on Vancouver's Granville Island, Japan's Otaru warehouses and the Taipei Story House, to promote multi-faceted development in humanities, history education, art, creative industries, tourism and community involvement, etc, thereby creating more employment opportunities" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment moved by Mr WONG Kwok-hing to Ms Audrey EU's motion be passed.

PRESIDENT (in Cantonese): I now call upon Mr Howard YOUNG to move his amendment to Mr WONG Kwok-hing's amendment.

MR HOWARD YOUNG (in Cantonese): President, I move that Mr WONG Kwok-hing's amendment be amended.

Mr Howard YOUNG moved the following amendment to Mr WONG Kwok-hing's amendment: (Translation)

"To add "providing economic incentives to private property owners, including" after "(f) consider"; to add "acquisition," after "adopting such means as"; and to add "," after "land exchange and transfer of plot ratios"."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mr Howard YOUNG to Mr WONG Kwok-hing's amendment, be passed.

PRESIDENT (in Cantonese): I now put the question to you as stated. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

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

PRESIDENT (in Cantonese): I now put the question to you and that is: That Mr WONG Kwok-hing's amendment as amended by Mr Howard YOUNG to Ms Audrey EU's motion, be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

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

PRESIDENT (in Cantonese): Dr KWOK Ka-ki, as Mr WONG Kwok-hing's amendment as amended by Mr Howard YOUNG has been passed, I have given leave for you to revise the terms of your amendment, as set out in the paper which has been circularized to Members. When you move your revised amendment, you have up to three minutes to explain the revised terms in your amendment, but you may not repeat what you have already covered in your earlier speech. You may now move your revised amendment.

DR KWOK KA-KI (in Cantonese): Madam President, I move my amendment as set out in the paper.

Madam President, today is a very special day. Many Honourable colleagues have put forward their views on the preservation of antiquities and monuments. But after listening to the response from our Secretary, I began to feel very uneasy. As a matter of fact, I cannot see any new viewpoints from the Government. While many new viewpoints have been put forward in both the original motion and the amendments, I cannot see the Government has responded in any way to these new viewpoints. In my opinion, if the Government really wants to address this issue properly, it must make significant changes to such aspects as the basic town planning in Hong Kong, and so on. Therefore, I still hope that this amendment can be passed in this Council and eventually be adopted by the Government to become a major principle and foundation in the preservation of antiquities and monuments in future. Thank you, Madam President.

Dr KWOK Ka-ki's moved the following further amendment to the motion as amended by Mr WONG Kwok-hing and Mr Howard YOUNG: (Translation)

"To add "; and (i) through reforming the Town Planning Board and relevant legislation, make the protection of monuments and preservation of cultural environment, etc the overriding principle in town planning in Hong Kong" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Dr KWOK Ka-ki's amendment to Ms Audrey EU's motion as amended by Mr WONG Kwok-hing and Mr Howard YOUNG, be passed.

PRESIDENT (in Cantonese): I now call upon Mr Albert HO to move an amendment to Dr KWOK Ka-ki's amendment.

MR ALBERT HO (in Cantonese): President, I move that Dr KWOK Ka-ki's amendment be amended.

Mr Albert HO moved the following amendment to Dr KWOK Ka-ki's amendment: (Translation)

"To add "one of" after "protection of monuments and preservation of cultural environment, etc"; and to delete "principle" after "the overriding" and substitute with "principles"."

PRESIDENT (in Cantonese): Mr Albert HO, you may sit down now.

(Mr Albert HO sat down)

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mr Albert HO to Dr KWOK Ka-ki's amendment, be passed.

PRESIDENT (in Cantonese): I now put the question to you as stated. Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raised their hands)

Mr Howard YOUNG rose to claim a division.

PRESIDENT (in Cantonese): Mr Howard YOUNG has claimed a division. The division bell will ring for three minutes, after which the division will begin.

PRESIDENT (in Cantonese): Will Members please proceed to vote.

PRESIDENT (in Cantonese): Will Members please check their votes. If there are no queries, voting shall now stop and the result will be displayed.

Functional Constituencies:

Dr David LI, Ms Margaret NG, Mr CHEUNG Man-kwong, Mr SIN Chung-kai, Ms LI Fung-ying, Mr WONG Kwok-hing, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Mr KWONG Chi-kin and Miss TAM Heung-man voted for the amendment.

Mrs Sophie LEUNG, Mr Howard YOUNG, Ms Miriam LAU, Mr Vincent FANG, Mr Daniel LAM, Mr Jeffrey LAM and Mr Andrew LEUNG voted against the amendment.

Dr Raymond HO, Dr LUI Ming-wah, Mr Bernard CHAN, Mr WONG Yung-kan, Mr WONG Ting-kwong, Mr CHIM Pui-chung and Prof Patrick LAU abstained.

Geographical Constituencies:

Mr Albert HO, Mr LEE Cheuk-yan, Mr Fred LI, Miss CHAN Yuen-han, Dr YEUNG Sum, Mr LAU Chin-shek, Ms Emily LAU, Mr Andrew CHENG, Mr Albert CHAN, Mr Frederick FUNG, Ms Audrey EU, Mr LEE Wing-tat, Mr Alan LEONG, Mr LEUNG Kwok-hung and Mr Albert CHENG voted for the amendment.

Mr James TIEN and Mrs Selina CHOW voted against the amendment.

Mr CHAN Kam-lam, Mr Jasper TSANG, Mr LAU Kong-wah, Mr LI Kwok-ying and Mr CHEUNG Hok-ming abstained.

THE PRESIDENT, Mrs Rita FAN, did not cast any vote.

THE PRESIDENT announced that among the Members returned by functional constituencies, 24 were present, 10 were in favour of the amendment, seven against it and seven abstained; while among the Members returned by geographical constituencies through direct elections, 23 were present, 15 were in favour of the amendment, two against it and five abstained. Since the question was not agreed by a majority of each of the two groups of Members present, she therefore declared that the amendment was negatived.

MS MIRIAM LAU (in Cantonese): President, I move that in the event of further divisions being claimed in respect of the motion on "Policy on conservation of monuments" or any amendments thereto, this Council do proceed to each of such divisions immediately after the division bell has been rung for one minute.

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

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): I now put the question to you as stated. Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raised their hands)

PRESIDENT (in Cantonese): I think the question is agreed by the majority of the two groups of Members present. I declare the motion passed.

I order that in the event of further divisions being claimed in respect of the motion on "Policy on conservation of monuments" or any amendments thereto, this Council do proceed to each of such divisions immediately after the division bell has been rung for one minute.

PRESIDENT (in Cantonese): I now put the question to you and that is: That Dr KWOK Ka-ki's amendment to Ms Audrey EU's motion as amended by Mr WONG Kwok-hing and Mr Howard YOUNG, be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raised their hands)

Dr KWOK Ka-ki rose to claim a division.

PRESIDENT (in Cantonese): Dr KWOK Ka-ki has claimed a division. The division bell will ring for one minute, after which the division will begin.

PRESIDENT (in Cantonese): Will Members please proceed to vote.

PRESIDENT (in Cantonese): Will Members please check their votes. If there are no queries, voting shall now stop and the result will be displayed.

Functional Constituencies:

Dr David LI, Ms Margaret NG, Ms LI Fung-ying, Mr WONG Kwok-hing, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Mr KWONG Chi-kin and Miss TAM Heung-man voted for the amendment.

Mrs Sophie LEUNG, Mr WONG Yung-kan, Mr Howard YOUNG, Ms Miriam LAU, Mr Tommy CHEUNG, Mr Vincent FANG, Mr Daniel LAM, Mr Jeffrey LAM, Mr Andrew LEUNG and Mr WONG Ting-kwong voted against the amendment.

Dr Raymond HO, Dr LUI Ming-wah, Mr CHEUNG Man-kwong, Mr Bernard CHAN, Mr SIN Chung-kai, Mr CHIM Pui-chung and Prof Patrick LAU abstained.

Geographical Constituencies:

Mr LEE Cheuk-yan, Miss CHAN Yuen-han, Mr LAU Chin-shek, Ms Emily LAU, Mr Albert CHAN, Mr Frederick FUNG, Ms Audrey EU, Mr Alan LEONG, Mr LEUNG Kwok-hung and Mr Albert CHENG voted for the amendment.

Mr James TIEN, Mrs Selina CHOW, Mr CHAN Kam-lam, Mr Jasper TSANG, Mr LAU Kong-wah, Miss CHOY So-yuk, Mr LI Kwok-ying and Mr CHEUNG Hok-ming voted against the amendment.

Mr Albert HO, Mr Fred LI, Dr YEUNG Sum, Mr Andrew CHENG and Mr LEE Wing-tat abstained.

THE PRESIDENT, Mrs Rita FAN, did not cast any vote.

THE PRESIDENT announced that among the Members returned by functional constituencies, 25 were present, eight were in favour of the amendment, 10 against it and seven abstained; while among the Members returned by geographical constituencies through direct elections, 24 were present, 10 were in favour of the amendment, eight against it and five abstained. Since the question was not agreed by a majority of each of the two groups of Members present, she therefore declared that the amendment was negated.

PRESIDENT (in Cantonese): Miss CHOY So-yuk, as Mr WONG Kwok-hing's amendment as amended by Mr Howard YOUNG has been passed, I have given leave for you to revise the terms of your amendment, as set out in the paper which has been circularized to Members. When you move your revised amendment, you have up to three minutes to explain the revised terms in your amendment, but you may not repeat what you have already covered in your earlier speech. You may now move your revised amendment.

MISS CHOY SO-YUK (in Cantonese): President, I move that Ms Audrey EU's motion as amended by Mr WONG Kwok-hing and Mr Howard YOUNG, be further amended by my revised amendment.

President, as a matter of fact, the contents of the amendments moved by Mr WONG Kwok-hing and Mr Howard YOUNG are consistent with the view of the DAB. The only point I wish to raise is that their amendments have not mentioned the need to formulate expeditiously a proper policy on built heritage conservation, with the aim of striking a balance between heritage conservation and urban development so as to maintain sustainable development. This would also mean that the Government must not demolish various kinds of buildings on different excuses. This is why I wish to propose this further amendment.

President, I so submit.

Miss CHOY So-yuk moved the further amendment to the motion as amended by Mr WONG Kwok-hing and Mr Howard YOUNG: (Translation)

"To add "; and (i) conduct a comprehensive and extensive consultation on the built heritage conservation policy and expeditiously formulate a proper built heritage conservation policy, with the aim of striking a balance between heritage conservation and urban development, so as to facilitate a sustainable and balanced development of the community" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Miss CHOY So-yuk's amendment to Ms Audrey EU's motion as amended by Mr WONG Kwok-hing and Mr Howard YOUNG, be passed.

PRESIDENT (in Cantonese): I now put the question to you as stated. Will those in favour please raise their hands?

(Members raise their hands)

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

(No hands raised)

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

PRESIDENT (in Cantonese): Dr YEUNG Sum, since Mr WONG Kwok-hing's amendment as amended by Mr Howard YOUNG, as well as Miss CHOY So-yuk's amendment have been passed, I have given leave for you to revise the terms of your amendment, as set out in the paper which has been circularized to Members. When you move your revised amendment, you have up to three minutes to explain the revised terms in your amendment, but you may not repeat what you have already covered in your earlier speech. You may now move your revised amendment.

DR YEUNG SUM (in Cantonese): Madam President, I move that Ms Audrey EU's motion, as amended by Mr WONG Kwok-hing, Mr Howard YOUNG and Miss CHOY So-yuk, be further amended by my revised amendment.

My amendment seeks mainly to set up a statutory body because the existing Antiquities Advisory Board (AAB) is like a toothless tiger and it is quite useless. It does not have any financial powers and it cannot carry out any kind of acquisition or make any compensation. This accounts for the total failure of our conservation work in the past. Therefore, I propose that a new body be set up and that it shall be vested with powers, that is, legal and financial powers, so as to facilitate its carrying out of acquisitions and making compensation. It

should be vested with actual powers, that is, apart from legal powers, it should also have financial powers. This new body can actually replace the AAB completely.

I hope Members can vest actual powers with this new body. Thank you. I hope Members can give their support.

Thank you, Madam President.

Dr YEUNG Sum moved the following further amendment to the motion as amended by Mr WONG Kwok-hing, Mr Howard YOUNG and Miss CHOY So-yuk: (Translation)

"To add "; and (j) apart from the existing Antiquities Advisory Board, set up a statutory body on antiquities protection to take charge of related consultation and protection work (including compensation, land acquisition and conservation, etc), and allow the statutory body to directly acquire and operate any public or private monument items" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Dr YEUNG Sum's amendment to Ms Audrey EU's motion as amended by Mr WONG Kwok-hing, Mr Howard YOUNG and Miss CHOY So-yuk, be passed.

PRESIDENT (in Cantonese): I now put the question to you as stated. Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raised their hands)

Dr YEUNG Sum rose to claim a division.

PRESIDENT (in Cantonese): Dr YEUNG Sum has claimed a division. The division bell will ring for one minute, after which the division will begin.

PRESIDENT (in Cantonese): Will Members please proceed to vote.

PRESIDENT (in Cantonese): Will Members please check their votes. If there are no queries, voting shall now stop and the result will be displayed.

Functional Constituencies:

Dr David LI, Ms Margaret NG, Mr CHEUNG Man-kwong, Mr SIN Chung-kai, Ms LI Fung-ying, Mr WONG Kwok-hing, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Mr KWONG Chi-kin and Miss TAM Heung-man voted for the amendment.

Mrs Sophie LEUNG, Mr Howard YOUNG, Ms Miriam LAU, Mr Tommy CHEUNG, Mr Vincent FANG, Mr Daniel LAM, Mr Jeffrey LAM and Mr Andrew LEUNG voted against the amendment.

Dr Raymond HO, Dr LUI Ming-wah, Mr Bernard CHAN, Mr WONG Yung-kan, Mr WONG Ting-kwong, Mr CHIM Pui-chung and Prof Patrick LAU abstained.

Geographical Constituencies:

Mr Albert HO, Mr LEE Cheuk-yan, Mr Fred LI, Miss CHAN Yuen-han, Dr YEUNG Sum, Mr LAU Chin-shek, Ms Emily LAU, Mr Andrew CHENG, Mr Albert CHAN, Mr Frederick FUNG, Ms Audrey EU, Mr LEE Wing-tat, Mr Alan LEONG, Mr LEUNG Kwok-hung and Mr Albert CHENG voted for the amendment.

Mr James TIEN and Mrs Selina CHOW voted against the amendment.

Mr CHAN Kam-lam, Mr Jasper TSANG, Mr LAU Kong-wah, Miss CHOY So-yuk, Mr LI Kwok-ying and Mr CHEUNG Hok-ming abstained.

THE PRESIDENT, Mrs Rita FAN, did not cast any vote.

THE PRESIDENT announced that among the Members returned by functional constituencies, 25 were present, 10 were in favour of the amendment, eight against it and seven abstained; while among the Members returned by geographical constituencies through direct elections, 24 were present, 15 were in favour of the amendment, two against it and six abstained. Since the question was not agreed by a majority of each of the two groups of Members present, she therefore declared that the amendment was negatived.

PRESIDENT (in Cantonese): Ms Audrey EU, you may now speak in reply. You have two minutes 56 seconds.

MS AUDREY EU (in Cantonese): First of all, I would like to thank the 20-odd Honourable colleagues who have spoken on this motion in great detail and with remarkable enthusiasm. This shows that the motion topic is a very suitable and worthwhile topic for discussion. A number of Members have found the time limit of seven minutes not quite enough for their speeches. President, even as the buzzer had sounded and after you had asked the Members concerned to sit down, they would still like to go on. This shows that many Members really have a lot to say to the Government.

The Secretary has delivered a speech in detail and he admits at the beginning of his speech that the existing policy on built heritage conservation is not satisfactory and that its legal framework is unable to keep abreast with the trends in development. I am glad to hear that. However, President, it is unfortunate that I find some places in the latter part of his speech contradictory with the previous parts. At the beginning of his speech he said that later on, that is, during January and February, there would be a full-scale consultation which is open and extensive. Of course, we are glad to hear that, but when he talked about the relevant laws on urban planning, he said that work in this aspect had been very good and at present things went on fine in many aspects and so

there would be no need to undertake any review. I think this is a bit contradictory with what was said earlier.

Many Honourable colleagues pointed out in their speeches that one of the problems now is that often conservation work is not confined to a single building. It is sad to see that when there is a tower and you want to conserve it and say that it is part of our built heritage, what we see is that its surroundings simply do not fit in. So with respect to urban planning, in the descriptive terms for an area, we should not just see if it is an industrial area or a commercial area, but we need also to see if it is a cultural area. In this way you will not just conserve a particular building but an entire community and hence its development. This is one area which merits consideration.

Besides, many people say that they cannot state their case in the Town Planning Board (TPB) for the reason that in the organization framework of the Board, it is the Government which is taking charge of matters or is playing a leading role. The Permanent Secretary is the Chairman in the meetings of the TPB and all other members of the Board are appointed by the Government. So even if there are good suggestions, it would not be possible to raise them in these meetings and this is also a reason why public aspirations for planning or involvement in planning are not fulfilled.

