

OFFICIAL RECORD OF PROCEEDINGS

Wednesday, 16 May 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

IR 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 JAMES TO KUN-SUN

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.

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

THE HONOURABLE WONG YUNG-KAN, J.P.

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

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

DR THE HONOURABLE YEUNG SUM

THE HONOURABLE LAU CHIN-SHEK, J.P.

THE HONOURABLE LAU KONG-WAH, J.P.

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

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

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

THE HONOURABLE CHOY SO-YUK, J.P.

THE HONOURABLE ANDREW CHENG KAR-FOO

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

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

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

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

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

THE HONOURABLE ALBERT CHAN WAI-YIP

THE HONOURABLE FREDERICK FUNG KIN-KEE, 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 ANDREW LEUNG KWAN-YUEN, S.B.S., J.P.

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

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

THE HONOURABLE LEUNG KWOK-HUNG

PUBLIC OFFICERS ATTENDING:

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

THE CHIEF SECRETARY FOR ADMINISTRATION

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

SECRETARY FOR HOUSING, PLANNING AND LANDS

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

SECRETARY FOR EDUCATION AND MANPOWER

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

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

CLERKS IN ATTENDANCE:

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

MRS VIVIAN KAM NG LAI-MAN, ASSISTANT SECRETARY GENERAL

MRS JUSTINA LAM CHENG BO-LING, ASSISTANT SECRETARY
GENERAL

PRESIDENT (in Cantonese): 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 now present. The Council meeting starts.

TABLING OF PAPERS

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

Subsidiary Legislation/Instruments	<i>L.N. No.</i>
Maximum Amount of Election Expenses (District Council Election) Regulation	78/2007
Electoral Affairs Commission (Electoral Procedure) (District Councils) (Amendment) Regulation 2007	79/2007
Electoral Affairs Commission (Financial Assistance for Legislative Council Elections) (Application and Payment Procedure) (Amendment) Regulation 2007	80/2007
District Councils (Amendment) Ordinance 2007 (Commencement) Notice	81/2007

Other Papers

- No. 90 — Audited Statement of Accounts of the Language Fund together with the Director of Audit's Report for the year ended 31 August 2006
- No. 91 — The Government Minute in response to the Report No. 47 of the Public Accounts Committee dated February 2007

ADDRESSES

PRESIDENT (in Cantonese): Address. The Chief Secretary for Administration will address the Council on "the Government Minute in response to Report No. 47 of the Public Accounts Committee dated February 2007".

The Government Minute in response to the Report No. 47 of the Public Accounts Committee dated February 2007

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): Madam President, laid on the table today is the Government Minute responding to Report No. 47 of the Public Accounts Committee (PAC).

When presenting the PAC Report No. 47 on 7 February this year, the Chairman of the PAC set out in detail the comments of the PAC on three selected chapters from the Director of Audit's Reports, *viz* the collection of fines imposed by Magistrates' Courts, the management of outstanding medical fees by the Hospital Authority (HA) and the management of medical fee waivers of the HA and the Social Welfare Department (SWD). The Administration is grateful for the effort and time that the PAC has devoted. Today, I would like to highlight the key measures that have been or are being taken in the relevant areas. The measures that the Government has taken or is taking in response to the conclusions and recommendations contained in the PAC Report are set out in detail in the Minute.

On the collection of fines imposed by Magistrates' Courts, the Financial Services and the Treasury Bureau met with the Judiciary Administration and relevant departments in April this year to review the progress of implementing the accepted recommendations of the Audit Commission and the PAC. I would like to highlight here the progress we have made so far in taking forward the key recommendations.

Since January this year, the Judiciary Administration has been providing nine user departments with quarterly reports culled from its Computerized Case and Summons Management System. Such reports contain information on the number of outstanding warrants as well as the amount of overdue fines to help departments manage the collection of fines.

To enhance action against defaulters who have outstanding traffic fines, the police and departments concerned have agreed to lower the threshold for issuing distress warrants and non-payment warrants relating to outstanding traffic fines so that prompt actions can be taken against defaulters. For example, the existing threshold of \$1,500 for the application of non-payment warrants relating to moving offences will be removed while that for distress warrants relating to parking contraventions will be adjusted downward from the existing \$50,000 to \$5,000. These changes will be put in place as soon as practicable following the necessary enhancements to Transport Department (TD)'s Vehicles and Drivers Licensing Integrated Data IV computer system tentatively scheduled to be completed in August this year. The Judiciary Administration has also set target times on making execution attempts for compliance by bailiffs. If additional information concerning defaulters is not received in a timely manner, the Judiciary Administration will issue reminders to prosecuting departments to ensure promptness in the execution of distress warrants.

To tackle the problem of persistent defaulters, the Immigration Department has, since 15 April this year, included defaulters with five or more non-payment warrants in its watch list and intercepts them at control points for action by the police.

In preventing defaulters from using dishonoured cheques to circumvent the control measures, the TD has implemented a new arrangement under which licensing applications from applicants who choose to settle their traffic fines by cheques will be processed seven working days after making the payment in order to allow sufficient time for cheque clearance.

The Department of Justice has introduced legislative amendments to enable the Magistrates to order costs when making orders in respect of moving violation fixed penalty notices under the Fixed Penalty (Criminal Proceedings) Ordinance. The First Reading of the relevant Amendment Bill took place on 25 April.

By and large, the Judiciary Administration and concerned departments are taking active measures to address the Audit Commission and the PAC's recommendations. These measures will render the collection of fines a more effective process, and improve communication and co-ordination amongst departments. At this moment, we consider that there is still no need to designate a specific body to oversee and co-ordinate the inter-departmental

efforts in the collection of fines. However, we accept the PAC's recommendation that the Financial Services and the Treasury Bureau will conduct a review with the Judiciary Administration and concerned departments in one year's time to review the progress of implementation and assess the extent of improvement.

In respect of the PAC's findings on the management of outstanding medical fees, the HA accepted that there was room to improve the recovery process of outstanding medical fees. The HA has tightened up the timeframe for follow-up actions in its debt recovery process and will take more robust legal action against defaulters. Under the new procedures, the HA aims to file claims against defaulters at the appropriate court level within six months from the date of their discharge from hospitals, as against the average of over 18 months before.

On measures to minimize the need for recovery and write-off of fees, the HA plans to introduce a new administrative charge on outstanding medical fees in July this year. In addition, the HA has already enhanced its computer systems so that registration staff are alerted when patients with outstanding fees return for service. This allows the HA to identify promptly the frequent defaulters for taking timely debt recovery action.

To ensure prompt implementation of the above enhanced measures, the HA has increased the number of staff at its Head Office responsible for collection of outstanding fees. The HA will keep the manpower requirement of the fee collection team under review.

The Administration shares the PAC's concern about the use of public hospital services and the associated default payments by non-eligible persons (NEPs). In line with its policy that priority should be given to the locals in utilizing public health care resources, the HA will cease to provide non-emergency medical treatment to NEP defaulters before they settle the outstanding payments.

Both the HA and the SWD have worked together conscientiously and continuously to improve the management of medical fee waivers.

Medical social workers (MSWs) play a key role in assessing medical fee waiver applications. Both the HA and SWD therefore consider it important to

ensure that the MSWs possess the professional knowledge to process the applications which should be assessed against a set of clear guidelines as far as practicable. In this regard, the HA and the SWD have reviewed and updated the waiver guidelines. These include clearer guidelines for MSWs to verify documents, seek supporting evidence, document their reasons for granting/rejecting applications and consulting their supervisors as necessary. There are also practical examples for handling cases involving unusual transactions in patients' bank books and processing applications from patients with financial resources greatly exceeding the limits. The guidelines will be updated periodically and supervisors of MSWs will be informed of the detailed procedures to ensure compliance. To complement the implementation of the updated waiver guidelines, the HA and the SWD will continue to assess the training needs of MSWs, and arrange for them, when necessary, training on processing waiver applications.

In response to the PAC's recommendation, the SWD will commit additional resources from 2007-2008 to strengthen clerical support to MSWs, thereby relieving MSWs from the clerical duties. The HA and the SWD will explore further the possibility of setting up specialized teams to handle waiver applications made purely on financial grounds.

In addition, the HA and the SWD are upgrading their respective computer systems to allow online checking of the status of Comprehensive Social Security Assistance recipients before the recipients are given waivers. The plan is to complete the system enhancement in two to three months.

The above measures aim to strengthen management of the waiver system upstream. At the downstream, the HA set up a Post-approval Checking Team in March this year to conduct investigations referred by MSWs on suspicious and high-risk waiver cases in order to prevent and detect fraud and abuse cases.

Both the HA and SWD will continue to review the improvement measures to ensure that the medical fee waiver system would be tightened to minimize abuse.

Finally, I would like to thank the PAC for its comments and recommendations. These comments and recommendations are useful in ensuring value for money in the delivery of public services. The Administration is pleased to accept constructive criticisms and comments. As always, we stand ready to respond promptly. Thank you, Madam President.

ORAL ANSWERS TO QUESTIONS

PRESIDENT (in Cantonese): Questions. First question.