I therefore hope that the Secretary will carry out a full-scale consultation and hold discussions on topics like town planning law and the existing legal framework.

Thank you, President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That Ms Audrey EU's motion as amended by Mr WONG Kwok-hing, Mr Howard YOUNG and Miss CHOY So-yuk, be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

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

PRESIDENT (in Cantonese): Second motion: Retaining and supporting the development of commercial districts and bazaars with local characteristics.

**RETAINING AND SUPPORTING THE DEVELOPMENT OF
COMMERCIAL DISTRICTS AND BAZAARS WITH LOCAL
CHARACTERISTICS**

MR VINCENT FANG (in Cantonese): Madam President, I move that the motion, as printed on the Agenda, be passed.

Before going further, I hope that the President can first understand that my motion is different from the previous one. The spirit of my motion today does not lie in the preservation of the so-called collective memory because, to me, memory represents something of the past. Instead, I hope that trades and industries which are still rich in vitality and commercial districts and bazaars which are still effective in boosting Hong Kong's image, economy, society, employment and livelihood can be retained.

I have proposed this question because many wholesalers and retailers have lodged complaints with me. They are those hawkers operating at Tai Yuen Street and Cross Street of Wan Chai and operators of the "Sport Shoes Street" in Mong Kok, who handed Honourable Members petition letters in the rain outside the Legislative Council Building today. The former have been operating at Tai Yuen Street and Cross Street for decades, and some of them have been there since the relocation of the Wan Chai old market. Now they are required by the Government to move elsewhere to allow vehicular access for business operators of the newly completed residential buildings nearby, despite the fact that there are access roads in the vicinity.

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

As for the "Sport Shoes Street", despite the Government having announced the redevelopment plan a decade ago, the district has now, a decade down the line, turned into a sportswear street well-known in the Mainland and overseas, where overseas and mainland visitors, not to mention local consumers, buy trendy sporting goods. According to the statistics provided by shop operators, the number of consumers at weekends may exceed 100 000.

At present, the Government is not seeking to recover hawker licences in a mandatory manner or request operators to close their businesses. Instead, the Government is merely requesting their relocation to the multi-storey market complexes operated by the Government. On the surface, a somewhat reasonable compensation package is also offered in the redevelopment of old districts. However, these commercial districts and bazaars have never requested the Government to make any investment. Instead, it is the hawkers and operators themselves who have gradually built up the district into a thriving market as well as a place for pooling sporting goods over a period of two to three decades. The fact that Hong Kong does not produce sporting goods and yet it has turned itself into a retail centre for such goods has adequately manifested the philosophy of success that "goods can be sold even better in places of distribution than places of production".

Even if we put aside the issue of whether these commercial districts and bazaars with local characteristics, as a component of Hong Kong as a shopping paradise, can be rebuilt after relocation, the key consideration is whether they should be destroyed lightly.

Historical monuments, scenery and local customs and practices must be among the most favourite things travellers like to see. Regrettably, only local customs and practices can be seen in Hong Kong. Therefore, we are actually preserving our tourism strengths while retaining these commercial districts and bazaars.

On the other hand, we have seen some examples of relocation. For instance, the "Cloth Alley", the "Bird Street" and the "Wedding Card Street" have either fallen into decline or ended up scattered here and there. The highest letting rate of the Government's multi-storey market complexes is only 70%, while the lowest rate can fall below 40%. Deputy President, this is not the doing of Secretary Dr York CHOW. It is rather because the Government has not considered during the planning process whether Hong Kong requires multi-storey market complexes and whether their design is convenient to the

people and businesses. What was in the Government's mind was to find a place for rehousing purposes. Due to the low availability rate, on-street hawkers' operation is being restricted. If they want to "make a living", they will have to move into multi-storey market complexes.

This is definitely not what a people-oriented government should do. While the good has to be retained, the bad has to be improved. The Government should not act merely for the purpose of accomplishing a certain number of redevelopment projects, constructing a certain number of municipal complexes and completing a certain kilometres of trunk roads.

In addition to the two projects which have reached the critical stage, the Central Kowloon Route recently proposed by the Government will also affect the fruit market and the Jade Market in Yau Ma Tei. The Soho District, Peel Street and Graham Street in Central are already included in the redevelopment projects of old districts.

Many well-known commercial districts which are not yet affected by redevelopment, such as Lan Kwai Fong, the Soho District, Dried Seafood Street in Sheung Wan, and even Temple Street, "Ladies' Market" and Ap Liu Street are actually situated in old districts. We will surely regret if we do not seriously consider today how to retain and support these commercial districts and bazaars with characteristics by way of town planning. Just as in the case of the bazaar at Marble Road, the site of the demolished North Point Estate has been left vacant for years. Even if financial losses are not taken into account, the open-air bazaar at Marble Road, mainly operated by hawkers, has also fallen into decline as a result.

Hence, I hope that bazaars and commercial districts with local characteristics can not only be retained, but also move forward and continue to grow with vitality, for only through doing so can society be given momentum in development.

We in the Liberal Party consider that the SAR Government should take the lead in retaining these commercial districts and bazaars with local characteristics by way of town planning. The fact that some hawkers at Tai Yuen Street have been relocated twice and are facing relocation for a third time shows that there is a complete lack of planning on the part of the Government for long-term development. As a result, hawkers are being kicked here and there like a ball and can settle only when places are available.

Urban revitalization strategies should not be confined to demolition and redevelopment. Instead, more flexible ways of thinking should be introduced. I have specially consulted an architect, Mr WONG Kam-sing, on today's question. He said the Government can actually relocate tenants elsewhere as planned, as in the case of Sai Yee Street, but the shops and buildings will be retained and rehabilitation of the original structure will then be carried out, and redevelopment of the superstructures can even be considered too. Although the construction cost will become higher, this is still worth consideration and will actually lead to an all-win situation.

The Government will invariably use such grand excuses as urban development and municipal hygiene in its bid to weed out "dai pai dong"¹ or hawkers. While urban development can be adjusted through planning, I was once told by some hawkers that, insofar as hygiene was concerned, they welcomed the Government's request if their "on-street stalls" were considered not hygienic enough. They were also prepared to pay for improvement works if the Government was not deliberately trying to make things difficult for them. Should they fail to comply, the Government might even recover their licences.

As I feel that the hawkers' points are quite sensible and reasonable, I have proposed in the motion to formulate special management rules and regulations to balance the need to retain such commercial districts and bazaars and that for urban development and environmental hygiene.

Just as I have made it clear at the outset, the Liberal Party not only wishes to retain these commercial districts and bazaars with local characteristics, we all the more hope that these economic components can thrive so that their vitality can be enhanced. This is why I have specially expressed my hope that the Government can provide support through the joint efforts of different departments for their development.

Although I have cited several examples, such as Singapore's Chinatown, London's Covent Garden and Shunde's Old Town district, I am not proposing that the Government follow the practices of these cities to enact legislation, and to preserve or restrict the use of certain regions or buildings. Instead, I propose that the Government's involvement in the development of old districts be suitably expanded. Singapore's Little India, for instance, is managed and co-ordinated by an inter-departmental working group, led by an urban redevelopment council,

¹ "dai pai dong" is a roadside cooked food stall.

comprising shop owners, traditional societies, Indian ethnic groups and grass-roots organizations of Little India. It is extremely worthwhile for Hong Kong to learn from such a mode of inter-departmental collaboration, whereby shop operators and residents in Little India are allowed to participate in management.

Deputy President, I will say that small and medium enterprises contribute the most to Hong Kong's economic development almost every time I speak in this Council. However, the Government has often neglected them in formulating its policies. I earnestly hope that the Government can prudently study today's question with a view to upholding Hong Kong's established strengths and momentum for development. With these remarks, I beg to move. Thank you, Deputy President.

Mr Vincent FANG moved the following motion: (Translation)

"That, as a number of Hong Kong's commercial districts and bazaars with local characteristics have been relocated due to the redevelopment of old areas and hence have fallen into decline, and the existence and development of many other similar commercial districts and bazaars are also facing the same threats, this Council urges the Government to:

- (a) retain the existing commercial districts and bazaars with local characteristics at the town planning stage;
- (b) formulate special management rules and regulations to balance the need to retain such commercial districts and bazaars and that for urban development and environmental hygiene; and
- (c) make reference to the practices of major cities in the Mainland and overseas, such as Singapore's Chinatown, London's Covent Garden and Shunde's Old Town district, and provide support and assistance through various Policy Bureaux for the development of such distinctive commercial districts and bazaars, so as to enhance their vitality, promote the local business economy and ensure that local characteristics are passed on."

DEPUTY PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Mr Vincent FANG be passed.

DEPUTY PRESIDENT (in Cantonese): Dr KWOK Ka-ki and Dr YEUNG Sum will move amendments to this motion respectively. Mr Albert HO will move an amendment to Dr KWOK Ka-ki's amendment. The motion and the amendments will now be debated together in a joint debate.

I will call upon Dr KWOK Ka-ki to speak first, to be followed by Dr YEUNG Sum and Mr Albert HO; but no amendments are to be moved at this stage.

DR KWOK KA-KI (in Cantonese): Deputy President, these are twins. Some people said that these are twin sisters or brothers. I am certainly grateful to Mr Vincent FANG for proposing this motion. But I feel a bit sorry because the first demand made by Mr Vincent FANG, that is, to retain the existing commercial districts and bazaars with local characteristics in the town planning stage, was actually mentioned in the previous motion, and on this point, I entirely share Mr FANG's view. But anyway, they may have other considerations. In any case, whether from Mr FANG's commercial or economic angle or the public's angle, the preservation of Hong Kong's characteristics, collective memories and local economy and culture is still worthy of support.

As we discuss this issue, Members may have noticed that many places in Hong Kong with characteristics and the bazaar feature and with vibrant local economic activities have actually disappeared one after another. The "Wedding Card Street" has no wedding card; the "Bird Garden" has no magpies; and no one knows where the "Cloth Alley" has gone. Some commercial districts and bazaars with local characteristics that provide jobs to and maintain the livelihood of many small vendors and families have been removed one after another. Most surprisingly and ironically, they were "exterminated" not by other people but a public body under the Government. This body, formerly called the Land Development Corporation (LDC), is now known as the Urban Renewal Authority (URA).

Be it urban renewal or land development, work is supposed to be carried out according to the people-oriented principle. But strangely enough, from the LDC to the present URA, all the new proposals or planning would invariably touch on elements which are of the utmost importance to residents of the districts or which are worthy of preservation, and this has always been the case.

Earlier on I saw many shop operators in the "Sport Shoes Street" and Tai Yuen Street (commonly known as the "Toys Street") downstairs. I personally think that the Government has gone too far indeed, because these people have made contribution to society and to the economy of Hong Kong and served Hong Kong people for as long as 70 years in some cases. The trades in which they are engaged are supported by this strong market made up by Hong Kong people, or else they would not have been able to maintain their operation to this day. The small shops that they run now and the trades they are operating are appealing to residents of the district and even residents of other districts or tourists.

Mr Vincent FANG mentioned Singapore's Chinatown, the Covent Garden and Shunde's Old Town district, and I certainly share his views. But perhaps Mr FANG should note the fact that not many places similar to Singapore's Chinatown, the Covent Garden or Shunde's Old Town district are left in Hong Kong now. The Tai Yuen Street or other streets that we seek to preserve now certainly pale in comparison with those places in terms of the value of conservation, but even these streets are rarely found in Hong Kong now. Monuments that are more up to the mark and worthy of preservation all meet the same fate under land development, urban renewal, commercial operation and interests of property developers. So, I very much agree that we must now carefully think about the direction of urban renewal, so to speak, in future. In my personal view, if we continue to tread the old path and premise everything purely on the benefits from land and property development, it would be impossible for commercial districts with characteristics to be retained. Without the characteristics of Hong Kong or the important splendors of Hong Kong, how can we develop into a major city of tourism? This is certainly a point which warrants great concern of colleagues from the Liberal Party.

In fact, cost-wise, the complete clearance and subsequent redevelopment of the "Wedding Card Street" will cost as much as over \$3 billion. But if an alternative approach is adopted by negotiating with shop owners and residents in the district and putting emphasis on conserving the local characteristics of the district, the Government or the URA might not have to shoulder such great financial pressure and risks, and this would be a win-win proposal. But much to our regret, the Government seems to have turned a deaf ear to this and when residents of Wan Chai put forward a "dumbbell proposal", the URA counter-proposed a mutated kind of "dumbbell", taking away the characteristics of vendors of the times or in the district. A street without history and soul is

meaningless. Certainly, from the angle of commercial operation, these are still worthy of preservation because in fact, following land development or urban renewal, all that will be left is some homogeneous shopping malls which are all occupied by shops of brand names. The commercial viability of small shops or small business is very limited indeed. This has seriously affected the economic development of Hong Kong and certainly, this will affect the small traders whom Mr FANG intends to assist. From the perspective of business development, the Government, in so doing, has entirely violated the principle of sustainable development.

With regard to Mr FANG's motion, I propose to include just one point which I consider most important by adding "with their integrity and *in situ* development as principles". Let me cite one more example. Other than Tai Yuen Street, there are many streets with characteristics and some on-street economic activities in Hong Kong, such as Ap Liu Street, which is a very important place in Hong Kong where electronics products or second-hand goods are sold and a place frequented by many tourists. Other examples are the "Ladies' Market", streets in Kowloon City, the Stanley Market, Cat Street, and so on. If we adopt the mindset of the Government or the URA, I think these places will all be cleared out in the not too distant future.

Firstly, they certainly pose obstruction to social development. But is there any street with bustling activities and a high pedestrian flow where traffic can move about smoothly without the least congestion? The Government invariably said that their clearance was warranted for traffic reasons and city appearance. Tai Yuen Street is a case in point. Why is Tai Yuen Street so crowded? Why do vehicles go there? Why do pedestrians shop there? If no one is going there, certainly no vehicle will go there. So, if that road section is redeveloped and all the vendors are driven away, vehicles simply will not go there because it would be meaningless to go there and by then, Tai Yuen Street would become a street with a deathly hush and stillness. Therefore, I hope that their integrity and *in situ* development will be adopted as the principles.

The second point, which is the most important, is that in the course of redevelopment, the decision on the mode of development should be made by local residents and small traders. Take the "Sport Shoes Street" as an example. Shop tenants and small owners actually hold different views and yet, I think their co-existence is entirely possible, because to the small owners, they hope to see a new place through community redevelopment, and there is no problem with this

point. But to the small vendors, the street is worthy of preservation; they think that the people will remember it, and that it will attract residents of other districts and tourists. We always say that we have to make an effort to promote the local community economy. Does it mean driving all the commercial tenants to mega shopping malls? Could this stimulate the local community economy? Certainly not. So, for a place that has been "driven out" or "rooted out" and then relocated in a new place, if we cannot change the old mindset, and at the town planning stage — I agree with Mr FANG's view, and insofar as the town planning stage is concerned, we are precisely calling on the Town Planning Board to do something at this stage.

When I spoke in the previous motion debate earlier, I already made it clear that we do not oppose development. Nor do we oppose the overall economic development of Hong Kong. But businesses with characteristics and districts worthy of preservation should be written into the most important Town Planning Ordinance. But regrettably, during our discussion, we saw that these streets would all be destroyed one after another by merciless business development. So, I very much hope that we can make a last-ditch effort in this Council to call on the Government to change its wrong direction and further look into the urban renewal policy on the principles of achieving a win-win situation and sustainable development in the interest of the small traders and the public.

I so submit. Thank you, Deputy President.

DR YEUNG SUM (in Cantonese): Deputy President, from a fishing port to an international metropolis today, Hong Kong has a history of development for over a century. In the course of development, our planning work is updated from time to time. Insofar as the development of Hong Kong is concerned, if we can retain the established communities and their local economies while taking forward new planning and development, that will actually be a win-win situation. On the one hand, we will have a regenerated and better living environment and on the other, our economic and cultural characteristics can be preserved with continuity and the sense of belonging of the public can also be fostered.

If we take an overview of the development of town planning overseas, we can see many "conservation-cum-redevelopment" experiences in planning and development. When travelling overseas, Hong Kong people will visit open-air bazaars and flea markets with characteristics in old town areas for shopping and

leisure activities; or they will visit communities with local characteristics in order to savour their history of economic and social development. In the Southern District of Hong Kong, the Stanley Market is a must-go for tourists when they visit Stanley. Although the market is just an alley, there are many shops selling a wide variety of goods, such as clothing, rattan goods, books and paintings and art works. Various kinds of Hong Kong souvenirs can also be found there at reasonable price, attracting a large number of local and overseas visitors to go there for shopping.

However, the "Wedding Card Street" and "Toys Street" in Wan Chai which are affected by the redevelopment project are given completely different treatment, and this is indeed regrettable. Wan Chai is a community developed during Hong Kong's early stage of development. Some pre-war buildings can be found there and particularly, there is a Lee Tung Street, which is also known as the "Wedding Card Street" because there is a cluster of small shops which engage in the printing of wedding invitation cards, thus achieving a clustering effect. These shops, which operate with a small capital and in a self-reliant manner, have enabled a group of employees working in these shops for a long time to make ends meet. Another example is Tai Yuen Street where the shops there are known for selling toys. Local residents and tourists can find special kinds of traditional toys there, and this is why the street is also called the "Toys Street". These streets have borne witness to the past economic development of Hong Kong. The Hong Kong Tourism Board also supports preserving the open-air bazaar on this street as a major characteristic of the city of Hong Kong.

The residents have lived here for over 40 years and some have even established their roots in Wan Chai for several generations. They have deep affection for Wan Chai, and they have developed a supportive and caring relationship with the neighbours, forming a solid community network.

Regrettably, under the redevelopment project of the Urban Renewal Authority (URA) in Wan Chai, everyone in the community has to move out, the buildings have to be torn down, and the community network has to be completely dismantled. It is only because of the strong opposition and demand of non-governmental organizations that the Government agreed to retain a few blocks of pre-war buildings.

The hawker stalls in Tai Yuen Street and Cross Street, which make up the only open-air bazaar in Wan Chai, have attracted many local and overseas

visitors. In recent years, Hong Kong residents have attached great importance to conserving traditional culture, including the sustained development of local community economy. I strongly call on the Government to further conduct opinion surveys in order to consider the views expressed by people visiting the district and reconsider the reprovisioning plan. I hope that the authorities can discuss with the shop tenants and owners in the district and identify a solution, so that the open-air bazaar can be retained.

In the course of assisting residents and traders to strive for *in situ* development, I have had many contacts with them and I can deeply feel their desire to continuously live in this community. When we saw voluntary organizations and residents working very hard to hold many residents' meetings, planning workshops, public consultation sessions, street exhibitions and opinion polls, and also raise funds and commission professionals to draw up a planning proposal on the redevelopment of Wan Chai, so as to design a proposal to support *in situ* development, we understand what it means by a "people-oriented" planning process. Can the Government also take forward development in this direction?

We have made reference to the New York City. When the relevant authorities received an application involving land use, they will expeditiously provide all the information papers to the area committee, district council and even the municipal assembly involved. The area committee and district council will take turns to conduct public consultation within a specified time and then submit the opinions of the residents to the City Planning Commission. During the scrutiny of the City Planning Commission, further public consultation will be conducted. If the area committee and district council have reservations about an application which is nevertheless accepted by the City Planning Commission, the municipal assembly can further consult public opinions and then review the decision.

Deputy President, I mentioned the planning process in New York because their approach of opening up the process for public participation actually provides very useful reference for us. Therefore, I propose that in the course of planning, the Government should further enhance public consultation to allow greater public participation, because I hope that the Government will adopt the people-oriented principle in its work and conduct many rounds of public consultation to enable members of the public to have in-depth understanding and discussion of the impact of the relevant planning on them, so that they can

practically participate in the planning and development process. The Government should provide comprehensive information by, among other things, conducting workshops to brief the public on the development concepts and even exhibiting three-dimensional planning models to ensure that the public can grasp the relevant information more easily.

The Government should start public consultation earlier at the initial stage of planning by putting forward various proposals on the acquisition, re-provisioning, clearance and redevelopment processes, in order to understand the wishes of various stakeholders. The Government should absorb public views through these consultation sessions and consider the feasibility of various proposals put forward by the public, in order to provide more diversified choices to the affected residents, rather than necessarily adopt the routine "broad-brush" approach, be it a "broad-brush" compensation package or "broad-brush" re-provisioning and clearance arrangement.

Deputy President, the feeling of having roots in a society where we live is built up over the years from the environment and the community network that we have lived in. It is, therefore, a very important direction of development to retain things with characteristics in our life, including the local community economy, so that they can be revitalized and continuously passed on from generation to generation. Particularly, it is imperative for us to involve various stakeholders, rather than succumbing to the Government's arbitrary planning, or else the deep-rooted conflicts in society will only be intensified and social harmony jeopardized, and this would not be conducive to the future planning and development of Hong Kong.

Basically, our planning in the past focused only on development, and for the sake of development, many monuments and communities and bazaars with characteristics of having their local economies could be given up. In respect of the Stanley Market, there was an application for a shopping mall and hotel development there, but after much manoeuvring by us and by the residents on various fronts, the developer finally gave up the original plan. From this we can see that if the Government had been hell-bent on its decision, I believe the Stanley Market would have been gone now. With regard to the only bazaar in Wan Chai, I hope that the Government can seriously consider our demand and incorporate this bazaar with characteristics into the Government's blueprint for planning and development.

Thank you, Deputy President.

MR ALBERT HO (in Cantonese): Deputy President, in the action agenda on the eleventh five-year plan that he just released, the Chief Executive mentioned that a high-level "Brand Hong Kong" working group would be set up to make continuous efforts in promoting the reputation of Hong Kong. Just when the Chief Executive is identifying ways to promote Hong Kong, the Government's planning of development nevertheless seeks to tear down all commercial districts and bazaars with Hong Kong characteristics for redevelopment, for instance, the "Poor People's Night Club" in Sheung Wan, or the "Wedding Card Street" and "Toys Street" in Wan Chai as mentioned by Dr YEUNG Sum earlier on. This is so contradictory indeed. Just when the working group on "Brand Hong Kong" is making an effort to collect stories about local small and medium enterprises struggling hard in operating their businesses, we found that in the course of redevelopment and planning, the Government has nonetheless destroyed all by itself many districts with local characteristics built up by the painstaking efforts of local small and medium enterprises. I do not know what the Chief Executive would say about such an approach and contradiction.

There is no short-cut for a society to build up a local community economy with characteristics. Rather, it is the outcome of a slow process of development involving the concerted efforts of local residents, washed and polished for many, many years. There exist the intertwining and intricate experiences of different people at different times, which are then preserved little by little. If the Government does not cherish local community economy which never comes by easily, knowing only to pull down all the old fabrics and things, drive away the people and leave behind just an empty place, how possibly could we retain or build up our local characteristics?

Town planning is very important to the development of society. Through the development of new land or replanning, more suitable housing and community facilities, such as schools, hospitals and recreational and leisure venues, can be provided to improve our living environment and livelihood on the one hand while business and trade centres, factory buildings and transport infrastructure can also be provided for the purpose of economic development on the other.

However, in the process of renewal and planning, especially when redevelopment of old districts is involved, the Democratic Party considers it

necessary to carefully consider the impact of redevelopment on the socio-economic ecology of the community, including whether there is any socio-economic ecology with local characteristics worthy of preservation. If yes, we should study the preservation of these community features and economic development with characteristics, so that these economic developments and culture with characteristics can be passed on and become a part of the sustained development of Hong Kong.

Dr KWOK Ka-ki's amendment proposes that integrity and *in situ* development be adopted as the principles for preserving commercial districts and bazaars with local characteristics. I think the wording of Dr KWOK's amendment is too stringent and lacks flexibility, because the specific scale of the community involved in a redevelopment project varies. Under some circumstances, *in situ* preservation of the community in its entirety may be possible but under other circumstances, owing to the conditions in society and for hygiene reasons, or in accordance with the wishes of the residents and traders affected, the community can be preserved only partially or the entire economic development has to be relocated for reprovisioning in a more suitable place, in order to serve the overall interest of society.

So, we very much agree that participation of the residents and traders affected should be incorporated into the whole process of town planning. They can participate in the community development and renewal programme and strive to live or operate their businesses continuously in the community. When participating in the redevelopment and planning process, any member of the public, including the affected residents or the developer intending to launch a development plan can express their opinions on the entire planning project for consideration by the public and the Government. In deciding whether or not to approve the development projects, the Government must exercise caution in its consideration, particularly giving regard to the wishes of the affected residents and traders, with the objective of sustaining the development of the community affected. Therefore, I have proposed some minor amendments to Dr KWOK's amendment to the effect that at the town planning stage, integrity and *in situ* development should be adopted as principles as far as possible in preserving the existing commercial districts and bazaars with local characteristics, and the participation of local residents and traders affected should be allowed continuously in the development or renewal plans, so as to sustain the development of community economy.

Retaining a community with its characteristics is different from conservation of historic monuments, in that the former requires the preservation of the buildings as well as the people living and things happening in those buildings. In other words, it is necessary to preserve both hardware and software to enable them to be revitalized, so that while they can retain the past glamour, they can also progress with the times in their business operation and development. To this end, it is indeed necessary to employ flexibility in the process and consistently uphold a "people-oriented" policy, both being indispensable.

I so submit. I urge Members to support my amendment.

MR WONG KWOK-HING (in Cantonese): Deputy President, whenever we pass by any large shopping mall, we would see advertisements hanging all over the walls outside, telling us what kinds of shops we can find inside. However, if we look at the advertisements in a few more of these shopping malls, we would grow bored by the repetitions. For no matter if you are in Tsuen Wan, Tung Chung, Tsing Yi, Kowloon Tong or whatever place in Hong Kong, you are bound to meet the same handful of chain stores. Previously what were so boringly repetitive were the few fashion chain stores, but now we can see a few of these department stores, food outlets and handbag stores, and they are found all over Hong Kong. What these shopping malls need so desperately is individual character. As these shopping malls lack their own character, they have to try their best to cultivate the festive spirit on occasions like Christmas, the New Year, Valentine's Day, and so on. The activities so produced are just gimmicks and they lack a lasting appeal and they can never turn these places into hot spots for tourists.

The unique character of a commercial district or a bazaar is not formed in one day but over the years, and it is a natural evolution. In the letter which Mr Vincent FANG sent us yesterday, he talked about streets with a unique character like Lee Tung Street, "Goldfish Street", "Ladies' Market", Ap Liu Street, and so on. All these came into their natural existence over the years by virtue of the particular role they play, such as selling sneakers, used electric appliances, and so on. On top of that, there is also the cluster effect. An example is the "Goldfish Street" which used to be selling only goldfish, but now all kinds of trendy pets like lizards, chinchillas and even spiders are sold there. All these tourist spots with special characteristics have become unique to Hong Kong and drawing in many tourists to come there with a map in their hands.

Even for those places which are not favourite spots for tourists, some streets with a unique character are also able to draw in the locals who flock there. In Tsuen Wan, there is a noodles street which boasts all kinds of noodles from all over China. People who live in Tsuen Wan or its neighbourhood would come to that street whenever they think of having a bowl of noodles or rice vermicelli. There they can choose their favourite delicacy. Or if people want to get a pair of sneakers, their feet would naturally take them to the "Sport Shoes Street" and they can shop from among hundreds of such shops there.

Do Members notice that all of these commercial districts and bazaars with a special character are located in the old urban areas? The reason is, as I have said, all these streets with a special character have developed over the years. Besides, there are some other reasons such as the relatively cheap rentals which even those who run small business will find affordable. Hence this accounts for the diversity and different kinds of traders can do business there. There is also a greater flexibility in these shops in the old urban areas. When we go to these shops in the morning, we will find not many lights are turned on in some of the shops there. Because these shops are usually situated at the sidewalk and they can use natural light and do not even need to turn on the air-conditioners for the time being. So in terms of rentals, electricity, and so on, these traders can put their costs under control in a flexible manner. But when these old districts are to be demolished, it would become hard for these traders to do business in the mega shopping malls. Not only are the rentals in the shopping malls expensive, the same goes for water and power bills and also the management fees. All these are hardly affordable to the small businessmen. As for the management of these shopping malls, what it cares for most is income from rentals and whether or not the tenants are manageable. Provided that these chain stores can pay the rental and are manageable, the management of the shopping malls will never consider whether the small businesses can survive in the shopping malls or not.

Deputy President, at present all these streets with a special character are all found in the old areas. The greatest challenge they have to face is redevelopment. The redevelopment of Lee Tung Street serves to disperse all those shops that run a business printing wedding invitation cards. Even if the Government intends to relocate streets with a special character, the special character is often lost due to poor planning. The best example of such a failure is the "Bird Street". Previously, the "Bird Street" is packed with people and birds, but now when the Street is relocated to its present location which is

extremely inconvenient, the Bird Garden is not what it used to be, both in terms of the number of birds and visitors. This is unfortunate. Once a street with special characteristics is pulled down, it will be gone forever. Given the money-comes-first mentality of the Government and the developers, what will be built will certainly be podium-style malls and heavily-clustered residential blocks. The streets will vanish and so will the small businesses.

It is not that the old districts must never and should never be redeveloped, but can redevelopment take on some other form and will it have to be invariably podium-style malls which charge exorbitant rentals? Do the streets and street-level shops necessarily have to disappear? What has happened over the past decade is this uniform mode of redevelopment that has caused the disappearance of streets and street-level shops with a special character, as well as many bazaars and "dai pai dongs". We cannot help but ask the Government: Does this monotonous mode of redevelopment which wipes out the special character in the bazaars have to continue? Does Hong Kong have to be filled up by this kind of podium-style shopping malls in the name of urban planning and redevelopment? If this is the case, would the Hong Kong people like to see it?

Lastly, I would like to talk about the management of The Link REIT. Previously when The Link Management had yet to take over control, the markets and shopping malls in the housing estates were all teeming with the colours of neighbourhood stores. All the daily necessities could be found there, from the incense and joss sticks to the gowns and high-heeled shoes which housewives in the housing estates would wear when they spent an afternoon in ballroom dancing. All in all, things that were sold would all meet the people's daily needs. But ever since The Link Management had taken over control, rentals jumped by leaps and bounds and the small businesses were driven out. In their place came the giant chain stores. As such chain stores can be found in the malls everywhere, the residents will not necessarily have to shop at the chain stores in the housing estates. On top of this, these chain stores will not sell inexpensive underwear for kids, or loafers and slippers at \$10 a pair. So after The Link Management has taken over, not only is the special neighbourhood character of the malls in the housing estates gone but also the clients as well. What is gained will never offset the losses. I hope the Government can think it over. Thank you, Deputy President.

DEPUTY PRESIDENT (in Cantonese): Mr WONG, your speaking time is up.

MISS CHOY SO-YUK (in Cantonese): Deputy President, about one year ago this Council had a discussion on the policy on inheritance of "dai pai dong" culture and today we are discussing how commercial districts and bazaars with local characteristics can be retained. Though the topics of these two debates are different, the problems exposed are quite the same. They all reflect how the Government is progressively "sanitizing" the streets of Hong Kong and what are to be purged are not some deadly germs or unheard-of viruses, but a streetscape rooted in life and loaded with distinctive local culture.

This view is not some unjustified grievance aired in the wake of the recent conservation trend in society. As early as in the debate on the policy on "dai pai dong", I already made the criticism that outlawing these roadside food stalls was only a bureaucratic move to push society blindly towards regimentation and blatant neglect of the teeming life force.

Similar examples are constantly appearing. There is a decline in the patronage of the public market buildings and the number of stalls leased is deplorably small. Hawkers who move into these market complexes from the streets have to pay expensive rentals and face a drastic drop in business. For them, it is really a dead end. It is unfortunate that even to this day, the Government is still holding the principle of "things are considered fine if they are not seen" and all those open-air bazaars are to be driven into upstairs markets so that the city can at least look clean by all appearances.

The most recent case is the bazaar located at Tai Yuen Street and Cross Street in Wan Chai. The bazaar has a history of 70 years and it is one of the very few districts in Hong Kong which can still retain some of the distinctive flavour of the markets of a bygone era. This place is also a well-known spot on Hong Kong Island. It can not only spur local consumption but also attract tourists. So both in terms of developing the local economy and the tourist industry, the place has a part to contribute. However, the Government has decided to resume the southern part of Tai Yuen Street and the eastern part of Cross Street and rebuild the place as a carriageway because traffic in Wan Chai will become very heavy upon the completion of the redevelopment of the old urban area in Wan Chai. The effect of this is that the size of the open-air bazaar will be drastically cut by half and most of the hawkers will have to move from the streets into the new Wan Chai market building. The handful of those remaining stores will surely be in for a rough time and the entire bazaar will disappear in no time.

Another case in point is Sai Yee Street in Mong Kok or commonly called "Sport Shoes Street" which hangs in the limbo of redevelopment and renovation. In that short stretch of Sai Yee Street, there crammed as many as nearly 40 stores selling sports goods and accessories. Once the place is to be redeveloped, this hot spot for shopping tourists and which is so rich in local character will surely be destroyed.

Deputy President, we are not urging the Government to lend its support to some dying industries, nor are we recklessly calling for a halt to urban development in the name of some far-fetched and abstract ideas. We must never strangle the life out of things rooted deep in our tradition but which truly have potentials for growth and are full of life and vigour. This is because we know that an excessive quest for neatness and order will stamp out individuality. Things with a special character will be wiped out by the bulldozer and the city will relegate into a drab monotony of mass production, with people all sharing the same face. The city will lose its appeal.