Marriages Between Mainlanders and Hong Kong Residents

1. **MS AUDREY EU** (in Cantonese): *President, marriage between mainlanders and Hong Kong residents is getting popular. Not only do men in Hong Kong marry mainlanders, the number of Hong Kong women with mainland spouse is also on the increase. It is reported that, in 2006 alone, there were about 34 500 such marriages registered in either the Mainland or Hong Kong. In this connection, will the Government inform this Council:*

- (a) *in respect of housing, whether, under the current public housing policy, a family formed by a Hong Kong resident and his/her mainland spouse is considered as a unit and whether this is taken as one of the factors for consideration in allocating public rental housing (PRH) to them; if it is the case, of the details; if not, the reasons for that;*
- (b) *in respect of health care services, whether the Hospital Authority (HA), in determining its service charges, has considered the needs of families formed by Hong Kong residents and their mainland spouses, such as obtaining additional fee concessions or applying for fee waivers; if it has, of the details; if not, the reasons for that; and*
- (c) *in respect of children's rights, whether the Government has information on the number of children aged 11 or below born to Hong Kong residents and their mainland spouses, their place of residence and schooling situation; if so, of the details; if not, the reasons for that; whether the Government has studied the impact of such marriage on the development of the children; if it has, of the details; if not, the reasons for that?*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, I am grateful to Ms Audrey EU's question. Since this

question touches upon different policy areas, my reply will inevitably be a little bit longer.

The number of marriages registered in Hong Kong where either the husband or wife is a mainlander has increased from about 2 600 in 1997 to 21 400 in 2006 (provisional figures). Over the same period, the number of successful applications for Certificate of Absence of Marriage Record (CAMR) from the Immigration Department for the purpose of getting married in the Mainland has decreased from about 27 900 in 1997 to 13 100 in 2006 (provisional figures). As those successful applicants of CAMR may not get married eventually, the gross figure above could only serve as a rough indicator of the grand total of marriages between Hong Kong residents and mainlanders.

Public housing and medical services are scarce public resources. To allocate limited public resources appropriately, the Government will determine the application eligibility and/or service fees according to the residence status of the applicants or service users and their length of residence in Hong Kong when providing these services.

- (a) Under the prevailing policy, Waiting List (WL) applicants and their family members must be residing in Hong Kong and have the right to land in Hong Kong without any conditions of stay. For Hong Kong residents whose spouses and/or children are living on the Mainland and have not been given approval to settle in Hong Kong, they may apply for PRH as single persons. If their Mainland spouses and/or children enter Hong Kong with one-way permits for settlement while they are still waiting for PRH under the WL, they may apply for addition of family members in their applications. Their applications will then be changed from one-person applications to ordinary family applications. They do not have to wait afresh after addition of family members in their applications. Part of the waiting time spent for their single-person applications will be carried forward and counted as the waiting time for their ordinary family applications.

In respect of the residence requirement, at the time when an application is due for allocation of PRH flat, at least half of the family members in the application must have lived in Hong Kong for seven years and are still living in Hong Kong. However, for

family members under the age of 18, as long as they are born in Hong Kong, or one of their parents has lived in Hong Kong for seven years, they are deemed to have fulfilled the seven-year residence requirement. Children who have reached the age of 18 would be so deemed only if they themselves have lived in Hong Kong for seven years.

Existing PRH tenants may apply for addition of their mainland spouses and/or children in their tenancies once their spouses and/or children have settled in Hong Kong. In case of overcrowding as a result of the addition of family members, they may apply for transfer to larger flats in accordance with the prevailing procedure.

- (b) Our public health care services are provided primarily for the benefits of Hong Kong residents. For rational use of public resources, eligibility for heavily subsidized public health care services is restricted to holders of Hong Kong Identity Card or children under 11 years of age who are Hong Kong residents. Persons not holding a Hong Kong Identity Card, that is, Non-eligible Persons (NEPs) may access public health care services in Hong Kong by paying the specified charges applicable to them (NEP charges).

The current subsidy level of our public health care services is over 95% and this involves a huge amount of public funds. As such, it is necessary for the Government to impose appropriate requirements on the eligibility for the services so as to ensure the long-term sustainability of our public health care system in the interests of the local public.

- (c) The Government attaches priority to children's well-being. As regards welfare services, they are provided to all families in need. At present, the Integrated Family Service Centres (IFSCs) across the territory provide a continuum of preventive, supportive and therapeutic welfare services to people in need, including couples in marriages between mainlanders and Hong Kong residents, as well as their children living in Hong Kong. The IFSCs will assess the situation and problems of the children, and provide them with appropriate services to cater for their needs according to different

stages of their development. The services include family life education, parent-child activities, various types of support groups, counselling and referral services.

For families which are unable to take care of their young children as the parents are separately residing in the Mainland and Hong Kong or due to other social reasons, social workers will refer the families to receive various types of child care services in accordance with their needs.

In addition, using the Maternal and Child Health Centres as the platform, the Comprehensive Child Development Service seeks to identify children in need or at-risk pregnant women or families for early intervention. The service covers needy families formed by marriages between mainlanders and Hong Kong residents and their children.

Children whose one of their parents is a mainlander, with right of abode and permanently residing in Hong Kong enjoy the same public services as the children born to parents who are local residents. We collect statistics relevant to the planning of public services on a need basis. For example, the Education and Manpower Bureau conducts annual survey on children from the Mainland newly admitted to primary or secondary schools in Hong Kong. The schooling information will facilitate the formulation of relevant service strategies. Moreover, the Immigration Department collects data on the demographic and social characteristics of one-way permit holders (OWPHs) when they first enter Hong Kong via the Lo Wu control point. To identify their profile and needs, the Home Affairs Department conducts regular surveys on new arrivals from the Mainland who are aged 11 or above and who have arrived in Hong Kong for less than one year when they apply for their Hong Kong Identity Cards at the Registration of Persons Office which handles such applications for OWPHs. No study has been conducted on the impact of marriages between mainlanders and Hong Kong residents on the development of children. That said, the Government will make every effort to meet the development needs of those children who have the right of abode and choose to settle in Hong Kong.

MS AUDREY EU (in Cantonese): *President, in his reply just now, the Secretary said that this question touched upon a number of policy departments. In fact, this question also involves demographic issues. I can see that the Chief Secretary for Administration is also in attendance. I wonder if he can offer some help in due course.*

President, the Secretary's main reply is extremely disappointing. It has been 10 years into the reunification, and we often talk about integration between China and Hong Kong. President, my main question is about cross-boundary marriages between mainlanders and Hong Kong residents. But in part (a) of the Government's main reply, the Secretary said that the number of marriages between mainlanders and Hong Kong residents was 20 000-odd, in addition to more than 10 000 potential cases. In other words, the total number is more than 30 000. This is a rough indicator.....

PRESIDENT (in Cantonese): Please ask your supplementary question.

MS AUDREY EU (in Cantonese): *Yes, President. But this is very important. According to the main reply, there are 30 000-odd cases of marriages between mainlanders and Hong Kong residents. This is a very large number. Many of them hope to make Hong Kong their home. They should be families belonging to Hong Kong. However, President, please take a look at the three parts of my main question. No matter whether it is about waiting for PRH, the provision of health care services or concern about children's well-being, they are not treated as families in Hong Kong in the statistics or services provided by the Government.*

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

MS AUDREY EU (in Cantonese): *President, if a Hong Kong resident has married a foreigner, the spouse will be able to settle in Hong Kong and receive an identity card six weeks after making an application. They can enjoy the same benefits as Hong Kong people in terms of PRH, health care services and children welfare. But for those who have chosen to marry a mainlander, they will face the situation that their spouses will become second-class citizens because the waiting time now is five years. So, President, my supplementary question is*

whether the Government has any measures to expedite the process of allowing these spouses to settle in Hong Kong without discriminating against our mainland compatriots because they are also the spouses of Hong Kong people. Can the Government shorten the waiting time of the mainland spouses so that they can settle in Hong Kong after just six weeks as the expatriate spouses do? Can they be treated on equal terms by the Government?

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, as far as I know, the mainland spouses or children can only come to Hong Kong with the approval of the mainland authorities rather than the approval of the Hong Kong Government. This issue cannot be resolved unilaterally by us.

MS AUDREY EU (in Cantonese): *The Secretary has not answered my supplementary question. President, I of course know that under Article 22 of the Basic Law, Hong Kong should work with the mainland authorities. But my supplementary question just now is about whether the SAR Government has fought for the well-being of these Hong Kong people by negotiating with the mainland authorities in order to expedite the arrival of these spouses to Hong Kong with appropriate arrangements such as granting one-way permits or other policies so that these families can be treated equally as other Hong Kong people rather than being regarded as second-class citizens? This is my supplementary question just now. Does the reply of the Government mean that there is no discussion and no solution? Does the Government mean that?*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, first of all, I have to emphasize that we do not regard these families as second-class citizens and will treat them as families in Hong Kong if they come to Hong Kong legally according to the relevant policies, no matter mainland or local policies. So, just now I have mentioned so many policies. Once they have come to Hong Kong, we will have certain policies to enable them integrate with Hong Kong society.

PRESIDENT (in Cantonese): Nine Members in total are waiting for their turns to ask supplementary questions. Members who ask questions may please be as concise as possible so that more Members can ask questions.

MS MARGARET NG (in Cantonese): *President, there are two situations which will increase the number of mainlanders coming to Hong Kong to get married. The first is the Individual Visit Scheme; the second is the introduction of the civil celebrant scheme. In other words, they had to wait in marriage registries previously, but now the existing scheme allows more people to get married.*

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

MS MARGARET NG (in Cantonese): *Yes, President. Under such circumstances, the number will increase drastically. President, I would like to further add that this is related to my supplementary question.....no, it is directly related. In 1997, the Government was already warned that after the implementation of the Basic Law, many children of Hong Kong residents born in the Mainland would have the right to settle in Hong Kong, resulting in big chaos in one go. My supplementary question is: In the light of the fact just cited by me, does the Government have any plan to conduct a comprehensive assessment on such development and what will be the number? For instance, what will be the number in five or 10 years? What will be the impact on social development so that the Government can start taking some preparatory actions?*

PRESIDENT (in Cantonese): Which Secretary would like to answer the supplementary question?