I would like to share some of my personal experience with Members. Both Thailand and Singapore attach great importance to developing the tourist industry. The traffic jams in Bangkok are terribly upsetting for many people. In stark contrast, the street management of Singapore can well be said to be impeccable. But if you ask me which place I prefer, I will still say Thailand, because the markets and streets there are always busy and one can see a forceful mix and match note striking and vibrating everywhere. The feeling is always fresh and remarkably seductive. Even many-time visitors to the country will certainly find surprises and delights in store for them. In Singapore, apart from the neighbourhood of the Chinatown which has strong local colours, all other places are so painstakingly neat and orderly, and there are very few cases of things going beyond the prescribed order of things. It is precisely for this reason that despite all the impeccably clean tourist spots and the beautifully outfitted shopping malls, there is hardly any pleasant surprises waiting for the tourists. That is why after seeing the place once, one can scarcely feel the urge to revisit it. Deputy President, I think no tourist or shopper will like to walk down a street that is deadly silent and without any shops, or walk into a mall that strikes one with a feeling of drab uniformity.

Turning back to Hong Kong our home, the traditional open-air bazaars are a form of street culture that is full of vigour while also rich in traditional flavour, hence they are captivating to the foreign tourists. To make full use of this

advantage and to retain tourists with different interests, the question at hand for us is definitely not to do away with this kind of history and heritage but to see how their latent values can be brought out, how vigour and modernity can be instilled into these bazaars, how management can be stepped up, how the appearance can be made attractive and how publicity can be launched among the tourists and even how the bazaars can be further expanded. The aim is to encourage locals to visit and spend there while also market the street culture of the bazaars as a tourist spot where the East meets the West and where the old and the new blend and mingle into one.

The above are not the views of a minority of people or what has come up in my mind on the spur of a moment. The proposal for the redevelopment of the Kwun Tong town centre announced a few days ago includes a concept plan for recreating street culture in the district. The example serves to show that not only is the conservation of monuments receiving increasingly greater attention but also proves that though bazaars are something traditional, given proper packaging they can still come alive with surprising modernity and superb market value.

In view of this, we urge the Government to take on some new thinking against this backdrop of the recent fashion of conservation and cease to insist on getting rid of the old to make way for the new. It should follow the example of the practice that any works project must pass environmental impact assessment before it can commence and introduce an assessment on the impact on traditional colours in urban development. Any urban development project shall be required to undergo an assessment of impact on things with traditional characteristics and a comprehensive proposal for remedy should be submitted as well. It is because only with great care and prudence that (*the buzzer sounded*).....

DEPUTY PRESIDENT (in Cantonese): Speaking time is up.

PROF PATRICK LAU: Deputy President, Jane JACOBS in her classic humane book of city planning *The Death and Life of Great American Cities*, wrote that "a city district must mingle buildings that vary in age and condition, including a good proportion of old ones." (in Cantonese): She also says to the effect that in cities, the economic value of new buildings can be removed, provided that the

expenses for rebuilding are paid. However, the economic value of the old buildings can never be removed, for their value is created over time.

Time passed can never be recaptured and it follows that when an old community has lived on for generations and when a certain amount of economic value is gathered, it cannot be bulldozed at will or replaced by something new. The only thing that can be done is to bring in new economic elements to invigorate the original landscape in the community and to create more wealth out of the existing value.

Therefore, I oppose the idea of demolishing the entire K28 area including the "Sport Shoes Street" for redevelopment. Instead, the area should be redeveloped, or retained for revitalization in phases and in the light of different needs at various points in time. This would prevent the recurrence of the "Wedding Card Street" fiasco which destroyed the economic value of an economy with local characteristics that has been built up over the years. In this year, together with students from the Faculty of Architecture at the University of Hong Kong, I have put forward various proposals on how this phased project can be carried out for reference by the Urban Renewal Authority. With respect to Mong Kok, the most important aim is to link up the Mass Transit Railway station and the Kowloon-Canton Railway station and to adopt intensive commercial development in Argyle Street to effect a transfer in the plot ratio while carrying out less intensive development in the "Sport Shoes Street" area.

(THE PRESIDENT resumed the Chair)

The Soho District and Lan Kwai Fong are good examples of redevelopment in phases. They prove that the redevelopment of old areas does not necessarily mean demolishing everything in it at one go, but it can be done in parcels and over time. Provided that the old and the new buildings mix and match well, they can co-exist. While the old character is retained, the invigorating new elements can be added to it and a budding point of economic growth can emerge.

President, the best example of revitalizing an old market place and adding economic elements to it is the Western Market. We should not just aim at

preserving old buildings with historical significance, but we should also imbue an innovative mode of operation to a small community and enhance its economic vitality. It would indeed be a new challenge if the Fruit Market in Yau Ma Tei can be preserved.

The Jade Market which is about to be demolished is also a challenge for the authorities. They should give serious thoughts to how the market can be revitalized *in situ* while injecting new economic momentum into it. This will revive the past hustle and bustle at this Jade Market while the economic value that it has built up over the years would be preserved instead of ruthlessly bulldozing the market level.

Talking about the Jade Market, some people may say that the Jade Market as it is has lost its past glory and it is incapable of creating economic wealth anymore. On top of it, hygiene is bad there and so preservation is not justified. I think, however, that whether a place has any innovative power will depend on whether or not the Government is determined to add novelty to that place.

President, both talents and capital are indispensable to the sustainable development of a city, hence urban development should be undertaken to make the living conditions and quality of life better so as to attract talents and capital. This is the first and foremost task in enhancing our competitiveness. It is very important to strike a balance when there is a need for urban development while the old districts are found to be worthy of preservation.

To strike a good balance against urban renewal, we must be certain about the social value and special features of the place in question. The local colours which we like to talk about have a life of their own and change with the times. This is because social values will change as people of different times live, work and take part in public life in different ways. Moreover, such a process of change is fluid and never static. We must therefore formulate a new mechanism to gauge and feel the public pulse, their acceptability to changes and how their tolerance improves.

I therefore think that more powers should be given to the District Councils to set up a more transparent mechanism, under which the residents, including the relevant District Council and other local groups are invited to take part in consultations and discussions. Encouragement should then be given to

participation by all the residents at a community level. Then small communities which are worthy of preservation and revitalization should be selected. When these are coupled with hygiene management as appropriate, the local economy of the small communities can be given full play and a boost can be given to urban development and in turn, to the economic development of Hong Kong as a whole. I so submit. Thank you, President.

MR TOMMY CHEUNG (in Cantonese): Madam President, the motion moved by Mr Vincent FANG today reminds me of the motion on "Policy on inheritance of 'Dai Pai Dong' Culture" which I moved in this Council in end 2005. Thanks to Members' support then, the motion was passed. It is unfortunate that the Government was not moved into action and today the Secretary for Home Affairs is not in attendance. As to how the less-than-30 "dai pai dong" in Hong Kong are to be preserved, no plans have ever been put forward to date and this is indeed very disappointing to me.

From the efforts demonstrated more than one year ago by Members to fight for the preservation of a "dai pai dong" called Man Yuen Noodles which had a history of some 80 years to the great regrets which all the people of Hong Kong shared recently for the demolition of the Star Ferry Pier which had been with them all through the years, it is obvious that the aspirations for the preservation of items of communal history have become more intense than ever. When will the authorities sense this change in public sentiments?

The life force of a city does not only lie in how much innovation it can produce but also how the old can blend with the new and how the character of a city can be manifested and experienced by residents and tourists alike in a most profound manner. The character of a city is a product of its history, culture and innovation. It is an important basis for developing a city's tourism, catering, retail and hospitality industries.

Many famous cities all over the world have their own signature market places where there is a happy blend of history, culture and commercial tourism. Examples are the Hawker Centres and the Chinatown of Singapore, the Covent Garden of London, and Shunde's Old Town district.

In Hong Kong, though there are quite a number of open-air market places like those in the Stanley Market, Tai Yuen Street, the Jardine Bazaar, Ap Liu

Street, Bowring Street and the night market at Temple Street, and so on, their size and reputation are no match for those overseas. What is even more worrying is that the bazaar at Tai Yuen Street is facing the doom of demolition while many other bazaars of the same nature are plagued by the problem of falling patronage as a result of the lack of support in the form of government policies. As the source of their patrons is the folks in the neighbourhood, all they can do is to wait passively for redevelopment and relocation.

The root cause of all these is a absence of a policy on the retention and development of these commercial districts and bazaars with local characteristics, hence many of the local resources unique to Hong Kong are simply wasted. Take the example of the "dai pai dongs", the Health, Welfare and Food Bureau only approaches the issue from the perspective of sanitation and health and all along it insists that the policy direction is to eliminate all "dai pai dongs". A few decades ago, the then Urban Council was in charge of such matters and its policy was to abandon the "dai pai dongs" so that they would die a natural death when the licence-holders of these "dai pai dongs" died. There was no attempt to seize the new opportunities arising and turn these "dai pai dongs" into a unique brand which can spur economic and tourism growth. I therefore support this motion moved by Mr Vincent FANG and agree that the Government must provide support and assistance through various Policy Bureaux for the development of such distinctive commercial districts and bazaars.

In fact, overseas experience tells us that a street food culture with a distinctive local flavour is very attractive to tourists. If this can match the development of open-air bazaars, the effect will be mutually complementary and the patronage will certain increase. I have often said that the "dai pai dongs" are part of the unique eating tradition of Hong Kong. With the folding stools and tables under a shed of corrugated iron sheets, tongues of fire dancing from the stoves, and the ingredients of mouth-watering dishes being turned over in the sizzling wok, these are lasting images testifying to the great taste and good food at the "dai pai dongs". Just think where else in the world can we find eateries with such special characteristics? Of course, Hong Kong people love going to the "dai pai dongs" and if a special "dai pai dong" area which is hygienic and full of distinctive local colours can be developed, this will certainly become a favourite tourist spot and tourists will love to go even from a long way there.

Apart from "dai pai dongs", open-air cafes are also loved by tourists for the main reason that open-air cafes can enable tourists to have a close encounter

with a place strange to them and view the things going on there with a leisurely frame of mind. I recall in 2002 when the Government launched a project on open-air cafes, the industry was overjoyed and it was believed that this would be a golden opportunity to do business. Unfortunately, the authorities only managed to make an impressive start. The project was launched but there were no effective measures to go with it. Applications for adding an open-air cafe to existing establishments met with numerous restrictions and cumbersome procedures and as many as seven government departments were involved in processing an application. This accounts for the ever-dropping number of applications which fell from 194 in 2002 to 50 in 2005. For the past four years or so, the total number of applications stood at 403 and only 35% of the applications were approved. Of such applications, as much as more than half a year to one year is spent in the application process. This is very frustrating to those in the industry.

I emphasize again that to make an open-air bazaar a success, the authorities must make great efforts to promote the development of open-air cafes, streamline their application procedures and relax the application criteria. As a matter of fact, the Business Facilitation Advisory Committee headed by the Financial Secretary is taking active steps to study improvement and streamline measures. Matching steps should be taken by the other relevant departments before these improvement measures will come into force expeditiously.

All in all, the retail shops, "dai pai dong" and open-air cafes in these open-air bazaars are small businesses and they are no match with the multinational chain stores. Over time, these small businesses will be driven out of existence. But if the Government can renounce its past stand and offer comprehensive assistance to these small businesses and inter-departmental efforts are made to boost the development of commercial districts and bazaars with local characteristics, add in a culture of street eateries and spur patronage, I am convinced that this will make the dying bazaars come back to life and also boost the development of allied trades like tourism and catering industries. By then, Hong Kong will not only gain the reputation of a cosmopolitan city, but it will also become a city with a character of its own, unique in offering a great diversity of experience to visitors.

With these remarks, Madam President, I support the motion.

MR FREDERICK FUNG (in Cantonese): President, the curtains have just fallen over the demolition of the Star Ferry Pier and the event serves to strike a disquieting chord in the collective memory of Hong Kong people for yet another time. Though the remains of the clock tower are hastily buried at the landfill, issues like the conservation of monuments, preservation of the cultural environment and retention of bazaars with local characteristics, and so on, have waken up from our slumbering collective memory.

Who would have known that the pebble cast in the placid lake of Hong Kong by the Star Ferry event could have led to such surging waves? People from the new generation from different strata of society and who maintained contacts with each other through the Internet came forward to the soon-to-be-pulled-down Star Ferry Pier. They had no fear for the establishment with all its intimidating fetters and they shouted at the top of their voices for the protection of their past and fought for it. Some commentators pointed out that this act heralded the dawn of Internet social movement. These people have shed their concern for class-specific interests and bidden farewell to the social movement which emphasizes livelihood and democratic issues. Some people hail this as the intensification of the local consciousness since the decolonization of Hong Kong. All this is food for thought for those in power who are used to adhering to old inadequacies and slavishly following old rules in the establishment.

President, as the Star Ferry saga sends its ripples across society, it has not only forced the Government to re-examine its policy on the conservation of monuments, but also led to the emergence today of two motions which share a common meaning though different wordings. The second motion has the effect of supplementing the first by extending the conservation of monuments and the preservation of the cultural environment to town planning, urban renewal and local community economy, particularly given the current money-comes-first approach of urban renewal adopted by the Urban Renewal Authority (URA). I must admit that demolitions and redevelopment can improve the life of many residents in these old urban areas and even achieve a poverty alleviation effect which I often talk about. However, the other side of the coin is that many economic activities with a distinctive local character are driven out of existence and the interests of small traders are sacrificed. The people will ask, against this backdrop of intensified local consciousness, whether urban renewal and redevelopment should be re-examined and the retention and development of the local economy should be seen as a principle to be considered in such a process.

Does this current state of affairs show that the mentality of those in power fails to catch up with the aspirations of the public? Are the officers used to governing the territory with the old mindset of a borrowed place and borrowed time? Are they conceptually entrenched in believing that there can only be development and nothing else? Every focus seems to fall on short-term interests and tangible achievements. These have become the golden rule for administration and policymaking. Even the pragmatic and rational approach which has been advocated so much by the Government cannot free the Government from this short-sighted and mercenary frame of mind.

President, coming back to the topic of this motion, those commercial districts and bazaars with local characteristics likewise carry the collective memories of Hong Kong people and they are roots that trace back to our own development. They are not only reflections of what life was like for the grassroots living in those times past, they also bear testimony to the hard work and struggles which have long characterized Hong Kong people. Without the hard work put in by our predecessors, there would never be the kind of life which we enjoy today. So the retention of these commercial districts and bazaars with local characteristics is precisely a continuation of the traditional Chinese ideas of cherishing the ties with the past and respecting them. These are the lifelines for the present generation and they can never be cleared and pulled down by the Government at its whims. It remains, of course, that retaining the commercial districts and bazaars with local characteristics involves the question of urban renewal. In the motion debate held last year on "Review on Urban Renewal Strategy", I said that whenever retention and development were mentioned, different holders of vested interests would fall into a fallacy easily, that is, to make retention and redevelopment antithetical. They would be made mutually exclusive and there is no middle-of-the-road path to take. In fact, there exists a complementary relationship between retention and redevelopment and they can exist side by side. The problem is that in the past the authorities never really listened to what various stakeholders had to say. The urban renewal strategy of the authorities has been more inclined towards commercial and property interest considerations. Why is consideration not given to options like *in situ* rehousing, a flat for a flat, commercial premises for commercial premises and the same number of square feet both before and after renewal and redevelopment?

Many Honourable colleagues have mentioned the 20-odd urban redevelopment projects announced by the Land Development Corporation in 1997, I would like to make special mention of the K28 project, that is, the one concerning what is commonly called the "Sport Shoes Street". Actually, the area is not one which only sells trainers. I wish to make some clarification here. This "Sport Shoes Street" covers four blocks and that name refers to only one of them and it is the end of block. There are 40 stores on the ground floor and less than 10 — in fact there are seven — of these stores sell trainers. So please do not get it wrong and think that the entire "Sport Shoes Street" is going to be bulldozed.

The second point is that the redevelopment plan was announced 10 years ago and residents who live upstairs, irrespective of whether they are owners or tenants, have not carried out any improvement and maintenance works ever since. So many people there are in fact living in some very derelict buildings. Prof LAU has been there and he can see pieces of concrete fall and no one can cook in the kitchen because of that. Now as the authorities have said that there would be redevelopment, so the residents demand that the buildings be demolished for such purpose and they would move out according to the rights and entitlements they have in the redevelopment. If there is not going to be any redevelopment, the Government is obliged to purchase these buildings for maintenance or other uses. A promise made cannot be dishonoured. The authorities should by 31 March the latest announce whether there would be redevelopment or other arrangement. If this is the case, the rights which the Government has promised the owners and tenants previously in this Council cannot be taken away from them because of the policy change which may take place at present.

For the K28 project, there are actually three options. The first is to honour the pledge and tear down the buildings for redevelopment. Of course, I hope that there can be rehousing in the same district, a flat for a flat, the same number of square feet both before and after redevelopment, and commercial premises in exchange for commercial premises. The second option is there is no demolition whatsoever and nothing is done to address the danger faced by residents. The third option is making compensations to those residents who have pledged to move out according to the redevelopment entitlements so that they can move out. If they are not willing to move out or if the Government thinks that the land concerned should be resumed for maintenance and preservation, then when the Government has acquired the title of the flats above the ground floor, it can also carry out maintenance and preservation.