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, I would like to point out that the two factors mentioned by Ms Margaret NG just now may not be the direct causes leading to the increase in marriages between mainlanders and Hong Kong residents because many different factors are involved in marriages. In the past, it was also very easy to get married in Hong Kong. A couple can get married if they understand and love each other. But now the problem is whether more and more Hong Kong residents will marry mainlanders or *vice versa*. This is hard to forecast. What we can do is to observe the demographic trend.

As we all know, exchanges between the Mainland and Hong Kong have become more and more frequent after the reunification. Many people have

chosen to pursue development in the Mainland. Under such circumstances, we can only make adjustments to the demand of services in the light of the annual demographic trend and the situation of family members choosing to settle in Hong Kong after arrival. So, we have been providing warmth and care to them no matter in health care services, housing or education. Should they have a need, we will make instant adjustments to our policies. So, for the time being, I believe there is no special need in this area necessitating the drawing up of any long-term plan. In the long run, it will depend on the demographic trend. In particular, when exchanges between more and more countries are open, I believe it is very difficult to make forecasts on this. It will depend on economic and other factors when these families decide their domicile.

MS MARGARET NG (in Cantonese): *President, the Secretary has not answered my supplementary question. My question is very simple. I ask him whether he has any plan to assess and ascertain the number of marriages between mainlanders and Hong Kong residents in the next five or 10 years in a comprehensive manner so that the Government can make some long-term plan.*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, as I just replied, we have not conducted any specific study on marriages between mainlanders and Hong Kong residents.

MR LI KWOK-YING (in Cantonese): *In the main reply, the Secretary mentioned that the number of such marriages between 1997 and 2006 had increased drastically. Such cases have in fact imposed tremendous pressure on the demand and supply of PRH. May I ask the Government whether there are any corresponding measures to ensure that the waiting time for PRH will not be lengthened and applicants on the Waiting List will be allocated PRH within an appropriate waiting time?*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): As we all know, concerning PRH policy, the waiting time of applicants on the Waiting List is not longer than three years. This criterion will remain unchanged. So, this policy target will remain unchanged regardless of this

reason. We can see that we can maintain this policy target. Today, in part (a) of the main reply, the Government has made it clear that our existing problem is that housing can be allocated only after the mainland spouses have arrived in Hong Kong. So, we will have sufficient policies and measures to allocate housing to them upon the arrival of the mainland spouses. If half of their members are not eligible, they have to continue to wait under our policy. So, they will not cause any additional demand in the allocation of housing.

MR ALBERT HO (in Cantonese): *In many cases of cross-boundary marriages, the mothers do not have the right of abode but their children do. As a result, the mothers and the children are often living apart from each other, leading to the situation where many children have to live in institutions for lack of care. May I ask the Secretary whether or not he knows the number of these children? Does he think that such an arrangement is not favourable to the children's development? Moreover, as part of the recurrent expenditure of these institutions is spent on these children, the resources used by the Government will increase. In fact, has he considered making some adjustment in policies so that these mothers, being the majority, can stay in Hong Kong if they need to take care of their children? Will the Government allow them to stay in Hong Kong to take care of the growth of their children by whatever means?*

PRESIDENT (in Cantonese): Which Secretary will answer this question?

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): First of all, I would like to point out that, concerning Mr HO's question about the cases of applying for accommodation and care of children, our figures show that there are only six children from August 2006 to March this year. This figure is the number of applications concerning children with right of abode after the arrival of mainland families.

MR ALBERT HO (in Cantonese): *President, may I ask if the six people who have applied for admission to institutions as mentioned by the Secretary include the provision of foster care under the special arrangement by the Social Welfare Department?*

PRESIDENT (in Cantonese): It seems that this is not part of your original supplementary question. But I can ask the Secretary whether or not he has anything to add. Secretary, do you have anything to add?

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, I do not have any other information except this.

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

MR LEE CHEUK-YAN (in Cantonese): *When the Secretary answered Ms Audrey EU's question, I felt a demonstration of total racial discrimination on the part of the Hong Kong SAR Government, that is, discrimination against our mainland compatriots. Chief Secretary for Administration Rafael HUI instantly smiles. I wonder if he will feel ashamed. I hope he will feel ashamed. President, just now, Ms Audrey EU asked.....*

PRESIDENT (in Cantonese): Please come to your supplementary question direct because this is not a debate.

MR LEE CHEUK-YAN (in Cantonese): *Yes. My supplementary question is very simple. A foreigner who has married a Hong Kong resident can become a local resident after waiting for six weeks. But a Chinese who has married a Hong Kong resident has to wait for years. The Secretary replied that this was an arrangement by the mainland authorities. But the SAR Government can also make some effort. In providing services, the SAR Government can just avoid discriminating against them because this is its jurisdiction. Will the Government consider granting a status of "prospective arrival"? As a saying goes, a woman who has married a husband will follow him wherever he goes. In fact, I hate this saying. But since they will come to Hong Kong after marrying a Hong Kong resident, they should be given such a status and services can be provided to them, including access to Hong Kong's medical system by mainland pregnant women who have married Hong Kong residents. In doing so,*

the Government can treat foreigners or mainlanders who have married Hong Kong residents equally without racial discrimination. Will the Government consider this?

PRESIDENT (in Cantonese): Which Secretary would like to reply?

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, as far as I know, we have conducted a number of studies on why our existing policy cannot tie in with the Mainland and the Legislative Council also held a lot of discussions many years ago. Because of such a situation, the population in Hong Kong can enjoy sustained growth. Now, around 50 000 people will come to Hong Kong from the Mainland per year and will gradually integrate with our society. And we will also take good care of them. So, I do not think there is a need for the Government to conduct a review of this issue at this moment.

PRESIDENT (in Cantonese): Second question.

Sick Leave Certificates

2. **MISS CHAN YUEN-HAN** (in Cantonese): *With the relevant provisions in the Certification for Employee Benefits (Chinese Medicine) (Miscellaneous Amendments) Ordinance 2006 coming into operation on 1 December last year, sick leave certificates issued by registered Chinese medicine practitioners are recognized. On the other hand, sick leave certificates issued by chiropractors have all along not been recognized even though the Chiropractors Registration Ordinance was enacted as early as 1993. In this connection, will the Government inform this Council:*

- (a) *of the criteria adopted for determining the recognition of sick leave certificates issued by a certain medical profession and the authorities responsible for stipulating such criteria;*
- (b) *given that the Employees' Compensation Ordinance specifies that medical expenses shall be payable by an employer for medical*

treatment given by medical professionals such as registered chiropractors, and so on, in respect of the injury sustained by his employees at work, implying approval of the treatment given by registered chiropractors, of the reasons why sick leave certificates issued by registered chiropractors are not recognized; and

- (c) *whether it will amend the legislation to recognize sick leave certificates issued by registered chiropractors; if it will, of the legislative timetable; if not, the reasons for that?*

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): President, in considering whether to recognize the sick leave certificates issued by a certain medical profession, the Government needs to assess the state of the regulatory framework of the concerned medical profession, make reference to the views of the employees, employers and the general public, and consider the relevant experiences in other places and the feasibility of the proposal. As the proposal of recognizing the sick leave certificates issued by chiropractors involves labour laws, the Economic Development and Labour Bureau, together with the concerned bureaux and departments, including the Health, Welfare and Food Bureau, the Civil Service Bureau, the Department of Health and the Labour Department, formed a Working Group in November 2005 to study the subject. Matters being considered by the Working Group include the efficacy of the regulatory framework of chiropractors, the relevance of the professional training of chiropractors in medical functions performed under labour laws, overseas experiences in recognizing chiropractors under labour laws, community knowledge and acceptance of chiropractic practice, and any financial, economic and civil service implications.

At present, not all statutorily registered medical professions are recognized for issuing sick leave certificates under labour legislation. The provision in the Employees' Compensation Ordinance permitting an injured employee to reimburse from his employer medical expenses for treatment of work injury by registered chiropractors was made in 1995. Of the legislative amendments made at that time, the kinds of reimbursable medical expenses incurred by injured employees were expanded to cover treatments given by physiotherapists, occupational therapists and chiropractors. The objective of the amendment was to expand the scope of reimbursable medical expenses for injured employees. It did not include the recognition of sick leave certificates

issued by these different categories of medical professions. Reimbursement of medical expenses is only concerned with the treatment given by the medical profession, whereas the issue of sick leave certificates under labour legislation involves a further judgement by the concerned medical professional on whether the sickness of the employee is to such an extent that he needs to take a rest and is temporarily unfit for work. Hence, in considering whether sick leave certificates issued by chiropractors are to be recognized under labour legislation, further study needs to be made.

Hong Kong is the first place in Asia to register chiropractors statutorily. We have also noticed that there are significant variations in different countries in their recognition of chiropractors. Such variations in rules and practices are dependent on the circumstances of individual places, involving factors like cultural background and medical systems. The Government would carefully consider Hong Kong's actual circumstances and thoroughly study the feasibility and implications of the proposal. As the subject is still being studied by the Working Group, the Government has not made any decision at this stage on whether legislative amendments would be made. The Working Group is expected to complete the study by the end of this year and the Labour Advisory Board (LAB) and the Manpower Panel of the Legislative Council would be consulted thereafter.

MISS CHAN YUEN-HAN (in Cantonese): *I am fully aware of that Working Group as I consulted a chiropractor in 2005 due to an arm injury. Although the chiropractor told me to take a rest, I was not granted any sick leave. Since I like hiking, I consulted the chiropractor for a second time in February this year due to a back injury. Again, I was not granted any sick leave. Earlier, the Secretary pointed out in the second paragraph of the main reply that the reimbursable medical expenses due to work injuries were expanded to cover treatments given by chiropractors in 1995, but not the issuance of sick leave certificates. I have this question for the Secretary. While I am free to take leave, it is not so for ordinary "wage earners", in particular construction workers. In handling some work injuries cases, I discovered that employees can only have sick leave unless they have medical proof from a medical practitioner other than a chiropractor. Such practice is not only a waste of time, but a waste of large sums of money, and is indeed a torture. It was November 2005 when the Government was asked at the meeting of the Panel on Manpower to consider permitting the chiropractors to issue sick leave certificates, but then it now says*

that the study is expected to complete by the end of this year. May I ask the Secretary why it has dragged on for so long? Has the Government handled the matter in a serious manner during this course?

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): It is precisely because the matter has been taken very seriously that it takes time. As I have mentioned in the main reply earlier, the recognition of reimbursement of medical expenses or claim for reimbursement from employers involving certain medical professions and the recognition of sick leave certificates issued by them are two separate issues, and it is not necessarily like what Miss CHAN said. Following the relevant legislative amendments made in 1995, the kinds of reimbursable medical expenses incurred by injured employees were expanded to cover treatments provided by chiropractors, physiotherapists and occupational therapists.

I certainly appreciate the concern of Miss CHAN Yuen-han, and this is precisely what is being studied by the Working Group. I hope Members will understand that chiropractor is different from other medical professions in that, firstly, they are few in number and are not fully recognized in other countries or places. Very few places, even in Asia, have statutory registration of chiropractors. Insofar as Hong Kong is concerned, we are already one step ahead of others. I believe Miss CHAN must also be aware that chiropractors are different from both Western and Chinese medicine practitioners because they are not mandatorily required to pursue continued learning. In view of the various considerations that must be made, the Working Group therefore took some time to invite different parties such as the chiropractic groups, the Hospital Authority (HA), employers and employees to give views. We are very serious with the matter, and have undertaken to complete the study within the next few months before making a decision.

DR JOSEPH LEE (in Cantonese): *With regard to the chiropractors mentioned by the Secretary in the main reply, I have a question for him. In fact, the question raised by Miss CHAN Yuen-han concerns the criteria adopted by the Government for permitting a medical profession to issue sick leave certificates. The criteria mentioned in the first paragraph of the main reply are actually fully met by the chiropractors, who have indeed been regulated for more than a decade in Hong Kong. Furthermore, the mandatory requirement of continued*

learning in respect of the Western and Chinese medical professions, mentioned by the Secretary is, in fact, not true because the relevant law has yet to be enacted, neither has it come into effect. The chiropractors have pursued continued learning on their own initiative.

While it has been proved by many facts that chiropractors do have the right of diagnosis, as stated in the second paragraph of the main reply, "whereas the issue of sick leave certificates under labour legislation involves a further judgement by the concerned medical professional on whether the sickness of the employee is to such an extent that he needs to take a rest and is temporarily unfit for work", it is thus evident that they are absolutely empowered by law to do so. The Secretary also said that the chiropractors are very few in number, so is it because of their small number that the relevant study has dragged on for so many years due to the negligence of the Government, thereby rendering them unable to issue sick leave certificates? Perhaps we should ask the Secretary whether the Government can expedite its work in view of the small number of chiropractors. Only by doing so can it prevent the resources of society from being wasted.

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): I believe it is crystal clear to Dr LEE that the number of chiropractors is not the crux of the matter because registered Chinese medicine practitioners, whose number is not small indeed, were permitted to issue sick leave certificates only a few months ago. Before deciding whether or not a certain medical profession should be recognized for issuing sick leave certificates, we are duty-bound to carry out thorough studies on the matter. Citing chiropractors as an example, can chiropractors issue sick leave certificates when an employee is sick or not feeling well? Consideration should be made in this respect.

Just now, Dr LEE mentioned that chiropractors also pursue continued learning. But, may I ask Dr LEE whether they have genuinely participated in it? In fact, we have to take into account different considerations. For instance, which Asian cities or countries recognize the sick leave certificates issued by chiropractors? As far as I understand it, they are only recognized in a few states in the United States, Canada and Australia.

Just as I have mentioned in the main reply earlier, the Government is entirely open about this. Given that great importance has been attached to the

matter and serious studies have been conducted, chiropractic groups and the HA have been invited to give their views. We must gain a clear picture of the situation, that is, whether or not the chiropractors are permitted to issue sick leave certificates once their patients are diagnosed to have back problems. I have stated in the main reply that great importance is attached to the matter and our attitude is open. We have also undertaken to meet more interested groups, employers and employees in the next few months to receive views before making a decision, whereas the Panel on Manpower and the LAB will be consulted after that.

MR KWONG CHI-KIN (in Cantonese): *President, the Secretary pointed out in the main reply that the Working Group was considering to empower chiropractors to issue sick leave certificates. While many factors have to be taken into account, two of them were in my view comparatively more important, namely the regulatory framework and professional training. Insofar as professional training is concerned, I have asked some of my friends, who are chiropractors enthusiastic in participating in the activities organized by the trade union, about the relevant training they receive. I was told that years of training were also required before the relevant qualification could be obtained, which sounds more or less the same as the training required of Western medical practitioners. As a result, there should not be any problem with professional training. My question for the Secretary is: Does the Government find that there is problem with the regulatory framework? This problem can be easily resolved as regulatory framework is commonly found in a number of professions. Does the Secretary consider that there are deficiencies in the existing regulatory framework of chiropractors? If so, what kind of framework does the Government consider acceptable?*

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): We have certainly attached great importance to the issue mentioned by Mr KWONG, and consideration will also be made of such issues as the effectiveness of the regulatory framework, which is definitely of paramount importance. I agree that enormous effort and time must be spent on studying in order to qualify as a registered chiropractor, but I do not think this is unique for chiropractors. Services provided by physiotherapists and occupational therapists, for instance, are also recognized; in other words, the medical expenses incurred can also be reimbursed. However, is the practice also

applicable to other professions, say, optometrists or pharmacists? If so, is it necessary to recognize the sick leave certificates issued by them at the same time as so much time have been spent to obtain the relevant professional qualifications? In the light of the remarks made by Mr KWONG, why are sick leave certificates issued by them only recognized in those three places mentioned earlier?

President, today I am not going to discuss whether or not sick leave certificates issued by chiropractors should be recognized, we are instead duty-bound to get a clear picture of the issues mentioned by Mr KWONG Chi-kin just now. I hope that Members will give us a few more months to conduct a detailed study on the matter.

MR KWONG CHI-KIN (in Cantonese): *It seems that the Secretary has not answered my supplementary question. I asked if the Secretary considers that there are deficiencies in the regulatory framework. Only this point.*

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): The answer is "yes", and they are precisely the issues being considered by the Working Group.

MR LEUNG YIU-CHUNG (in Cantonese): *President, the Secretary said earlier that the legislative amendments made in 1995 permitted employees treated by chiropractors to reimburse their medical expenses as well. In other words, the statutory professional status and qualification of chiropractors is recognized in an objective manner. It is however stated in the main reply that, in order to determine whether or not an employee should be issued with a sick leave certificate, it requires a further judgement by the concerned medical profession on whether the sickness of the employee is to such an extent that he needs to take a rest and is temporarily unfit for work. President, if he is unable to judge whether or not an employee needs to take a rest, then how can he treat his patients? There is actually a contradiction. May I ask the Secretary what "further study" means as it is pointed out in the main reply that "further study needs to be made"? We find it rather ambiguous. What further study is actually required in view of the fact that the Government has recognized the chiropractors' professional qualification in judging the patients' ailment and subsequently giving them the appropriate treatment, which is certainly logical?*

The Government is reluctant to disclose what it is, but merely said that consideration had to be made so on and so forth. Will the Secretary tell me the area where further study is genuinely needed? Please do not "lead us on a tour round the garden" and create ambiguity.

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): I think that Mr LEUNG did not listen carefully to the reply given by me just now. I certainly did not "lead Members on a tour round the garden". During the past 15 minutes, I have clearly stated what the Government needs to consider; and in replying the questions raised by other Members, I have also highlighted that the regulatory framework and training have been taken into account. If Mr LEUNG regarded this as "a tour round the garden", I really have no idea what Mr LEUNG's "garden" is.

I just wish to reiterate that careful consideration will definitely be made in respect of the issue, as well as the views expressed by the interested parties. The case is unlike what Mr LEUNG said. Medical treatment given by the concerned profession was given recognition in 1995, but it does not follow that that profession can issue sick leave certificates. If that is the case, will therapists such as physiotherapists, who were also given the recognition in 1995 together with chiropractors, as I have mentioned in the main reply earlier, be permitted to issue sick leave certificates automatically? Careful consideration must be given to these issues.

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

MR LEUNG YIU-CHUNG (in Cantonese): *Yes, President, he has not answered "what is the garden that we are touring round" as he has no idea of what the "garden" is. May I ask the Secretary to advise us categorically which area warrants further study? The reply given by the Secretary just now is rather piecemeal. He did give us a reply saying that the regulatory issue raised by Mr KWONG Chi-kin was part of it. However, given that a regulatory mechanism, just as Mr KWONG Chi-kin said earlier, has been put in place, will the Secretary advise us categorically how many points or items that the study conducted by the Government actually covers?*

PRESIDENT (in Cantonese): That is why Members should not put long supplementary questions, or else government officials may not know which part to reply.