I must tell the Government that the present situation is that those owners of flats upstairs want demolition while those stores downstairs do not want demolition. The District Council concerned has held two meetings and on both occasions, members reached a unanimous view that demolition should be carried out. Under such conflicting circumstances, how will the Government strike a balance? I hope that given the reality before us, we must talk not about theories but how to resolve the conflict between residents who live upstairs and downstairs. I hope that the Government can act prudently and come up with a wise solution — one that enables preservation while paying out compensation to the residents as promised and can truly improve the environment. Let me repeat once more, redeveloping the old urban areas is a good way to alleviate poverty.

Thank you, President.

MR CHAN KAM-LAM (in Cantonese): President, the two topics for motion debate today may be different in some ways, but they invariably touch a core question and, that is, urban planning and long-term development in Hong Kong, plus the supply of land. Hong Kong is a city geared towards the provision of economic services and it is characterized by a high concentration of commercial organizations, intensive clustering of buildings, and an efficient transport network. Located at the fringe of the city centre are some satellite towns. All these are typical features of a city. In Hong Kong, these traits are formed as a result of the economic development of the territory from a fishing port into an industrial and trading centre and finally to a financial hub. The city's configuration and scale change in tandem with the economic transformation and this change is an interactive process.

Cities must constantly grow to keep up with the pace of development of the times and there is no exception for Hong Kong. The conduct of urban development in Hong Kong is not much different from that in other countries and the means employed are demolition and building, reclamation from the sea, moving mountains and forming land. Hong Kong has been adopting these methods for a long time. In the commercial centre in Central, there have been countless times when land is reclaimed from the sea and hills removed to make way for development, from the days of the City of Victoria to the present. The prosperity we have now is founded on the past efforts of removing the old to

embrace the new. Hong Kong has long positioned itself as an economic city and so it has to conform to the features of an economic city. These are: a concentration of commercial organizations and an efficient transportation network. It follows that some development and redevelopment works in the commercial districts are inevitable. Even so, we are not saying that for the sake of economic development, the preservation of the distinctive qualities of a city in the course of social development can be ignored. As evident in economic cities abroad, there can be no hard and fast mode of development. Hong Kong is a city where both Chinese and Western cultures are found and it is also a cosmopolitan city with considerable history. Therefore, the uniqueness about Hong Kong is that both things Chinese and Western and things old and new do exist side by side.

However, it is not an easy task to expand our city now. Hong Kong is subject to various kinds of objective conditions. Our area is limited and there are more hills than lowland here. The costs of development are high. Land in the existing urban areas has been undergoing systematic development for nearly half a century. These old urban areas have become dilapidated, lagging behind the needs of the present age. Moreover, new buildings are subject to height limits, environmental protection requirements and laws which forbid reclamation from the sea, and so on. All these have resulted in factors that must be considered in urban development.

The meaning of urban expansion does not simply mean demolition, building, reclamation and moving mountains, but the optimal use of limited land resources for the purposes of beautifying and revitalizing the old areas, improving the living environment and upgrading the business environment as well. As a non-executive director of the Urban Renewal Authority (URA), I am well aware of the daunting task of urban renewal. For it is not just a problem of planning, it also involves the interests of the landlords, tenants and even all other stakeholders, as well as the environment, sanitation and law and order of the surrounding areas. The time taken is extremely long and it is very contentious in society. Examples abound. In the redevelopment project of the Kwun Tong town centre, for example, in order to enable more residents to take part in redevelopment, the URA has done a lot to carry out consultation and to collect the views of the residents. An office is set up to help them understand the process of redevelopment and the details involved. We have indeed spent a lot of time and money to hold many consultation meetings in the district. We consider all these worth doing.

Another example is the redevelopment of the Nga Tsin Wai village which many Members have mentioned today. The URA attaches great importance to the preservation of monuments and antiquities. In the redevelopment of this village, we have included things that should be preserved in the basic planning. Another example is the redevelopment of the "Sport Shoes Street", for which many people have come to stage a petition outside this Council today. Most of the residents living in the flats upstairs want the URA to resume the land for redevelopment, but the commercial tenants downstairs think that the "Sport Shoes Street" has a unique business environment and it is not to be destroyed. So they strongly oppose redevelopment. To be frank, the URA must respect the ownership of private property and when a project is to be launched, the demands from all parties concerned should be taken into account and no rash action must ever be taken.

Nowadays, the number of large plots of land that can be used in Hong Kong is very limited. Though a large amount of land would be released upon the opening up of the frontier closed area, as the place is very remote, so no clustering effect can be expected and nothing can be done to assist in the development of the central business district. As market demand for land increases all the time, if the Government does not make commercial and residential land available on a regular basis, as supply lags behind demand, it would only result in a constant rise in land costs. This will not only lead to a revival of the high land premium policy but also effectively blunt our competitive edge. This is the conflict caused by land supply failing to meet the demands of society as it moves ahead.

We need to consider the following: first, how we can adapt to the new economic conditions through urban development; second, how traditional culture, history, natural scenery, and commercial districts and bazaars with local characteristics as mentioned in the motion can be preserved in the course of development; and third, how to enable greater involvement of the public in the planning process. A balance should be struck between these three elements so that we will not lean towards any particular side, for we should meet the needs of economic development while preserving existing things of value. This is what we must consider and it is also the most important point upon which the success of urban development and renewal hinges.

President, I so submit.

MS AUDREY EU (in Cantonese): President, Mr Vincent FANG said in his speech that his motion was not the same as mine, for mine was about collective memory, whereas his is about looking ahead and preserving some "living" bazaars. However, I think that when he says such things, it only proves that he appears not to quite understand the meaning of conservation which we refer to in our debate. This is because even when Mrs Selina CHOW who is a colleague of his from the Liberal Party spoke, she also mentioned the need to revitalize the monuments. Also, if we look at the motion moved by Mr Vincent FANG, we will find that he urges for retaining and supporting the commercial districts and bazaars with local characteristics. The words "local characteristics" are a most outstanding feature of his motion and it is also an outstanding feature of the motion moved by me earlier and that feature is, monuments in fact display the local characteristics of Hong Kong and we should examine how they can be preserved.

Actually, I should thank Mr Vincent FANG for moving his motion, for his motion enables us to recount the numerous streets in Hong Kong that display strong local colours. The world-famous travel magazine *Lonely Planet* published for the first time last June a list of the most colourful markets in the world. Temple Street of Hong Kong tops the list together with Chatuchak of Bangkok. This is because Temple Street has got a strong Hong Kong flavour. The tourists come for fortune-telling, listening to Cantonese opera and eating at the roadside food stalls or buying jade. In these many ways they can have a taste of the local culture.

Apart from Temple Street, some Honourable colleagues have also talked about the "Wedding Card Street" in Wan Chai, the "Sport Shoes Street", "Ladies' Market" and Tung Choi Street in Mong Kok, the "Toys Street" in Wan Chai, the "Goldfish Street" in Mong Kok, the Flower Market, Ap Liu Street and "Beads Street" in Sham Shui Po, the Ginseng, Deer Antler Shavings and Dried Seafood Street in Sheung Wan, and so on and so forth. All these streets are, as Honourable colleagues have said, developed naturally and slowly over time and later transformed into a concentration of shops all belonging to a same trade. Then as reputation builds up, brand names begin to appear. These shops have a great range of goods and they would give a lot of helpful tips to clients by sheer virtue of their expertise in the field. When we want to buy dried seafood, we must go to Sheung Wan. Why? It is because the staff of the shops there have an excellent knowledge of everything you need to know about ginseng, pilose antler, dried seafood and such stuffs and they can tell you how to choose the

dried seafood you want and for the best therapeutic value. Such folk wisdom is also something which makes Hong Kong so special.

All these streets are actually the building blocks we can use to form commercial districts and bazaars with local characteristics. Only that the Government has been slow and unresponsive and fails to feel the pulse of public taste and turn these things with a dazzling array of local colours into good and profitable use.

We may say "never mind" if the Government is not doing this, but the worst and most appalling thing is that the Government loves to tear down these places. Last December, the Public Works Subcommittee of the Finance Committee of this Council vetoed a funding application for the Central Kowloon Route project because the construction works of the Central Kowloon Route would mean the demolition of a section of Temple Street, that is the section which everyone agrees that it has got the most local colours and where people can see operas, consult a fortune-teller or buy jade. So what will the Government do to retain these local colours? Can the authorities not consider how these specialties are retained in their public works and redevelopment projects while they proceed with these projects?

I forgot who once said that this generation of kids in Hong Kong grew up in shopping malls. It is true that on Saturdays and Sundays, we can see parents spending their weekends with their kids in these air-conditioned shopping malls. As WONG Kwok-hing has said, these shopping malls are composed of the same monotonous repetition of chain stores and there is no doubt about it. Often when we demolish a street to build a shopping mall, we have never thought about the fact that when the shops have moved out of their original location, they will lose their local colours. It is like removing the "Cloth Alley" to the Western Market, not only have the rents got higher and less clients come, but there is also a feeling that it is like buying fabrics in a shopping mall and that does not present any local flavour at all. If these bazaars and markets are not formed naturally, even if the Government has worked hard to resettle them or reopen them at some other location, the local flavour is hopelessly lost. The case is the Government's revival of the Poor Men's Nightclub in Sheung Wan after the SARS attack in 2003, the result was an utter failure.

It is understandable that many problems will appear in the old urban areas, like the dilapidated buildings which in turn affect the outward appearance, cause

hygiene problems and even pose hazards to the people. This is mentioned in the second part of Mr Vincent FANG's motion. I agree that there are a lot of things that we should do. When buildings become worn out, the Government may initiate restoration. When the hygiene is bad, it would not be that difficult to solve the problem either. We can see from many examples found in other places that even though some buildings may be a few hundred years old, their original style can be preserved. There is a sense of being mellow with age instead of being old and worn out or shabby or dangerous. So I think that there are many things which the Government can learn from these overseas examples.

There is, however, another point which I wish to bring up. This is because in the motion debate earlier, Secretary Dr Patrick HO referred in his response to some urban planning laws, saying that as these laws have been amended not very long ago, they are sound enough and therefore do not need any further amendments. However, both the previous motion and this motion would actually involve the procedures of town planning and the existing law. In the "Wedding Card Street" case, some Honourable colleagues have said that when the residents wanted to take part in the planning process, they could actually not make this a reality.

I would also like to say to Secretary Michael SUEN that, when we want to retain our local flavour and as we think about how some of the "living" bazaars can be preserved, we must turn our eyes to a reform of the laws and procedures of urban planning. These should be open, in the sense that the people should not come face to face with the officials once they get involved. These officials have been thinking up projects behind closed doors. As everything is ready, it would be useless to talk to them. I hope the Secretary could listen to Members' view on this.

Thank you, President.

MR WONG TING-KWONG (in Cantonese): Madam President, as society progresses, the resultant changes will necessitate urban renewal, which will in turn create many complex problems involving commercial considerations and human relationship. However, urban renewal can also bring us benefits. The redevelopment of old districts can reduce the number of dangerous buildings, and while the formulation of new planning can increase the land value of the

local community itself, the value of the land around it will also rise. What is more, old districts are often the hotbeds of crimes, but redevelopment will help improve the law and order situation there. With urban renewal, the levelling of hills and reclamation can also be obviated, which is conducive to environmental protection. And, job opportunities can be created in the course of urban renewal. Admittedly, redevelopment will also bring various disadvantages. Local community features will vanish, leading to the loss of the collective memory and in turn reducing people's sense of belonging to society. In addition, redevelopment will create construction waste, and demolition works will also generate dust that pollutes the air. But I believe that as long as a people-oriented policy is upheld and all redevelopment projects are preceded by adequate communication, the advantages of urban renewal will still outweigh its disadvantages.

I note that urban renewal and the preservation of original community features are not contradictory. From the days of the Land Development Corporation to the time of the existing Urban Renewal Authority (URA), many old buildings and districts marked by Hong Kong's folk features have been demolished, and so have many traditional commercial districts and bazaars, such as those mentioned by Members — the "Egg Street" (that is, the present Cosco Tower, Sheung Wan), the "Cloth Alley" (that is, Wing Kut Street, Sheung Wan) and the "Bird Street" in Mong Kok (that is, Hong Lok Street). All such old areas have a history behind them, and they have witnessed the changes and vicissitudes of Hong Kong. Apart from arousing varying degrees of nostalgia among the local residents and other Hong Kong people, such old districts are also very important to the tourism industry of Hong Kong.

Besides having fun during their trips, visitors to Hong Kong also like to experience the local culture. They may want to buy unique local products and try the local cuisine. Therefore, when formulating urban renewal projects, the authorities concerned should allow local residents and shop operators to take part in the planning process and offer their advice on the preservation of bazaars with local characteristics. The blending of both heritage and tourism elements can make such bazaars more appealing and enable them to make greater contribution to the tourism industry of Hong Kong.

Shangxiajiu Lu in Guangzhou is a fine example. There have been rapid changes in its surrounding areas, but thanks to the purposeful planning of the

Municipal Government of Guangzhou, most buildings with architectural features of the 1930s and 1940s are preserved. The place is thus full of an aura of great antiquity. Besides shops, there are also cinemas, bookstores, wedding photographers and even shops familiar to Hong Kong people in Shangxiajiu Lu. Famous snacks such as milk budding, congee and rice rolls are all available. Old restaurants such as Qingping Guan, which is famous for the dish of Qingping Chicken, and also Taotao Ju, which displays a signboard inscribed with KANG Youwei's handwriting, are also found there. Beijing Road, on the other hand, is famous for the "One-thousand-year Ancient Passageway". There is a very special pavement on this road, and through the glass on the ground, pedestrians can look at all the underground historical relics from a thousand years ago. Besides satisfying tourists' demands for shopping, food and drinks, leisurely activities and entertainment, there is also a strong cultural characteristic. The average daily pedestrian flow during holidays is as high as 300 000.

The URA has no doubt abandoned its commercial approach and adopted a "people-based" policy. It has even included the "4 R's" in its mission, namely, "Redevelopment, Rehabilitation, Reservation and Revitalization". It also stresses that it will not be like property developers who will just construct blocks and blocks of geometrically sterile buildings and link up everything with large shopping arcades, where either Watson's or Mannings and either McDonald's or Kentucky Fried Chicken are found. But our greater worry is that shop rents may multiply after redevelopment. Existing small traders may fail to cope and find it impossible to continue with their business in their districts. In this way, commercial districts and bazaars with local characteristics may disappear. In the end, only mundane and exactly identical shopping centres can be found in Hong Kong.

Another thing that may happen can be seen in the redevelopment of Staunton Street and Wing Lee Street. The business environment of the location is marked by the presence of the printing industry. There were once eight printers in Wing Lee Street. One of the persons in charge of these printers said that the Consulate of Denmark had been its customer for 30 years. When Hong Kong born Alexandra Christina MANLEY, former Princess of Denmark, got married, he was asked to print the book of guest congratulations to mark the occasion. But the printing industry in Hong Kong has still started to decline. People may say that advanced digital printing technologies can be introduced and

support and assistance can be given to the industry for relocation to downtown Central. But is it cost-effective to do so? This is a question that the various social sectors should carefully discuss and consider.

Madam President, I so submit.

MR RONNY TONG (in Cantonese): President, it is widely reported in the press today that Hong Kong has once again been rated by the American Heritage Foundation as the region with the highest Index of Economic Freedom in the whole world in 2007. For 13 years in a row, we have been rated as the freest market in the world. Unfortunately, however, Hong Kong's Gini Coefficient has been rising continuously over the past decade or so from 0.434 in 1996 to 0.525 in 2001. This far exceeds the Gini Coefficient of our country as a whole. In other words, being the freest economy has brought to us the widest wealth gap. We rank first among the developed countries in the world.

The American Heritage Foundation also warns that if Hong Kong introduces a minimum wage, it will lose its status as the freest economy in the world. President, the choice is therefore very simple. Should we seek to preserve our reputation as the freest economy in the world? Or, should we choose to forego this reputation and strive to build a fair and just society?

Before the reunification, by means of new town planning and market forces, the Government successfully erected a "glass wall" that cast aside some grass-roots people, thus turning the urban areas and the remote areas into two entirely different worlds.

President, according to the findings of a survey conducted by my office on poverty in remote areas, the median wage for Hong Kong Island is \$9,500, the highest in Hong Kong. The median wage for Tuen Mun, Tin Shui Wai and Yuen Long is \$5,000, and those for Fanling on the one hand and Sheung Shui and Tai Po on the other are respectively \$3,500 and \$3,000. The median wages in the six districts mentioned above are all below \$5,000, that is, just half of the median wage for Hong Kong Island. This, together with low mobility, has rendered the local economies vastly different from any market economy. And, local residents are unable to extricate themselves from poverty because of the "glass wall" effect.

President, ours is a society without a minimum wage where people living in remote areas are rendered unable by the "glass wall" effect to share the fruit of Hong Kong's economic recovery. To shatter this glass wall, we must learn from other countries. In Britain, for example, an active policy on developing local economies is put in place to assist the poor. We can take a look at the measures implemented by new Labour Party after its coming to power. In the past few years, a series of tax concessions were actively implemented alongside many investment programmes and transport fare concessions. As a result, certain suitable industries and businesses have been successfully brought to the poor areas, directly boosting their economies and easing the poverty problem.

The economies of some old or declining industrial areas such as Workington, Sunderland and Manchester managed to gain a new lease of life as a result of the active efforts of the government. Not only this, the revival of these local economies has also led to the sustained economic growth of the entire country. In other words, not only local economies but also the national economy have been benefited. The concessions offered by the Labour Party include full tax deduction for expenses on plant and office construction and financial relief for the purchase of machinery. That way, small and medium enterprises can invest in local communities without any worries.

President, the greatest problem with extreme economic liberalism is that the government refrains entirely from intervention, leaving business operators to determine their directions and strategies of investment. Consequently, business operators will understandably choose the easy way out and refuse to take the risk of investing in local economies, especially the economies of remote areas. Simply by developing the overall economy can we really boost local economies? The Special Administrative Region Government has all along asserted that when the economy is in good shape, everyone will be fine. But the experience over the past few years has proved that this is simply not the case in Hong Kong. Precisely for this reason, an odd phenomenon has emerged in our society — declining popularity of the Government despite overall economic growth. This highlights the fact that the good shape of the Hong Kong economy cannot solve the people's livelihood problems.

In contrast, under the political systems of all other countries in the world, sound economic growth will certainly see the rising popularity of the government. Hong Kong is the only exception. I think this is a very good example demonstrating that sole reliance on the overall development of the market

economy cannot possibly boost local economies. Recently, Joseph STIGLITZ, a world-famous economist and Nobel Laureate in Economics, has published a new book entitled *Making Globalization Work*, in which he strives to disprove the liberal economic theory that when the economy is in good shape, everyone will be fine.

President, we in the Civic Party think that the economy of Hong Kong is at a crossroads. We do not believe that we should follow the kind of extreme economic liberalism advocated by the Chicago School. Quite the contrary, we think that a responsible government is duty-bound to build a fair and just society. To achieve this aim, the Government must seek to boost certain suitable industries or local economic activities. The Government is duty-bound to do so.

The Government must, as a matter of urgency, join hands with community leaders and representatives immediately in order to find out what kinds of industries are particularly useful to which areas. Following this, a set of objectives should be formulated to boost local economies. Through the provision of tax and rate concessions, loan schemes and transport fare concession schemes, it should strive to boost local economies, with a view to easing the problem of poverty, increasing employment opportunities and improving quality. This is the only way to improve the people's well-being and realize the "people-based" spirit.

Thank you, President.

MISS CHAN YUEN-HAN (in Cantonese): Madam President, all along, the Government has been confining the definition of economic development to large-scale development projects involving the financial industries and the property market. As for communities and bazaars with local characteristics, those belonging to the masses and small business operators, we can observe that they have gradually been driven out of existence as a result of social development. I must make it a point to say that this is especially the case with the Urban Renewal Authority (URA), which is responsible for the redevelopment of old districts. The URA seems to have a strong dislike for old local community economies. Many existing commercial districts and bazaars with traditional characteristics are actually the result of long years of development. If we ruthlessly "axe" them, we will destroy many places with

long years of history where numerous ordinary people earn their living. We have actually witnessed just too many such cases over the years.

Mr WONG Ting-kwong mentioned the "Cloth Alley", but it should be Wing On Street, where my trade union is located, instead of Wing Kut Street. But the existing Western Market no longer has any of the local characteristics of Wing On Street years ago. And, many prosperous areas we now see, for example, will gradually be deprived of their prosperity due to the development projects of the Government (that is, the URA). What kinds of places are still left nowadays? I am very worried. With the development in Central, many streets there will be affected. Hollywood Road is a street I like very much. It is a very special street. Over the past two decades, a "dawn market" has even emerged there. This "dawn market" is located at Hollywood Road in Sheung Wan, and it sells practically anything one can name. Built in 1844, this street was the first street built in Hong Kong after its inception. The nearby Man Mo Temple was also built before 1844. This was the first street ever constructed in what was then a small fishing port. Such historical significance alone has been a source of attraction to numerous visitors. In the past, whenever I had any spare time (I seldom have any now), I would roam the street. There are many special things in this street. And, what is so wonderful is that all the historical relics there have already integrated into the local community, existing harmoniously with the residents' daily life.

There are many antique shops in Hollywood Road, all stacked with blackwood furniture, China ware, scripts and paintings and things from the early days of Hong Kong, such as postage stamps, banknotes, photographs and various other goods. In nearby Lascar Row, there are many tiny stalls selling all sorts of curios. Although some of these curios may be fakes, many people, including Hong Kong residents, still like to roam the place. Many of my family members also like to go there and browse around when they are free. We can thus see that the place is very popular among both foreigners and local residents. I am very worried that in case there is any development in Central in the future, the URA may ruthlessly remove the area. I am deeply worried.

I was especially worried when I heard those Legislative Council Members on the URA say that they would accord priority to urban development. It seemed that they would not consider the striking of a proper balance. I believe that in the case of those old districts the redevelopment of which was already announced more than a decade ago, such as Yue Man Square in Kwun Tong and

Nga Tsin Wai, the residents concerned who have been waiting all these years will naturally want to see the launching of redevelopment as soon as possible. But is the Government going to draw up plans on eradicating all heritage before making any announcements of redevelopment? Such a practice has often led to conflicts, the case of Lee Tung Street being a fine example. In this case, the views held by the residents upstairs and the shop operators at grade are entirely different. The residents upstairs naturally want to see redevelopment as early as possible. But the shop operators all hope that they can continue with their business. The problem is therefore connected with how the Government and society as a whole are going to strike a balance. The Government must not go right ahead with demolition once it encounters any opposition from residents. Once again, I must call upon those Legislative Council Members on the URA to realize that it is no longer appropriate to yield to such a culture. I hope that political parties, in particular, can give more thoughts to this.

At this juncture, I must say that since I have been following this issue for more than a decade, I am especially angry. I must therefore take strong exception to the views expressed by some Members just now. Because I cannot help wondering, "Can they understand why there have been so many conflicts? Do they know what tactics the URA has been employing to deal with the residents of Yue Man Square? And, are they aware of the tactics employed by the URA to deal with the residents of Nga Tsin Wai and stir up conflicts among them?" If everybody can calmly seek to understand the needs of the other side and listen to the other side's views, then we will be able to sort things out very clearly when a final decision is made. I am not saying that all old things must be preserved. I do not think that I should make any decision alone, because after my long years of involvement in social issues, I have come to realize that all parties must participate in the discussions. All parties must participate in the discussions because what I like may be different from what others like. But what I hate most is that the URA has been trying to rape public opinions. For example, when people hold different opinions in a certain case, it will proceed to demolish everything. I have talked so much about this because I really have very strong dissatisfaction with the conduct of such an important public organization.

Madam President, I am worried about the possible disappearance of traditional bazaars and commercial areas in the course of urban development mainly because of my observation that there are not enough employment

opportunities in Hong Kong. While I do have a liking for old things and historical relics, I must say that what is even more important is that such places can bring forth another type of economic activities which are conducive to the employment and development of the public, especially the grass-roots people. According to Secretary Stephen IP, the Hong Kong economy is in very good shape, and he also says that even the unemployment rate of young people aged 24 is as low as some 9%. However, despite the very good shape of the economy, it is still very difficult for young people to secure any employment. Does this not prove that the base of our economy is still very weak? Can we thus expect to establish our creative industries?

The Secretary and I once inspected some old industrial areas and also Nga Tsin Wai Village. My main hope is that by improving all these areas with local characteristics, we can develop a new type of economic activities. This is similar to creating another Roppongi. Roppongi was designed about a decade ago by the same designer who designed Langham Place. But this designer combined both traditional and new elements in the development of Roppongi. Nowadays, Roppongi has become the place in Japan with the largest number of visitors, attracting a turnover which is higher than that of Tokyo Disneyland by 100%.

If we can do a good job, we can actually create many places with special attraction. Wong Tai Sin is such a prosperous place. Even though we established the Dragon Market in such a great hurry, it still managed to attract an average daily turnover of 60 000 visitors, and the highest turnover even stood at some 130 000 people. One of the very creative operators at the Dragon Market is still selling cakes at the Peak. I have recently seen a cart with the logo "Pui Yuen", and I must ask the Secretary to go there to have a look. Thanks to the experience he obtained from the Dragon Market, the man now knows how to run his business. If people go to the Peak now, they will be able to buy cakes made on the spot. The cakes are very delicious. If the Secretary likes to eat cakes, he will certainly enjoy them. In other words, we should explore how we can turn all such places into havens of employment and business development, where young people can give full play to their creativity. I think it is possible to formulate a large-scale plan for the development of Wong Tai Sin Temple. The current size of the site measures almost 130 000 sq ft. After allocating part of the site to Sik Sik Yuen, which runs the Wong Tai Sin Temple, there will still be some remaining room. All will then

depend on the Government's attitude. I always maintain that places with special characteristics must be preserved, and we must continue to develop our (*the buzzer sounded*)

PRESIDENT (in Cantonese): Time is up. Please sit down.

MR LEUNG KWOK-HUNG (in Cantonese): After listening to Members' debate, I start to think of a story about something that happened at the end of the Ming Dynasty. I would call this story "The Tablet of Seven Killing Orders". At that time, there was this man, ZHANG Xianzhong, whom people describe as a bandit. ZHANG once remarked, "No one under the sun can repay the benevolence of Heaven with even one single virtue." As a result, he exclaimed, "Kill, kill, kill, kill, kill, kill and kill them all!" He wrote the word "kill" seven times. Later on, he really killed lots of people. Nowadays, consortia often say, "No one in Hong Kong is able to oppose us, so we can demolish, demolish, demolish, demolish, demolish and demolish all". The word "demolish" is used seven times.

Actually, "every injustice has its perpetrator, and every debt has its debtor", as the saying goes. So, how about the case of urban renewal? Let us put aside the question of principles for the time being and first talk about who are in control. One of the organizations concerned is the Town Planning Board (TPB), which is responsible for planning. Am I correct? The TPB tenders advice to the Government, which cannot reject the recommendations of the former without justifiable reasons. Besides, there is also the Urban Renewal Authority (URA). When the URA wants to draw up a new plan for a certain area, the TPB and the URA will be the two key organizations. In other words, without these two organizations, even the Chief Executive or anybody else for that matter will find it very difficult to demolish, demolish, demolish, demolish, demolish, demolish and demolish all. But the problem is that the head of the Housing, Planning and Lands Bureau, that is, the Permanent Secretary, is concurrently the Chairman of the TPB. This means that even the TPB is also under the Government's control. In that case, what else can still be done? What we are talking about are just the pockets of the same person. What they say will be final and all others will just be mere embellishments. They are in total control.

Yesterday, I read the consultation document on Lee Tung Street in Wan Chai because the authorities want to conduct a consultation exercise on the redevelopment of this street. But there are only two copies of this document in the whole of Hong Kong. Only the first page is written in Chinese, and the rest of the document is written in English. What is more, the document is as thick as seven inches. How can the public possibly respond to the consultation? They simply do not know what the document is talking about. After reading the document, I know that the whole thing is just a trick. There are only two copies in the whole of Hong Kong, and it is all written in English. If one does not know English, what can he do? How can he voice his views? Buddy, even if you want to play a trick, you should come up with a cleverer one. You should prepare a Chinese version, shouldn't you? Can you prepare a Chinese version? Such a trivial matter alone can already tell us that the consultation exercise is nothing but a farce. All is just "Siu Mai² prepared the night before", that is, food prepared a long time ago. People are forced to eat such food, and if they thus suffer from diarrhea, they can blame no one but themselves.

The Land Development Corporation (LCD) was the predecessor of the URA. When the property market was in the doldrums, you might plead with it, "People living in my district are almost dying. The whole place is so filthy and crime-ridden." But the LCD would simply reply, "We are sorry. Since the property market is in the doldrums, the LCD will not do anything and will not even complete the projects concerned." The property market has by now revived, and another organization called the URA has been established. The job of the URA is to co-operate with the TPB under the pretext of justice. It can acquire lands without any problems whatsoever because there is now a new ordinance which provides that no one can refuse land acquisition. What practices are adopted? The practices adopted amount to downright robbery, which is no different from the kind of land requisition in the Mainland. If any Hong Kong resident refuses land acquisition, he will be treated like a rioter in the Mainland. In the Mainland, riots will be quelled by the Armed Police Force. And, anyone in Hong Kong refusing land acquisition will be dealt with by the police. All will be very much like the case of the Star Ferry Pier, where anyone obstructing the demolition works was treated by the police as a rioter.

² "Siu Mai" is the transliteration of "燒賣" in Cantonese, one of the two most popular and well-known Cantonese "dim sum", or snacks.

I must return to the main point and ask, "If there is no tyranny, how can there be any rioters?" The history of Britain tells of the same fact. Whenever the masses found the rule of the imperial family intolerable and went to London to "settle old scores" with it, they would be labelled as rioters. But all was just the result of tyranny. What kind of tyranny are we talking about now? It is the monopolization of community redevelopment by consortia. What is the most important characteristic of Hong Kong? It is the maximization of floor area using the very limited supply of land. The Government may first construct massive infrastructure facilities in one area so as to give it a boost. People will then be moved to the area as "pioneers". The case of Tuen Mun is a good example. After the incoming population has boosted the development of the area, it will be further developed into a residential area. Or, the Government may simply adopt the practice now. It will not even make all those efforts mentioned above. It will just formulate planning for the hearts of downtown areas. In other countries, old city areas and new city areas may be designated. But why is it impossible to do so in Hong Kong? No one will reply to this question because property developers are very important in Hong Kong, and so are shares of property developers. They want to construct luxurious properties and other flats for sale. The developer of Hung Hom Peninsula even had the courage to talk about the demolition and reconstruction of the whole housing estate. The only reason is that by doing so, the property developer will make even greater profits and gain even greater advantages. This highlights the crux of the problem.

Therefore, it will be useless for us to talk about retaining commercial districts and bazaars with local characteristics here today. After all, what can we say about Hong Kong in this present era? It is an era marked by the control, complete control, of a handful of consortia, including the one who joined Secretary Michael SUEN in buying a horse. All organizations, including the URA, the TPB and other so-called advisory committees, are just meant to serve this handful of people.

Therefore, Mr Vincent FANG is certainly well-intentioned, but all is useless because anything that cannot generate profits will be killed, killed, killed, killed, killed, killed and killed, as mentioned on the "Tablet of seven Killing Orders". When it comes to heritage and local characteristics, I can only say, "Local characteristics are no match for greed." People's employment opportunities are not their concern. This is also the case with The Link REIT. Rising prices are not its concern. Whether you have a dwelling place is not its concern. The preservation of heritage and culture is not its concern either.

Therefore, if we do not discuss one topic, the topic of whether or not political power in Hong Kong is monopolized by a coterie of property consortia, we will never be able to change the situation. And, it is only by discussing this topic that we can be enabled to change this unreasonable situation.

Thank you, President.

DR FERNANDO CHEUNG (in Cantonese): President, although it was raining while we were having our meeting this morning, more than 100 people still gathered outside the Legislative Council Building. All of them wanted to voice their dissatisfaction with something, something which is related precisely to the topic under discussion today, that is, the fact that besides failing to preserve commercial districts and bazaars with local characteristics, our urban renewal policy has even served to destroy their development.

Currently, our urban renewal policy is mainly economically-oriented. Although the Urban Renewal Authority (URA) has made it very clear that its policy is "people-oriented" — this is indeed a very appealing slogan, for it actually means that the aim is to improve the livelihood and upgrade the living quality of people living in old districts — we can still observe that in many cases of redevelopment, many kaifongs and small shop operators in old districts are unable to share the fruit of redevelopment. The compensation they receive cannot enable them to continue to live in their original districts and maintain the same quality of living. They are frequently forced to move away from the districts they have lived in for many years.

Let us look at the example of Tai Kok Tsui, where a redevelopment plan is underway. I have been to this district several times. There are many hardware shops in this district, ranging from shops selling light ware to those selling heavy ware. A unique business chain has already emerged in this district over time. Many people engaged in the fitting-out business will buy the materials they need in this district. They have also developed a tacit agreement on business referrals. It is precisely for this reason that they must depend on one another for survival. Many residents of this district are also engaged in this kind of business.

One special feature of this type of shops is that they are usually located in old districts due to lower rents. And, after many years of operation, they have

formed an ecology of their own. The entrances of such shops are quite wide. There is usually some space for parking vehicles. Members can imagine that there must be such space for hardware shops. Since the usable areas in old buildings are comparatively large, there is plenty of room for storage. Some shops which are even located at the bottoms of staircases have likewise operated for many years. Because of low rents, such shops can survive. Some of them are craftsmen, and I also know a number of watch mechanics there. Some shops selling funeral paper figures are quite large in scale, and they use cocklofts as their workshops. The conditions in the district have led to the emergence of such a unique business environment. Such shops have managed to survive and carry on their business as a result of low operating costs.