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): We cannot consider the case justified merely because regulation is achieved, as Mr LEUNG said. We have to conduct detailed studies and consult the relevant authorities, as well as to take heed of the views of the concerned authorities, associations and parties. This also explains why the Working Group has been formed to carry out detailed studies. We are duty-bound to look carefully into the matter, rather than permitting the issuance of the relevant certificates by the professions which they consider appropriate. I hope that Members will appreciate the great efforts being made by the Working Group, which will continue with the work that has been going on for a few months and sum it up before making a decision.

MS LI FUNG-YING (in Cantonese): *The Secretary also pointed out in response to a supplementary question that Hong Kong is pretty advanced in being the first Asian city to enact legislation on mandatory registration of chiropractors. In view of the stringent requirement being imposed, is it still not sufficient proof that the chiropractor profession, if permitted to issue sick leave certificates under labour legislation, just as the Secretary said earlier, is indeed able to judge whether an employee needs to take a rest and is fit for work? Will they fail to meet a standard that can so easily be met?*

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): I wish to stress again that not all registered medical professionals can issue sick leave certificates. If this is the case, there will be a lot more such medical professionals, including occupational therapists, radiographers, physiotherapists, optometrists and nurses. At present, the most important point is..... It is true that the practice concerning chiropractors is indeed the most advanced. How many places in the world now recognize sick leave certificates issued by chiropractors? In fact, only a few states in the United States, Canada and Australia do. We are the only place in Asia that recognizes chiropractors, and the practice relating to medical expenses mentioned earlier is already one step ahead. Although we have moved a step ahead, is it tantamount to giving recognition automatically? It is certainly not. Detailed studies must be conducted and the issue is now under discussion, President.

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

MR JAMES TO (in Cantonese): *President, the thrust actually lies in the second paragraph of the main reply, that is, whether the concerned profession can judge if an employee needs to take a rest and is not fit for work. Just now, I have listened very carefully to the reply given by the Secretary, who had time and again mentioned such medical professionals as physiotherapists, occupational therapists, optometrists, and so on. I wish to ask: Is the Government still worried about the ability of chiropractors in making professional judgement as to whether an employee needs to take a rest? What is the concern?*

According to our general understanding, insofar as a specified profession is concerned..... Perhaps I have to make a declaration, though not a matter of interest, as I have also consulted a chiropractor. Why did I not seek consultation from a particular Western medicine specialist, but from a chiropractor instead? Because I believe they are capable of making judgement. While they should be permitted to issue sick leave certificates provided that they are capable of making judgement within a narrow scope, they may not be able to make judgement that falls outside the scope and should therefore be disallowed from issuing such certificates. Is the Government unable to judge whether the chiropractors are capable of making judgement? Or, is the Government not professional enough so that it has been hesitant, wondering if the chiropractors are qualified to do so? If we only listen to them, it is tantamount to subjecting all of us to their judgement. And yet, this is not the case. Reference can also be made to the experiences of many other experts in the world. Is this the Achilles' heel of the Government?

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): I do not think that we have been hesitant, Mr TO. The most important point is that, just as Mr TO said, it is definitely not a judgement that either you or I can make. Rather, it requires expert judgement to determine if they meet the professional standard required of making judgement. Our Working Group is therefore comprised of representatives from the Health, Welfare and Food Bureau, the Department of Health and other professions as deliberations should be made together with these professionals.

MR JAMES TO (in Cantonese): *Is the Government capable of assessing whether it is suitable for chiropractors to issue sick leave certificates? Is the Government confident that it is capable of making professional judgement which can prove the chiropractors' ability in making such a professional judgement? Does the Government have sufficient expertise in this respect?*

PRESIDENT (in Cantonese): Secretary, do not have anything to add?

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in Cantonese): No, President.

PRESIDENT (in Cantonese): Third question.

Services for Cancer Patients

3. **DR JOSEPH LEE** (in Cantonese): *President, in reply to a Member's question at the Council meeting on March 14 this year, the Secretary for Health, Welfare and Food said that cancer had been the number one killer disease in Hong Kong and there were more than 20 000 new cancer cases in each year from 2002 to 2004, with lung cancer, colorectal cancer, breast cancer, liver cancer and stomach cancer being the five most common types of new cancer cases. In this connection, will the Government inform this Council:*

- (a) *of the support in community medical services currently provided for cancer patients by the Government and the Hospital Authority (HA), whether it will allocate additional resources to this area and provide more proactive community support services (such as giving advice on ways to deal with emotional disturbances) for cancer patients; if it will, of the details; and*
- (b) *whether it will consider providing elderly people aged above 65 with free medical examinations in respect of the above common types of cancer, or providing them with subsidies so that they can receive such examinations in private medical institutions; if it will, of the details and the time for implementation of the relevant policy; if not, the reasons for that?*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, the Government and the HA are committed to providing cancer patients with services to cater for their needs, including, among others, diagnosis, treatment, rehabilitation and hospice care services.

- (a) At present, six cancer centres and 10 hospitals with hospice or palliative care services under the HA (see Annex) provide holistic and integrated specialist treatment as well as hospice and palliative care services for cancer patients. As regards community support services, the HA provides palliative day care service, with a palliative home care team set up at every hospital cluster to facilitate treatment of some cancer patients in their familiar environment.

The HA adopts a cross-specialty and cross-sector collaborative approach in its palliative care services under which support services are rendered by doctors, nurses, medical social workers, clinical psychologists, therapists, religious personnel and volunteers. The scope of services includes controlling the symptoms of the patients, alleviating their pain and soothing their discomfort, and providing health care services and emotional and bereavement counselling services to them as well as their families. The HA has established a multi-disciplinary "Central Committee on Palliative Care" to review, co-ordinate and develop "one-stop" community-based hospice and palliative care services, and to enhance the physical and psychological care for patients and their families and improve their quality of life through the provision of multi-disciplinary services.

In addition, the Community Rehabilitation Network (CRN), which is funded by the Social Welfare Department, provides community rehabilitation services to chronic patients (including cancer patients) and their families and helps them establish mutual help networks, so that they may lead a normal life in the community. There are now a total of six service centres under the CRN. Services include programmes and talks on rehabilitation; support for the activities and developments of patient self-help groups; community education programmes on accepting and caring for chronic patients; and so on. Members of the CRN mainly include social workers and allied health workers such as nurses, physiotherapists and occupational therapists. They will seek advice from professionals such as

doctors, dieticians, pharmacists and clinical psychologists whenever necessary so as to provide better services for the chronically ill.

- (b) Screening refers to the systematic use of simple and effective tests in a healthy population to identify individuals who have a specific disorder but are still asymptomatic, with a view to providing early treatment. Nevertheless, tests are not 100% accurate. If the test result gives a wrong indication of the presence of a condition despite the fact that it does not exist (that is, "false-positive"), this may cause anxiety, and unnecessary investigation and medical intervention. On the other hand, if the test result fails to detect a condition despite the fact that it is present (that is, "false-negative"), this may delay the necessary medical treatment.

In deciding whether to introduce a screening programme for a specific disease, the Government needs to consider a number of factors, including the accuracy of the test as well as the effectiveness of the programme in reducing the mortality of that disease. For example, as there is evidence from studies showing that a well-structured cervical screening programme can reduce the incidence and mortality of cervical cancer, the Department of Health (DH) has taken forward a territory-wide cervical screening programme in collaboration with other service providers since 2004.

To achieve cancer prevention in a more effective manner, the Government established the Cancer Coordinating Committee (the Committee) in 2001, which is now chaired by me. The Committee was set up to formulate well-defined strategies and plans, and make recommendations for effective prevention and control of cancer in Hong Kong. In January 2002, a Cancer Expert Working Group on Cancer Prevention and Screening (the Working Group) was set up under the Committee. The Working Group is responsible for reviewing the local and international scientific evidence on cancer prevention and screening, assessing the prevention and screening interventions on cancers practised in Hong Kong and formulating local recommendations for cancer prevention and screening. According to a report released by the Working Group in 2004, there is no sufficient evidence for introducing population-based screening programmes for the five major types of cancer mentioned in the

question in Hong Kong. The Government therefore has no plan to provide any subsidies to the elderly for cancer screening. The Government will continue to monitor closely the developments in cancer screening technology.

In fact, apart from screening, a healthy lifestyle is also crucial in the prevention of cancer. As advised by the World Health Organization, at least one third of cancer cases worldwide can actually be prevented through the adoption of a healthy lifestyle, such as healthy diet, and appropriate amount of physical activity, reducing alcohol consumption, reducing carcinogenic occupational and environmental exposures (including smoking), and receiving immunization against hepatitis B virus. In this connection, the DH will continue its efforts to promote a healthy lifestyle to the public.

Through different channels, the DH will continue to raise public awareness of various cancer-related symptoms and the importance of early treatment. As part of the efforts, the Director of Health the elderly of the DH visiting health teams of the Elderly Health Services under the DH will collaborate with other elderly service providers to drive home the above messages among elderly persons and their carers in the community.