But we can notice that once urban renewal is launched in the district, the ecology mentioned above will be entirely changed. They will say, "This does not matter. We will offer compensation to shop operators." However, the present approach to the payment of compensation frequently fails to deal with the several problems mentioned by me earlier. To begin with, when a shop operator required to move tries to look for a similar shop in the same district, he may find that the rent has already risen by 100% when compared with the rent level at the time of the survey. Even if he manages to rent a shop near to the old one, he will still lose his original clientele and business network. Once his original business chain is shattered, he must rebuild everything. But this is simply not included and considered in the determination of compensation for shop operators.

Since such a situation is not considered in the determination of compensation, what choices do shop operators have? First, they may accept the totally unrealistic compensation. Second, they may wind up their business. Many shop proprietors have been running their business for many years, and they do not really have any alternative because their shops have been supporting several families. Their business is not large in scale, but even the closure of a very small shop may affect the livelihood of three or four families. We can observe that while the avowed aim is to improve the life of local residents, such an economically-oriented approach to urban renewal will often drive them away in reality, plunging many economic activities into extinction.

On the surface, business closure may just lead to the loss of certain business activities. But we must not forget that many kinds of technical skills and craftsmanship may also be involved. And, if any link of the business chain

is shattered, the entire fitting-out industry may also be affected. The reason is that the district is the centre of hardware shops, which are closely related to the fitting-out and property industries. People can buy the materials they need very conveniently now. If all the hardware shops are to be relocated, people may have to go to Wan Chai or other places to buy the materials. The total costs may thus increase, leading to chain effects. But have we ever considered these details in the course of urban renewal? Have we made any special efforts to preserve commercial activities with local characteristics?

I think one peculiarity about the URA is that its employees will be offered "bonuses" if a certain project makes profits. I naturally do not know how such "bonuses" (which they call "floating salaries") are computed. But have they just been trying to improve their own livelihood? Or, have they really been trying to improve the livelihood of those people living in old districts? Do they really want to do good to different areas, such as the "Wedding Card Street" in Wan Chai? The protesters this morning came from the bazaar in Tai Yuen Street and Cross Street. There are also the bazaar in Kam Wa Street in Shaukeiwan and the "Sport Shoes Street" in Mong Kok. And, the list can actually go on and on. Besides, Kwun Tong will also be redeveloped very soon. Many unique businesses will gradually be phased out, destroyed and replaced by blocks and blocks completely identical commercial buildings under the control of large corporations and consortia. All local community economies will be destroyed, and it will not be possible to preserve them. Is this a viable approach to development?

Therefore, President, I think we must expeditiously review the Lands Resumption Ordinance and the Landlord and Tenant (Consolidation) Ordinance, so as to prevent any worsening of the conflicts between residents and the Government in the future. I have risen to speak in support of the motion. Thank you, President.

MRS SOPHIE LEUNG (in Cantonese): President, I rise to speak in support of Mr Vincent FANG's original motion.

I have listened to the speeches of many Members both in the Ante-Chamber and this Chamber. And, I have heard them talk about many different places in Hong Kong. However, there is one particular place which

has not been mentioned by any Members despite the boom going on there. Although the place is not located in Causeway Bay, the rents there are just as expensive. The place I am talking about is the area around Cheung Sha Wan in Kowloon.

I must advise Members to visit the area more often during weekends, because they will witness the business operation of numerous highly creative Hong Kong people there. But these people are no youngsters who are very "yeah" or "in"³. Quite the contrary, they are mostly middle-aged or even older people working hard to earn a living. They do not even know any English, but they still manage to communicate with buyers from all over the world. The place is our fashion distributing centre. I believe the Secretary will still remember the many negotiations I held with his subordinates several years ago when I was advocating the establishment of a fashion centre there and the introduction of design elements to the fashion goods. At that time, I even commissioned a professional architect to draw up plans. I was of course trying to cast a brick in order to attract jade⁴. If my advocacy had been taken on board, the area would have become even more prosperous now.

President, I must add that during the SARS outbreak in 2003, when the commercial and industrial sector in Hong Kong was in a state of stagnancy, the area was the only place where new shops were still opened. This was something very rare at that time. I have always been very down-to-earth in my approach, and I of course sought to sell my idea to the Government or the relevant departments in my usual way.

Sometimes, my friends or constituents will tell me that I am not fierce enough, not as fierce as Ms LAU or others. They comment that that explains why no one listens to me. I think their remark is correct, with some grain of truth. But I also think that people must be sincere in their dealings with one another. Speaking the 11th Five-Year Plan Agenda of Hong Kong, some people are talking about the fostering of a Hong Kong brand name culture. I think if all these "big shots" really want to create any Hong Kong brand names, they should go to the place and have a look. Another thing is that although the area is located in an old district, the rent for a small, simple and upstairs shop measuring just several hundred square feet is still as high as some \$20,000. This is really exorbitant.

³ "Yeah" and "in" are widely used among young people in Hong Kong to describe people or things that are fashionable and trendy to them.

⁴ This is a Chinese idiom which means "venture a small fish and catch a great one".

The clothes they sell can even attract buyers from Africa. How do Africans buy clothes from these shops? Although the shops are very small, they are all stacked with clothes. There is just one sample for each design, or there may be two or three at most. These are what they call "samples". After a customer has chosen the designs he likes, he may ask for small modifications. Then, he will order several hundred pieces of one design, several thousand of another and a certain number of yet another design. After calculating the total amount of payment, the customer must pay half of this amount as deposit. And, payment must be made in cash. The outstanding amount will have to be paid upon consignment.

This kind of business is the envy of many other places. But we have been leaving the whole area entirely on its own. Guangzhou has now tried to copy and catch up with us. I of course think that if we can pay attention to how this type of business can be developed, there should still be huge room for progress. We must of course give a helping hand by exploring ways of introducing design elements to the fashion they sell. Therefore, I must reiterate that a fashion design centre should be set up in the area, so that what students learn will not be wasted and reduced to mere empty talks. Students should receive practical training in the fashion design centre there. Part of their curriculum should include co-operation with the shops in the area.

President, at this juncture, I want to talk about an actual example there. There is a shop operated by two brothers. Both of them speak the Shunde dialect. Their Cantonese is not good at all. But they are so ingenious, for they have installed a computer in their shop. The computer screen is divided into 16 windows, each showing the inside of a production plant and what designs of clothes are being manufactured. In this way, a customer can check whether the goods he has ordered are being manufactured. Then, he can pay the outstanding half of the payment.

If we go there, we will be able to find out who the sales targets of these shops are and the fashion characteristics of different places. For example, we will be able to see the fashion characteristics of Southeast Asia or the tropical areas. The denim products preferred by Africans are quite special. But on occasions such as banquets and feasts, Africans will prefer red clothes of a special hue. This is different from the hue of red that we use in our SAR emblem.

Besides, the shops there also sell many different beautiful accessories. The scarves they sell, for example, can be divided into those in fashion this year, those popular in the last quarter and also those that may be popular in the following quarter. The area is therefore booming with creativity. If we are to create Hong Kong brand names, this place must not be ignored. Many people have looked too far ahead, so this place simply eludes their attention. Actually, the area should be the origin of our own brand names.

With these remarks, President, I support the original motion.

MR ALAN LEONG (in Cantonese): Over the recent years, we have been hearing all sorts of advocacy on developing the local community economy. This is perhaps attributable to a proposal made by former Financial Secretary Antony LEUNG in the 2002-2003 Budget on forming an inter-departmental working group to explore the development of the local community economy. A more notable project was the reopening of the Poor Men's Nightclub in Sheung Wan. But many stalls subsequently had to close down due to insufficient patronage. And, there was even a scandal involving the rent default of the successful bidder.

What is so ironical is that this type of local community economy based on the establishment of bazaars on designated lots eventually ended up as a joke during the past years of sluggishness in Hong Kong: one who puts down "property management" as his occupation is in fact a caretaker; a person who says that he is engaged in the logistics industry is actually a stevedore; and, one who claims to be involved in the development of the local community economy is in fact a hawker in a market. In this way, people's perception of the local community economy is fixed, turning it into a synonym of the sale of ornaments or snacks in a bazaar.

President, basically, this type of local community economy is not entirely undesirable. To those workers who cannot benefit from the development of high value-added industries, this is in fact a good opportunity to change their occupations and earn a living. The Poor Men's Nightclub and other bazaars could not work very effectively basically because they were not a type of economic activity that originated from the masses. They were designed by bureaucrats behind closed doors, so the existing developments around the bazaars were often ignored. Such bazaars were by no means "local", and it would be more appropriate to describe them as "parachuted" economic activities.

We may look at the Poor Men's Nightclub as an example. The reason for the emergence of a bazaar around Sheung Wan in the past was that the place was near the terminus of the Route No. 2 bus. At that time, the transportation system was not as advanced as that of today, so such a location could draw heavy flows of people. Hawkers selling snacks and low-priced clothes who could see the opportunities presented by the heavy flows of people thus started to set up their stalls there. Over time, the place started to be teeming with people, and something like a poor men's nightclub gradually emerged. However, nowadays, the transportation system is entirely different. Sheung Wan is no longer a transportation hub. But the authorities still thought that they could revive the Poor Men's Nightclub. Such a bureaucratic mentality is obviously unrealistic.

As a matter of fact, the most prosperous development of the local community economy that we find in different districts is invariably the natural outcome of people's spontaneous efforts and market wisdom. It is never the outcome of the executive authorities' conscious planning. The "Sport Shoes Street" I heard Members talk about just now is an example. At the very beginning, a small number of sports shoe merchants saw that the rents of the ground-floor shops around Fa Yuen Street and Nelson Street were comparatively low, so they started to move in. And, it so happens that the Macpherson Playground, a football pitch and some secondary schools are just nearby. In this way, the shops manage to attract some football players who hurry to buy sports shoes right before their games. And, many students who want to buy "quality sports shoes" also go to these shops. All this explains the boom we see in the "Sport Shoes Street".

President, we must imagine what will happen when all the shops in the "Sport Shoes Street" are relocated to air-conditioned shopping arcades without any careful consideration. Will the pressure of high rents render it impossible for the small shops to survive? Can upstairs sports shoe shops change the habit of those who always like to buy sports shoes right before their football games? These questions can all tell us something. The wishful thinking that demolition, redevelopment and the erection of high buildings are always the best approach to development may often ruin the existing form of the local community economy.

Another heart-breaking example of how the local community economy is destroyed is of course the "Wedding Card Street" in Wan Chai, which was mentioned just now. Lee Tung Street is such a fine street filled with the happy

matrimonial memories of people from all social strata. But now, because of the order given by planning bureaucrats, it will be demolished and redeveloped. Although residents and shop operators have tried to fight for their cause within the establishment, and even though professional organizations have also given a helping hand by drawing up a plan, the land resumption steamroller of the Government has still rolled on ruthlessly. As a result, this local community economy can only become history. Throughout the whole incident, members of the public can only express their grief and helplessness.

President, the original motion today and the two amendments all emphasize that public participation must be enhanced at the town planning stage, and that it is especially important to allow residents and shop operators to take part in the decision-making process. A sound and comprehensive consultation process should be fully interactive, so that the Government and civil society can join hands to explore various planning options on renovating old districts and preserving the original features of local communities. We should not try to build blocks and blocks of identical air-conditioned shopping arcades in redevelopment districts.

We do not want all local communities in Hong Kong to be exactly the same. Perhaps, the Government does not need to do too much to foster variety. Quite the contrary, if the Government can refrain more from formulating planning schemes in a top-down manner, if it can respect the development process originating from the masses, it will do greater good to the development of the local community economy.

President, I so submit.

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

MRS SELINA CHOW (in Cantonese): President, I believe there must be a strong consensus among Members on Mr Vincent FANG's motion today. Perhaps, I may be a bit long-winded, but I must still point out that we have in fact debated this very topic before. For instance, Mr Tommy CHEUNG once moved a motion on how we can preserve the hawker culture, so as to ensure variety for shoppers in Hong Kong. After all, Hong Kong's reputation as a

Shoppers' Paradise and Gourmets' Paradise is meaningful not only to foreign visitors but also to the local people.

Why do so many people find Hong Kong so attractive? Because there are both cheap and expensive goods in Hong Kong for people's selection. What we talk about today are "tiny" enterprises. We cannot even call them small enterprises, because they may just be "family" businesses operated by one to two or two to three persons. Speaking of such roadside stalls or bazaars formed as part of the local community economy, there is one example in Tuen Mun. Many local people and foreign visitors like to visit such places.

I notice that there is now a new trend. What we see now are no longer the kind of traditional bazaars formed by hawkers' stalls. During the past weekend, I visited the Borrett Road Market located at the Mid-Levels. Initiated by expatriates, the Market is a bit of a charitable nature. What do they sell there? There are many different kinds of stalls. The stall operators sell various articles created by themselves at very low prices, so they can give full play to their creativity. They make many products, such as green goods or special foodstuffs, and sell them in the Market. A visit to it will make the whole family very happy. Such bazaars seem to be copied from other countries. In other countries, we can often see such bazaars during weekends, some of which are very famous. In Britain, for example, there is a street called Portobello Road, and we know that the Portobello Market is located there. And, Chatuchak in Bangkok is also a weekend market for shoppers. There is a wide variety of such markets and bazaars, and there is much room for their development in Hong Kong. Frankly speaking, we do hope that our people can all stay in Hong Kong for consumption during weekends. I believe that it is possible to achieve this aim if there are more opportunities of this kind, if there can be a greater variety of such markets and bazaars.

I also think that the Government should create the conditions required and facilitate the operation of such "tiny" businesses by all means. I hope that the Government can adopt a more innovative mindset. I observe that on many different occasions, we will invariably hear complaints from operators of such "tiny" businesses. They often say that the Government has indeed rented them some lots on a temporary basis for business operation (Mr Michael SUEN would like to hear this, for this falls within his portfolio). But if any incidents happen in the process, it will terminate the tenancy immediately, thus forcing them to stop their business completely. Or, the Government will ask them to confine their business to the leased area, and they are not even allowed to erect a

direction board outside the area. As a result, people cannot be directed to the bazaar concerned.

All such complaints show that it may be necessary for the Government to adopt a new mindset and consider what role it should play. For example, Members know that the hawker policy of the former Urban Council was marked by two conditions. First, licences shall not be hereditary and passed down from one generation to the next. Second, hawkers should ideally be relocated to indoor markets. Members all know that this policy has never been successful. Many Members have already mentioned cases like Cross Street. The "Ladies' Market" is a successful example, and many foreign visitors frequently visit this place. Can the Government consider these situations with new thinking and allow these bazaars to continue? Can the Government set down some new regulations? Is it possible for it to abandon the past practices and allow the sub-renting and inheritance of licences? Well, maybe, these are not so desirable. But can the Government at least consider the possibility of allowing them to continue with their business, instead of phasing them out?

Besides, there may also be divergent requirements among different departments and Policy Bureaux. Mr Michael SUEN may say that it is alright, and stall operators can be permitted to use the lots concerned on a temporary basis. Secretary Stephen IP may also agree that this is not a bad idea, because visitors will find it very appealing. But then, the Fire Services Department may say, "No. Since fire engines cannot gain any access, what should be done in case of a fire?" There are many such divergent views. It may be that most of the five or six government officials here think that the go-ahead should be given, but if a minority of them or even one of them thinks that there are safety or public health concerns, the whole thing may fall through.

I hope that the Government can squarely address this problem with a new mindset. Can all the relevant Policy Bureaux and law-enforcement departments sit together to work out some ways of turning Hong Kong into a Shoppers' Paradise and Gourmets' Paradise with yet rich varieties? The Government should not always concentrate on ways of hindering the business of those people. Instead, it should think about how to facilitate their operation.

President, we have been talking a lot about alfresco dining these days. Open-air restaurants also encounter many problems. I hope that this motion can bring some improvements.

Thank you, President.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): If no, I now call upon Mr Vincent FANG to speak on the amendments. He has up to five minutes.

MR VINCENT FANG (in Cantonese): I am very grateful that the three Members who have proposed amendments to my motion all have a very clear understanding of the contents of my motion. Dr YEUNG Sum's amendment, in particular, simply makes no change to my motion's original intent. The Liberal Party will therefore support it.

Dr YEUNG Sum's amendment proposes to "enhance public consultation". Actually, the Government also knows how to make use of "consultation". Basically, before any policy is introduced, there will be public consultation. But as I have repeatedly said in this Council, I hope that the Government can conduct genuine consultation, seriously assess and consider the views collected and adopt an objective attitude that can balance the interests of all sides and help bring forth a solution, instead of relying on public consultation as a routine device of silencing the public.

Speaking of Dr KWOK Ka-ki's amendment, I must say that perhaps because he is still relatively young, he does not know that the Government's demolition of old commercial districts and bazaars is nothing new. Actually, the Government has been doing so for a couple of decades. The "Cloth Alley" disappeared as early as almost 20 years ago. The only thing, of course, is that the problem has aroused increasing concern in recent years.

I hope that my motion today can induce the Government to retain commercial districts and bazaars with local characteristics by all means. I hope that the Government will not lightly decide to forego the existing economic value of a lot simply because of its redevelopment value. The reason is that such commercial districts and bazaars cannot be built overnight. Quite the contrary, it will take the operators several decades to shape them. Even if Dr KWOK Ka-ki's proposal on *in situ* redevelopment is adopted, it will still take at least five to seven years, or even eight to 10 years, to complete a project. Can the shop

operators concerned wait that long? We have seen many cases in which shop operators had to close down their business after finishing the first lease agreement following relocation.

The Liberal Party has great reservations about Dr KWOK Ka-ki's proposal to "involve the participation of local residents and small traders in deciding the development or renewal plans". The reason is that this will only create disputes, leading to social discord and stagnancy.

Members all know that the interests of shop operators and residents are clearly different. In the case of Sai Yee Street, for example, the authorities concerned already announced the redevelopment plan as early as 10 years ago. Understandably, residents will not spend any more money on maintenance. But shop operators must still maintain their properties continuously for the sake of their business. At present, it is common to see as many as 100 000 shoppers in the street during weekends. Who can guarantee that a suitable place can be identified for the relocation of the affected shops?

The situation as such, the need for balancing the interests of residents and shop operators can indeed present a responsible government with an opportunity to perform its function.

In contrast, Mr Albert HO's amendment to Dr KWOK Ka-ki's amendment is obviously more sensible and reasonable. For example, it proposes to allow small traders and local residents to "participate in", instead of "deciding", development and renewal plans. In other words, he is talking about the provision of more opportunities to express views. Basically, we share the same view. The Liberal Party will therefore render its support. The Liberal Party and I do not care so much about which Members' amendments or which political parties' amendments can be passed today. The important thing is that the underlying spirit of my motion can be endorsed for the benefit of Hong Kong's long-term development and social harmony.

Madam President, I so respond to the three amendments.

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese):
President, in today's meeting of the Legislative Council, two Members have

respectively raised a motion about the conservation of built heritage and districts with cultural and economic characteristics. The heated participation in the discussion by Mr Vincent FANG and 19 Members over the motion and the amendments has fully demonstrated the importance that the Legislative Council and our community have attached to this subject.

This motion and the previous one raised by Ms Audrey EU pertain to a common issue, that is, in the course of urban development, how should we proactively retain certain established facilities which are regarded by the public as valuable and containing local characteristics. The issue is not only confined to discussion about retaining the bricks and mortar of individual heritage buildings. It has also extended beyond the concern over a "point" to the perspective of "line" and "surface" in heritage conservation, such as Mr FANG's concern over the preservation of commercial districts and bazaars with local characteristics. This motion has also touched upon a consideration at a deeper level, that is, how to retain, in addition to the "hardware" of valuable built heritage, the associated "software", including the concern over preserving specific business activities.

As pointed out by the Secretary for Home Affairs, Dr Patrick HO, in the previous motion debate, the Government aims to seek community consensus on issues including what built heritage should be preserved, how to preserve and how to engage the public in reaching community consensus. In the recent heated discussion in the community on heritage conservation, the scope of concern has been extended much wider than before, covering the protection of collective memory, the way of life experienced by Hong Kong people and certain economic and cultural characteristics.

When deliberating on this subject, we must adopt a rational, practical approach and strive for the best interests of the community. On the one hand, there is no doubt that we need to cherish and attach importance to our valuable built heritage and culture, allowing the community and our next generation to learn about our history and cultural identity. But at the same time, we should also recognize a reality in urban development that our society has to progress continuously. Therefore, new buildings may replace dilapidated buildings, and thus improving the living environment of the people. In order to sustain economic development, new businesses may inevitably take the place of certain business activities that no longer carry any economic value.

Furthermore, whilst discussing and indicating our support for conservation, we should not overlook that, to a certain extent, the whole society, including every one of us, has to contribute at various degrees for the promotion and implementation of conservation work. It will be neither possible, nor acceptable to the public, to retain each and everything. We must thoroughly discuss and seek a community consensus on the kind of built heritage that are genuinely valuable and should be preserved. Similarly, we believe that to decide on the type of commercial districts and bazaars with local characteristics to be retained, given the interests of various stakeholders involved, the community will also have diverse views. The key to resolve this matter is to seek a fine balance with a view to securing the best public interests. The community should also discuss the content and the definition of "commercial districts and bazaars with local characteristics", in order to reach a consensus.

Commercial districts and bazaars with local characteristics cannot be created overnight. It mainly relies on the driving force of these commercial activities and the synergy effect brought by the concentration of individual business, and success often hinges on the uniqueness and attractiveness of such activities. The Government will facilitate and assist these activities through flexible planning work. Through the Hong Kong Planning Standards and Guidelines which are revised from time to time, we encourage the preservation and enhancement of Hong Kong's local character, as the direction and concept for urban design in Hong Kong.

We can further discuss and we welcome views from the public on how the existing planning mechanism should be used to preserve our collective memories of people's way of life and cultural, social and economic activities. I would like to point out that the Government has taken actions ourselves and proactively adopted the strategy and procedures of "planning with the community" in our urban planning. Indeed, we have already adopted this approach. The planning of Wan Chai, Kai Tak and the whole South East Kowloon region is the best and strongest proof.

To allow public participation in expressing their views on planning and city development, with a view to enhancing public involvement and the transparency of the town planning process, echoes what Dr YEUNG Sum has proposed in his amendment.

The renewal of old districts, as mentioned in the motion, is no doubt part of the Urban Renewal Authority's (URA) work. As one of the active players in urban renewal, the URA has adopted its "4Rs" strategy in undertaking urban renewal in a holistic manner since its establishment in 2001. Apart from redevelopment, the URA also undertakes rehabilitation, preservation and revitalization. Whilst improving the living environment of old districts, the URA strives to bring out the local characteristics within its project areas. This will retain the local characteristics and enhance the sense of community among the people in those areas. In fact, as guidance for the URA's work, the Urban Renewal Strategy stipulates that the URA should "preserve heritage buildings if such preservation forms part of its urban renewal projects, including retention of the local colour of the community and the historical characteristics of different districts."

Preserving local characteristics and showing respect for existing local culture and business activities have been the focal concern of the URA in the planning process for various projects. The URA also emphasizes communication with stakeholders.

By way of the formation of District Advisory Committees with representatives from a wide range of sectors of the community, the URA consults the local residents and stakeholders at various levels on their aspirations and views on its urban renewal projects in the districts. The URA also works closely with the relevant bodies and stakeholders, such as the Antiquities and Monuments Office, the Antiquities Advisory Board and District Councils in preserving or enhancing, as far as practicable, the local characteristics identified which are worthy of preservation in the project area. As regards residents and shop owners with direct interests in the renewal projects, the URA will listen to their views, discuss with them the issues of their immediate concerns such as compensation and rehousing arrangement, and render assistance as appropriate.

Take the Kwun Tong Town Centre project as an example. The URA has at an early stage formulated a consultation plan, adopting a "bottom-up" approach as mentioned earlier by many Members to work together with the community in planning the future development of the Kwun Tong area. Over the past year or so, the URA held several rounds of consultation to collect the views of the community and residents on the redevelopment of the Kwun Tong Town Centre. To seek community views on the roadmap, planning and design of the Kwun Tong project, the relevant consultation work includes surveys conducted within the redevelopment boundary and wider area, and forming the

Kwun Tong District Advisory Committee comprising Members of the Legislative Council, local community leaders, residents, professionals and academics, operators of transport networks, hawkers, and so on. The URA also organized community workshops and came up with specific design models to consult the various stakeholders on the design concepts of the project. The URA is currently consolidating the views received, in order to finalize its planning concept. We hope that in future, the project will bring to the Kwun Tong area more greening and open space, a better transport network, a quality living environment and more importantly, vibrant economic activities.

In fact, there are many other examples of redevelopment projects currently underway, such as projects in Peel Street/Graham Street, Central, and Hoi Tan Street, Sham Shui Po. The URA has heeded the views received in the consultation. Attempts have been made, by making reference to similar architectural style in those project areas, to restore the original alleys and street shops, in order to revive the local architectural and economic characteristics in those areas.

In the Lee Tung Street project, the URA emphasizes recreating some local features and characteristics of Wan Chai, such as diversified tiny street shops, a mix of traditional and newly-emerging businesses. In the Peel Street/Graham Street project, the century-old shops as well as the traditional market there are proposed to be retained. Also, there will be a jade-themed piazza in the Hoi Tan Street project. Together with the improvement of pedestrian facilities, the enhanced linkages with the neighbouring areas, and a green and well-ventilated environment, we believe that the pedestrian flow in the districts will increase after redevelopment. The economic vibrancy of the area will also be enhanced. Furthermore, the URA will make use of the additional open space in the Yu Lok Lane project in Sai Ying Poon to provide a park which will display the changes in the culture of the district over the past decades.

The amendment to the motion proposed by Dr KWOK Ka-ki, and the further amendment by Mr Albert HO both call for the use of proper means to preserve economic activities with local characteristics. We appreciate the spirit underlying the proposed amendments of the two Members. That said, given diverse factors warranting consideration in the town planning process, including the aspirations and needs of different stakeholders, we, therefore, consider that under a proper framework for town planning, a sufficient degree of flexibility should be retained, so as to avoid being too rigid and out of context.

In addition to redevelopment and preservation, the URA, by way of revitalization and rehabilitation, also seeks to improve the quality of life of people in old districts, bring new colour to those districts, preserve existing social networks and local characteristics, and promote the vibrancy of the districts. As regards whether the URA should redevelop or rehabilitate certain buildings or areas, the URA will, after consulting the community and on the premise of maintaining the long-term public interests, come to a decision after balancing various interests involved.

In future, the URA will continue to carry out its mission in urban renewal and preservation through the above work. Nevertheless, we consider that such work should not, neither would it be possible, to ask the URA to shoulder the entire preservation responsibility alone. Members of the public should, therefore, clearly express their views on the conservation policy, so that the overall policy is able to fully reflect the voices of different sectors of the community, and through a proper planning mechanism, achieve the objectives of the preservation policy in a comprehensive and sustainable manner.

Mr Vincent FANG has also mentioned a few examples of overseas experience, such as Singapore and London, demonstrating how revitalization and adaptive re-use are carried out. These examples have showcased a combination of heritage conservation and commercial elements in their planning concepts and mode of operation, which is essential to creating their popular tourist attractions. To a certain extent, their success hinges on their respective unique social and cultural environment. Nevertheless, we believe that their experience will also shed light on our work in heritage conservation and town planning. We will carefully study these overseas experiences, in order to formulate an appropriate model of social development and heritage conservation mechanism for Hong Kong.

Lastly, I wish to emphasize that both the Government and Members of the Legislative Council share a common goal: We want our society to continue to grow, bringing improvement to the quality of living of our people. We also aim to suitably preserve existing developments with historical value and local characteristics, including commercial districts and bazaars with local characteristics. We concur that these two concepts should not be mutually exclusive. But in the course of putting these concepts into practice, we need to take into account the real circumstances and seek a compromise. Besides, in achieving the objective of heritage conservation, we also need to consider the

resources and public money involved, as well as to strike a reasonable balance among relevant policies and procedures concerning land use, town planning, urban renewal and private development rights, which would be acceptable to the community.

I look forward to continuously working hand in hand with Members of the Legislative Council and the community in striving for better conservation work and city development for our society.

Thank you, President.

PRESIDENT (in Cantonese): I now call upon Dr KWOK Ka-ki to move his amendment to the motion.

DR KWOK KA-KI (in Cantonese): President, I move that Mr Vincent FANG's motion be amended.

Dr KWOK Ka-ki moved the following amendment: (Translation)

"To add "or cleared in recent years" after "have been relocated"; and to add ", with their integrity and in situ development as principles, and involve the participation of local residents and small traders in deciding the development or renewal plans, so as to facilitate sustainable development of the economy of the community" after "town planning stage"."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Dr KWOK Ka-ki to Mr Vincent FANG's motion, be passed.

PRESIDENT (in Cantonese): I now call upon Mr Albert HO to move his amendment to Dr KWOK Ka-ki's amendment.

MR ALBERT HO (in Cantonese): President, I move that Dr KWOK Ka-ki's amendment be amended.

Mr Albert HO moved the following amendment to Dr KWOK Ka-ki's amendment: (Translation)

"To delete ", and involve the participation of" after "principles" and substitute with "as far as possible, and allow"; to delete "small" after "local residents and" and substitute with "affected"; and to delete "in deciding" after "traders" and substitute with "to participate in"."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mr Albert HO to Dr KWOK Ka-ki's amendment, be passed.

PRESIDENT (in Cantonese): I now put the question to you as stated. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

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

PRESIDENT (in Cantonese): I now put the question to you and that is: That Dr KWOK Ka-ki's amendment, as amended by Mr Albert HO, to Mr Vincent FANG's motion, be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raised their hands)

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

PRESIDENT (in Cantonese): Dr YEUNG Sum, as Dr KWOK Ka-ki's amendment as amended by Mr Albert HO has been passed, I have given leave for you to revise the terms of your amendment, as set out in the paper which has been circularized to Members. When you move your revised amendment, you have up to three minutes to explain the revised terms in your amendment, but you may not repeat what you have already covered in your earlier speech. You may now move your revised amendment.

DR YEUNG SUM (in Cantonese): President, I move that Mr Vincent FANG's motion as amended by Dr KWOK Ka-ki and Mr Albert HO, be further amended by my revised amendment.

President, actually, both the Government and the Urban Renewal Authority (URA) will usually conduct consultation. Why do I still want to add the part on enhancing consultation? One reason is that in recent years, a social climate for the preservation of heritage has been developed, and members of the public have adopted a very high profile and become very demanding on this issue. This means that the Government cannot conduct consultation in a perfunctory manner. President, please let me cite an example. During our case meetings on Tai Yuen Street and Cross Street, the Government claimed that it had conducted some surveys, and that most of the respondents requested relocation of the bazaars to a new market. We then questioned the Government on the samples selected. The Government replied that shops were selected as samples. We asked why only shops were selected as samples. We asked why tourists and shoppers in the bazaars were not selected. We said that if there could be a slight enlargement of the scope of selected samples to also cover tourists and people shopping in the bazaars, the findings would certainly be vastly different.

This example shows that on the one hand, the Government's consultation was just perfunctory in nature, and on the other, it had already formed a position beforehand. I will therefore support Mr Vincent FANG's amendment, hoping that the Government can respond to the people's new demands in respect of the

preservation of heritage. It is hoped that the Government make a new start and enhance the work of consultation. Thank you, President.

Dr YEUNG Sum moved the following revised amendment to the motion as amended by Dr KWOK Ka-ki and Mr Albert HO: (Translation)

"To add ", and to enhance public consultation to allow greater public participation" after "facilitate sustainable development of the economy of the community"."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Dr YEUNG Sum's amendment to Mr Vincent FANG's motion as amended by Dr KWOK Ka-ki and Mr Albert HO, be passed.

PRESIDENT (in Cantonese): I now put the question to you as stated. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

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

PRESIDENT (in Cantonese): Mr Vincent FANG, you may now reply. You have up to three minutes 27 seconds.

MR VINCENT FANG (in Cantonese): President, I wish to thank Secretary Michael SUEN for attending the meeting today and listening through the entire motion debate.

The Liberal Party and I maintain that in order to retain existing commercial districts and bazaars with valuable characteristics, we must start with town planning. Once the Government has decided to retain a certain commercial district or bazaar, local residents will certainly treasure their homes more than ever before. And, small traders will also feel that there are clearer business prospects.

We do appreciate that Hong Kong is a free economy. Just yesterday, we were even rated by the American Heritage Foundation as the freest economy in the world for 13 years in a row. It seems that the Government should not seek to regulate the uses of private properties through any administrative measures. As I mentioned when I spoke just now, we are not asking the Government to protect private properties through any legislative means. But since many old commercial districts and bazaars with local characteristics have been demolished in the course of urban renewal, I hope that the Government can first conduct assessments and consultation before formulating any urban renewal plans. It is hoped that it can renew old districts and retain local community economies by means of revitalization.

We also understand that besides planning support, we must still need the assistance of various Policy Bureaux responsible for the environment, transport, health and home affairs before we can achieve this aim. Therefore, I call upon the Secretary to consider the possibility of initiating the establishment of an inter-departmental working group to explore how best the proposals related to this topic can be implemented.

Today, I am very grateful that despite the highly controversial motion debate before this, Members can still support my motion. The 18 Members who have spoken all support the broad underlying principle of the motion. And, despite some small differences in minor details, our joint effort in urging the Government to retain commercial districts and bazaars with local characteristics has not been affected. On behalf all those people engaged in the wholesale and retail activities in these places, I must thank you all for your support. Thank you, President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Mr Vincent FANG, as amended by Dr KWOK Ka-ki, Mr

Albert HO and Dr YEUNG Sum, be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

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

NEXT MEETING

PRESIDENT (in Cantonese): I now adjourn the Council until 11.00 am on Wednesday, 24 January 2007.

Adjourned accordingly at two minutes to Nine o'clock.