Annex

Hospitals with Cancer Centres and Hospice or
Palliative Care Services in HA's Hospital Clusters

<i>Hospital Clusters under HA</i>	<i>Six Cancer Centres</i>	<i>10 Institutions with Hospice/Palliative Care Services</i>
Hong Kong East Cluster	Pamela Youde Nethersole Eastern Hospital	Ruttonjee and Tang Shiu Kin Hospital
Hong Kong West Cluster	Queen Mary Hospital	Grantham Hospital
Kowloon Central Cluster	Queen Elizabeth Hospital	Hong Kong Buddhist Hospital
Kowloon East Cluster		Haven of Hope Hospital
		United Christian Hospital

<i>Hospital Clusters under HA</i>	<i>Six Cancer Centres</i>	<i>10 Institutions with Hospice/Palliative Care Services</i>
Kowloon West Cluster	Princess Margaret Hospital	Caritas Medical Centre Our Lady of Maryknoll Hospital
New Territories East Cluster	Prince of Wales Hospital	Bradbury Hospice Shatin Hospital
New Territories West Cluster	Tuen Mun Hospital	Tuen Mun Hospital

DR JOSEPH LEE (in Cantonese): *Madam President, my question is actually very simple. I am disappointed that the Secretary has failed to answer both parts of my question.*

I asked in part (a) of the main question whether additional resources would be provided to the community. However, the reply given by the Secretary was all about how good the Government had performed and that a lot had been done. I wonder if this is the case, but the Secretary has not answered my question really.

I asked the Secretary in part (b) of the main question whether concessions would be offered to the elderly for cancer examinations, not screening. I have no idea why the Secretary gave a reply in relation to screening. Therefore, my supplementary question is.....I have two questions. I will definitely choose one of them. I would like to ask the Secretary — not the elderly of the DH — I would like to raise a question in relation to part (b) of the main question. If they are found to be the so-called high-risk elderly people, will the Government provide them with some concessions or health check-up coupons for medical examinations (these preventive efforts can save a lot of resources) rather than screening?

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): First of all, Madam President, I think Dr LEE should also be well aware that cancer is not confined to people aged above 65. In particular, many adults will often suffer from, among others, breast cancer and colorectal cancer in their forties or fifties. Therefore, we will not say that assistance will be confined to people aged above 65 or those elderly in special need, as mentioned by the Honourable Member.

However, we can also see that Hong Kong's existing health care system makes it very easy for the elderly to access the services they require. In particular, they can obtain such information or even undergo health check-ups very easily in the DH or the elderly services centres mentioned earlier. If a doctor believes there is a need for them to undergo further cancer examinations, they may obtain such services. In particular, the fees charged by the public sector are very low. I believe many people can afford them. It is precisely for this reason that we can see that the 20 000-odd cancer cases identified per annum are mostly detected at a very early rather than a late stage. It is a far cry from what it was two or three decades ago. We can also see the reasons why the health care standard in Hong Kong is so high.

Based on this consideration, no specific category of people will be offered subsidies for examinations at this stage. However, I will give an explanation in making a financing proposal on health care reform in the future.

DR YEUNG SUM (in Cantonese): *Madam President, the Secretary pointed out in part (b) of the main reply that the study report published by the Working Group in 2004 revealed that there was no sufficient evidence showing that the introduction of a population-based screening for cancer in the territory can, to a certain extent, help reduce the incidence of cancer.*

However, screening can facilitate early detection of cancer for early treatment. I would like to ask the Secretary this question: Is screening not introduced because of resource problems rather than a lack of medical support?

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, our primary consideration is definitely the accuracy of screening from the medical and scientific points of view. If screening can result in early detection and proper treatment of patients who are asymptomatic, their mortality or chances of deterioration can then be greatly reduced. For instance, we have introduced cervical screening initiatives and policy for the screening is considered to be useful to a certain extent. However, the screening technology for the more commonly found cancers in Hong Kong has not reached this standard.

Certainly, this bears no direct relation to resources, our secondary consideration. If screening is considered vital from the scientific point of view, we will definitely endeavour to do so, regardless of where resources can be obtained. It is definitely worth doing so if early investment in screening can reduce the rate of incidence or lower medical expenses. However, it is found upon examination of patients in respect of these several types of cancer that there are problems with accuracy and specificity (I do not know how this term is translated in Chinese), particularly in relation to the rate of incidence of Hong Kong people and technology. If a balance cannot be struck between the two, the relevant screening should not be introduced hastily as this may lead to problems with "false-positive" or "false-negative" results, thereby making the situation even more complicated.

MISS TAM HEUNG-MAN (in Cantonese): *Insofar as cancer is concerned, I am a bit worried. I felt the same way when a colleague mentioned earlier the medical examination of elderly people because my father also died of cancer. He had not received any medical examination before he was found to have terminal cancer. Therefore, my father's case was most relevant. As elderly people were not at all encouraged to undergo medical examinations, many were detected to have cancer when they had already reached a terminal stage and eventually died because of futile treatment.*

The Secretary has not formally analysed this problem in his reply. Does the Secretary consider it necessary to conduct regular medical examinations for the elderly in Hong Kong or to encourage them to undergo examinations? Or should the Government not advocate that people above a certain age should receive certain treatment or examinations so as to reduce the mortality of elderly people suffering from cancer?

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, I have already explained earlier, and I hope Miss TAM can listen carefully. Insofar as the specificity of cancer screening is concerned, it is considered effective to a certain extent, particularly in detecting cervical cancer. Therefore, measures will be taken in this respect.

Insofar as other types of cancer are concerned, however, screening has not been scientifically proven, in terms of balancing accuracy against specificity, to be able to reduce the incidence or mortality rate of Hong Kong people. Therefore, we will continue to keep in view technological developments. If the

accuracy of certain technology or examinations can be improved or a certain type of cancer can be better specified, relevant measures will be introduced. Close attention will be paid in this respect.

PRESIDENT (in Cantonese): Miss TAM Heung-man, has your supplementary question not been answered?

MISS TAM HEUNG-MAN (in Cantonese): *I have heard the Secretary answer the technical issue. However, the supplementary question raised by me just now was how the Secretary would encourage more people, particularly elderly people, to undergo medical examinations. I have indeed raised this supplementary question.*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, I have pointed out earlier that many elderly services are provided by a wide range of bodies, such as the DH, other public organs and voluntary bodies, where health information is available to the elderly. In view of this, the elderly in Hong Kong will absolutely encounter no obstacles in receiving treatment. They can often obtain the services they deserve in both the public and private sectors.

Furthermore, doctors and nurses will also drive home certain messages about health awareness among elderly persons. Appropriate and relevant follow-up examinations will be provided by our health care personnel should any symptoms appear. In view of this, cancer is detected at a relatively early stage in Hong Kong, and our early diagnosis rate is quite high by world standards. Furthermore, we can see that the number of people who died of cancer has been on the drop. Every year, there are some 20 000 new patients of cancer, but only 8 000 or so died of cancer per annum. We can thus see that many cancer patients have been treated and continue to live.

DR KWOK KA-KI (in Cantonese): *President, I am convinced that resources have a bearing on screening.*

An example relating to liver cancer has been cited in the main question. As Members are aware, hepatitis B carriers in Hong Kong account for 10% of

the territory's population. Actually, some pilot schemes conducted by the medical schools of two local universities have revealed that regular follow-up and screening definitely can reduce the mortality of patients and enable them to receive various advanced treatments earlier. Resources are required for liver examinations, including ultra-sound examinations and blood tests. Despite the Secretary's earlier remark that some patients are aged below 65, some of them are penniless.

My supplementary question is that there will be no problem if these patients can take care of themselves, for they can seek treatment from family doctors and make arrangements by themselves. However, high-risk persons, such as hepatitis B carriers, earning a low income (whether they are above or below the age of 65) cannot afford to do so. A lot of medical evidence in the world has come to the conclusion that regular screening can reduce their mortality rate. Can the Secretary explain to me why the Government considers it undesirable for subsidies to be provided to low-income earners and people who cannot afford to pay, though it has been proved by the studies conducted by the medical schools of two local universities as well as other places around the world that screening can reduce the mortality rate and raise the recovery rate?

PRESIDENT (in Cantonese): Dr KWOK Ka-ki, I hope you can be more concise in raising your supplementary questions in future, for many points have been repeated.

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): To begin with, Madam President, there are two screening methods, namely blood tests for alpha-fetoprotein (AFP) and ultra-sound diagnosis for liver cancer. All these are not universal screening, but screening targeting certain high-risk persons, not all people. Screening is not necessarily applicable to every elderly person or carrier.

According to my understanding, even the United States and Britain have not implemented basic screening in this respect. As I pointed out earlier, having regard to the not too high sensitivity and specificity of such examinations, the problems with "false-positive" and "false-negative" results will only give rise to more needs if universal screening is conducted. For instance, the insertion of a needle into the body of a patient for testing on detection of a small shadow

might lead to bleeding or even more complications. Therefore, the relevant tests must be performed by specialists with great caution.

At the same time, all invasive examinations must all the more be handled with special care. Insofar as Hong Kong is concerned, liver cancer has been given special attention. Patients or carriers in general are already adequately treated and followed up.

PRESIDENT (in Cantonese): We have spent more than 20 minutes on this question. Last supplementary question.

MISS CHOY SO-YUK (in Cantonese): *President, I would like to raise a question concerning support for cancer patients. We have noticed two different situations. While some cancer patients are given a lot of information, that is, faced with a variety of treatment protocols, and have no idea how to choose, some others are not provided with any information and have to make enquiries everywhere to find out what other technologies or treatments are available.*

May I ask the Government whether an information centre will be set up? We have very often read from newspapers and magazines a lot of new research findings, and even recipes helpful to improving the conditions of patients. Will the Government centralize such information under different categories for public reference? I am not requesting the Government to judge the effectiveness.....

PRESIDENT (in Cantonese): You have talked for so long. What would you like to ask?

MISS CHOY SO-YUK (in Cantonese): *I would like to ask the Government whether it will set up an information net.....*

PRESIDENT (in Cantonese): Have you raised your supplementary question?

MISS CHOY SO-YUK (in Cantonese): *.....to categorize information for public reference.*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, a website has already been set up by the DH for discussion on health issues. Furthermore, many health care or voluntary agencies in Hong Kong have also set up their own information systems. Most importantly, some cancer issues cannot be discussed in general terms, for the treatment methods for each type of cancer might not be entirely the same and might experience different advanced developments. Therefore, it is most important for patients to consult the professionals responsible for treating them.

We can very often read from newspapers and magazines some new methods of treatment. However, those methods might not have been verified. Furthermore, a diversity of advices available might not have a scientific basis. Therefore, it is most important that patients must maintain in-depth communication with health care providers to enable the latter to fully understand the patients' conditions and concerns. I believe many doctors, nurses and allied health professionals will be very pleased to explain to patients issues concerning this.

MISS CHOY SO-YUK (in Cantonese): *The Secretary has not answered my question on public reference. I am not asking him to make a judgement. I have merely made a request for setting up a database.*

PRESIDENT (in Cantonese): Secretary, will you set up such a database?

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, a lot of databases are already available now. This is why I explained earlier that it is very difficult to analyse whether anyone's remarks are right or wrong. However, I believe allied health professionals can explain to patients the needs and matters of concern to patients.

PRESIDENT (in Cantonese): Fourth question.

Recycling of Environmentally-friendly Food Containers

4. **MISS CHOY SO-YUK** (in Cantonese): *President, in reply to my question at the Council meeting on the 18th of last month, the Secretary for the*

Environment, Transport and Works said that in the three years between 2004 and 2006, about 60 million, 47.5 million and 34 million disposable food containers were used by primary schools in Hong Kong respectively. The Secretary also said that, in the past three years, there was clearly a declining trend in the use of disposable food containers in schools, indicating that efforts in this regard had been effective. However, I understand that although many lunch box suppliers have switched to using environmentally-friendly food containers (or known as reusable food containers) for students' meals, a great majority of these containers were not recycled after use but were disposed of at landfills. In this connection, will the Government inform this Council:

- (a) in each year between 2004 and 2006, of the number of food containers used by primary schools in Hong Kong and, of these containers, the percentage of disposable food containers, and the number of environmentally-friendly food containers used, and the respective numbers of environmentally-friendly food containers reused after being washed in schools or in the premises of lunch box suppliers and those transported to landfills for disposal; and*
- (b) whether it has monitored lunch box suppliers to ensure that environmentally-friendly food containers are washed and reused after collection instead of being disposed of at landfills; if it has, of the details; if not, the reasons for that?*

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

- (a) According to the estimate of the Environmental Protection Department (EPD), in the three years between 2004 and 2006, about 79.5 million, 80.5 million and 82 million food containers were used by primary schools throughout the territory per year, of which "disposable" food containers accounted for about 75%, 59% and 42% respectively.

According to the EPD's definitions, food containers are mainly classified into "disposable" and "reusable" ones. As the terms suggest, "disposable" food containers refer to all food containers that will be used once and disposed of eventually. They are

generally made of plastic foam or polypropylene while a small number of them are made of biodegradable plant fibre. "Reusable" food containers are commonly made of strong and durable plastic, and are suitable for reuse after being washed. For schools adopting the practice of centralized lunch distribution, "reusable" food containers can be replaced by other containers such as trays, dishes and bowls, which are washed and sterilized on site after use. Alternatively, the "reusable" containers are collected by the suppliers and reused after being washed and sterilized on their premises.

The EPD's estimate regarding "disposable" food containers covers all types of "disposable" food containers. Most schools currently use polypropylene food containers instead of plastic foam ones. However, as neither of them is suitable for washing and reuse, they both fall under the "disposable" category. Likewise, although food containers made of plant fibre are better than those made of plastic foam or polypropylene in view of their biodegradability, they are still classified as "disposable" food containers. Therefore, they are considered inferior to the reusable ones. In Hong Kong, there is at present one recycler which collects about 30 000 polypropylene food containers (about 17% of the total number of "disposable" food containers) for recycling each day. The rest are mainly disposed of at landfills.

As for "reusable" meal boxes/food containers, they must be made of strong and durable materials by the EPD's definition. Apart from a small number of them that need to be treated as waste as a result of normal wear and tear, they will not be disposed of at landfills.

- (b) The EPD understands that schools may have the misconception that food containers made from materials other than plastic foam are "environmentally-friendly" food containers. They may overlook whether these food containers are really "reusable" or whether they have been recycled. Hence, the EPD issues guidelines and organizes talks from time to time to disseminate the correct messages to schools. The EPD will continue to enhance publicity and education in this respect to encourage schools to use lunch

service that offers really "reusable" meal boxes/food containers. Furthermore, we will encourage schools to try to introduce centralized lunch distribution and washing containers on site on a full or partial scale in the light of the physical condition of the school buildings. In fact, some schools can overcome the space constraints by adopting an integrated lunch provision approach and allowing at least some students to take turns to experience the benefits of centralized distribution of meals.

To assist schools in selecting a suitable supplier, the EPD provides a list of suppliers offering "reusable" food containers and cutlery in the "Guideline on the Reduction of Disposable Plastic Foam Food/Drink Containers". The suppliers on the list have been registered on a voluntary basis. For registration purposes, they have to provide sufficient information and the EPD will cross-check their experience, facilities and the service provided, and so on. The number of suppliers on the list has increased from two in 2004 to 19 at present, indicating the significant increase of market demand for "reusable" food containers, which tallies with the declining trend in the use of disposable food containers in school

"Guideline on the Reduction of Disposable Plastic Foam Food/Drink Containers" issued by the EPD can be found at (http://www.epd.gov.hk/epd/english/environmentinhk/waste/guide_ref/guide_e_eps1.html) for Members' reference.

MISS CHOY SO-YUK (in Cantonese): *President, the topic under discussion is food containers made of polypropylene. In reply to my question at the Council meeting last time, the Secretary said that schools had used much less disposable food containers and they had switched to using environmentally-friendly food containers. On this occasion, she also admits that many people would regard food containers made of polypropylene also as a kind of environmentally-friendly food containers. Now about 90% of the food containers used in Hong Kong belong to this category and all of them are disposed of at the landfills and they take up more space than food containers made of plastic foam. Of course, I am not saying that food containers made of plastic foam should be used.....*

PRESIDENT (in Cantonese): Please come to your supplementary question direct.

MISS CHOY SO-YUK (in Cantonese): *Yes, President. The Secretary says in her reply that there is only one recycler and we have learnt from the recycler that reusable food containers indeed only account for 10% of the total and at present 90% of the food containers.....*

PRESIDENT (in Cantonese): Would you please raise your supplementary question?

MISS CHOY SO-YUK (in Cantonese): *.....which are disposed of at the landfills, that is, 250 000 food containers are disposed of at the landfills every day. May I ask the Secretary if a mechanism would be set up to make it a mandatory requirement for all manufacturers that they must recycle this kind of food containers instead of disposing of them at the landfills?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS (in Cantonese): With respect to all kinds of recyclable materials, we hope that they can all be separated at source for subsequent reuse. This includes this kind of disposable food containers. This is one of the items in our recycling work. We are keeping a close watch on the situation in recycling and we are looking for recyclers for this kind of material. As for Miss CHOY's idea of imposing a "requirement", I think she means legislating on this, for if not, how can we require people to do something? It has also been mentioned in the Legislative Council Panel on Environmental Affairs that our product liability system is in fact a one-stop system in that suppliers making this kind of products that may cause pollution are required to carry out tracking in the entire supply chain where eventually they are required to recycle the products at the end of the chain. The same applies to plastic bags, vehicle tyres and such things. Of course, we have to set priorities. On this question of food containers, we have adopted a two-pronged approach. On the one hand we are looking for more recyclers and studying if some contact can be made with all the schools, and on the other, as I have just said, we would encourage schools to introduce centralized lunch distribution which would be more a thorough solution to the problem.

MR JAMES TIEN (in Cantonese): *President, the Secretary mentions in part (b) of the main reply the approaches of centralized lunch distribution, washing containers on site and the use of reusable food containers. These are of course the most preferable options, but for the time being, there are still many places which use disposable food containers. It is mentioned towards the end of part (a) of the main reply that with respect to recycling, at present there is only one company which is willing to recycle food containers and it collects 30 000 (about 17% of the total number of food containers) for recycling every day. May I ask the Secretary if the Government has any means to encourage more people to join this trade? What are the latent problems which this trade may face? Besides, how can more companies be convinced to do this kind of business so that the number of food containers recycled can be more than 17%?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS (in Cantonese): Maybe I can cite some figures here. In terms of the school system, the number of primary schools which have switched from bisessional to whole-day has increased to 467. Hence the number of pupils having lunch at school has increased. After the increase in number, pupils who use reusable food containers or under the centralized lunch distribution approach account for 30% of the total. Those who bring their own lunches, that is, those who have their lunch brought by their mother, family members or who bring lunch to school themselves account for also 30%. Those who use disposable food containers take up 40% to 45%. With respect to this, the EPD has all along been working on this and it is hoped that more recyclers are interested in recycling food containers. When recycling this kind of articles, though they may be very light in weight, they will take up a lot of space. So the transport costs are always a problem. Therefore, the EPD is still studying the issue. We will not be contented with only a 17% recycling rate for food containers, so we will liaise with the schools to see how a number of schools within one district can come under a same arrangement and the food containers used in these schools can be pooled together for recycling. We are working on this.

MR CHEUNG MAN-KWONG (in Cantonese): *The Government encourages the use of reusable food containers, but the prerequisites are that the schools should have enough space and manpower for that and the lunch time should be long enough before centralized lunch distribution and washing containers on site can take place. Such approaches can save on the food containers used and*

meals can be distributed according to the portion required and the food will not be wasted. Grant these prerequisites are met, centralized lunch distribution would be an easier option. There may be more problems with washing containers on site. Would the Government focus its efforts on encouraging schools to adopt the approach of centralized lunch distribution in order to replace the thousands of disposable food containers used?

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS

(in Cantonese): Actually, I have said earlier that we have made centralized lunch distribution our target. I have visited some schools and taken part in working out an arrangement for lunch provision in these schools. Of course, if these schools are Y2K schools, they would have the conditions such as they have the place to wash dishes and a counter for the distribution of meals. Things would be easier in these schools. As for other schools, since the number of seats is not enough, so pupils are required to have their meals at different timeslots. Pupils of junior classes may have to stay in their classrooms for lunch in order that pupils of senior classes may have lunch in the covered playground. We have discussed the various approaches with the Education and Manpower Bureau in the hope that schools can adopt these lunch provision approaches. There are some good results from these approaches as well. As Mr CHEUNG has said, pupils can eat as much or as less as they want. In one of the schools, in the past there used to be as many as 20 big plastic bags of food remains collected every day, but now the number has been reduced to only one bag. As the amount collected has reduced, many schools would use these food remains as fertilizers and some green farming is practised in the schools. This is a very effective way to recycle waste in schools.

Last week, we produced a promotion video called “green lunch” describing how different schools use various ways to practise the green lunch idea. The video is meant to promote the idea in schools and to induce them to consider whether the approaches used by other schools can be adopted. If schools meet any difficulties, we hope that they can work out a solution with the help of the Education and Manpower Bureau.

MR LEE WING-TAT (in Cantonese): *President, we all know that apart from schools, many restaurants and eateries also use plastic foam food containers. The Secretary mentioned in her reply earlier the law on producer liability.*

President, this is related and you do not have to frown. The Secretary said in her reply that priority would be given to dealing with plastic bags. I know that the authorities are doing work on this. May I ask the Secretary, under the producer liability system, if this would be the second item in which consideration will be given to recycling and levy? If the Secretary is doing this, the Democratic Party will give its support.

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS (in Cantonese): There are many items under the producer liability system. Actually, all along we have made it a target to encourage the trade as a start to take initiatives in that. This is because we can see from overseas experience that once this kind of law is in place, there will be various ways to handle different materials that cause pollution. It would be a most effective way if there is some existing mechanism that takes care of this. As for disposable food containers, we are making a study on that, because the figures are declining. Apart from schools, I have also discussed the matter with people in the food and catering industry. At times and as a result of demand from the public, they have switched to using polypropylene food containers at their own initiative. Changes of this kind are made in response to social demand and such kind of changes is becoming a trend. At present, I do not think I can make a decision on that but we will take this step first. We think that this piece of legislation will not be passed easily. I hope Members will lend us their support so that the law can be passed.

MR HOWARD YOUNG (in Cantonese): *President, I am also asking about the 17% recycling rate. The Secretary mentions in the third paragraph of part (a) of the main reply that most schools currently use polypropylene food containers. But there is only one recycler which collects about 30 000 polypropylene food containers (about 17%) for recycling every day. When we talk about the majority, we would normally refer to more than 50%. Put simply, as evident in this figure, the 17% recycling rate or 30 000 food containers can be increased by two folds. That is to say, if 17% is multiplied by three, that would total about 50%. Does the Secretary agree that such room for increase exists? If so, would the Secretary consider using financial incentives or following the example of the levy on plastic bags or using some kind of encouragement, in order to bring the rate of 17% up to more than 50%?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS (in Cantonese): Mr TIEN has also asked a supplementary question on this earlier. I know very clearly that the Government will continue the work on this. Our ultimate goal is of course not 17%. I hope the figure can be doubled or we can even achieve a 100% recycling rate. This is especially the case with schools, and since collective activities take place in schools. I have just said that there is at present one recycler which collects food containers. This is a good sign, for it shows that there are business opportunities in this trade. I have also said that we are looking into the transport problems related to this. The EPD will undertake liaison work in the hope that schools in the same district can engage the same recycler. From the perspective of market economy, this approach can mean business opportunities for the recyclers. Now 30 000 food containers can be recycled each day. We hope that we can rely on the operation of market economy. If we find that this approach will not work, we will consider adopting other approaches.

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

MR HOWARD YOUNG (in Cantonese): *Yes, the supplementary question I have just raised is that, as I have worked out, there should be an increase by two times before 50% is reached. Would the Secretary agree with my analysis?*

PRESIDENT (in Cantonese): Mr Howard YOUNG, the Secretary has already replied your supplementary question.

MR HOWARD YOUNG (in Cantonese): *The Secretary has not answered whether she agrees that there is room for an increase by two times?*

PRESIDENT (in Cantonese): Is there room for an increase by two times?

MR HOWARD YOUNG (in Cantonese): *I have just said that more than half of the food containers can be recycled. But now only 17% have been recycled.*

In theory, 50% can be recycled and this means there is room for an increase by two times over the original.

PRESIDENT (in Cantonese): Mr Howard YOUNG, I am not just talking about you, but sometimes the same thing also happens to other Members. They would raise very long supplementary questions. But the Secretary can only give a reply on one point. I do not think the Secretary should give a further reply on that as time is limited. I also hope that one more Member can ask the last supplementary question.

MR LAU KONG-WAH (in Cantonese): *On environmental protection matters, the Secretary may sound superb, but when it comes to taking actions, she shows that not much can be done. Let us do some calculations, now the schools dispose of about 70 million disposable food containers each year, but the recycling rate is only 17%. This is very disappointing. Why is there 17%? As far as we know, it may be due to the reason that some schools have the space to keep these food containers. Will the Secretary talk with the education authorities so that the other schools can also set aside some space for the recyclers to keep the food containers?*

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS (in Cantonese): For any kind of recycling work, apart from the transport problem mentioned by me, space is always a big problem too. And this does not only mean the space for recycling, but also the space for lunch arrangements. We will likewise discuss the matter with the Education and Manpower Bureau. There is no such space available in some older school buildings and as used food containers may emanate a foul smell which is repulsive to some people, there are not many places one may choose for such purpose. This is really a practical problem. However, I do not think it would be so difficult to deal with a few dozen bags of waste produced after the meal time. The most important thing is to get some recyclers who are willing to collect the waste. This is still a key problem that we are concerned about.

PRESIDENT (in Cantonese): Last oral question.

Fire Service Installations in Shopping Malls and Markets of Public Housing Estates

5. **MR LAU KONG-WAH** (in Cantonese): *President, regarding the fire service installations (FSIs) in shopping malls and markets of public housing estates (PHEs), will the Government inform this Council:*

- (a) *whether the relevant authorities conducted regular inspections of the FSIs in shopping malls and markets of various PHEs in the past two years; if so, of the results of the inspections, as well as the names of the shopping malls and markets where cases of non-compliance were identified and the details of such cases;*
- (b) *of the respective numbers of cases where the Fire Services Department (FSD) was informed of the suspension of certain FSIs in such shopping malls and markets by their managers in the past two years, broken down by the estates concerned, and whether the FSD was aware of how long the FSIs were suspended in each case; and*
- (c) *whether the FSD has stepped up inspections in shopping malls and markets during the period when some of their FSIs are suspended, so as to ensure that managers of the premises concerned have taken adequate precautionary measures against unexpected events, and whether the FSD may institute prosecution against managers who have failed to take proper precautionary measures?*

SECRETARY FOR SECURITY (in Cantonese): Madam President, my reply to the three parts of the question is as follows:

- (a) Officers of the FSD conduct inspections in shopping malls and markets of various public housing estates from time to time. They inspected the FSIs and equipment inlets, fire hydrants, fire services appliances emergency access, and so on, so as to familiarize themselves with the environment. During inspection, they will also ensure that there is no obstruction to the means of escape and non-compliance with the fire regulations in those buildings. They

also carry out fire prevention publicities and inspections in those buildings before festivals, such as Christmas and Chinese New Year, to ensure public safety. In the past two years (from May 2005 to April 2007), the FSD conducted 684 inspections in shopping malls and markets. For suspected non-compliance cases reported by the public or detected during inspection, the FSD will carry out follow-up investigation. The FSD issued a total of 68 warning letters and two Fire Hazard Abatement Notices in the past two years. Please see Annex I for details.

- (b) Under the existing agreement between the FSD and the Association of Registered FSI Contractors of Hong Kong (the Association), FSI contractors are required to notify the FSD of any overnight suspension or suspension for more than 24 hours of building FSIs by way of a specified form, stating the shut down date of FSIs and expected completion date of the works. They should notify the FSD of the actual completion date by using the same form after the works are complete

In the past two years, the FSD received a total of 890 notifications on suspension of FSIs in 204 shopping malls and markets, which are listed at Annex II. The length of suspension depends on the works required. In the past two years, about 47.6% of the works were completed within one week, 22.3% completed within one week to one month, and 30.1% took more than one month to complete.

- (c) Under the existing agreement between the FSD and the Association, FSI contractors should notify the FSD of any overnight suspension or suspension for more than 24 hours of building FSIs preferably seven days prior to the commencement of the works. Upon receipt of the notice, the FSD will conduct a risk assessment of the affected premises, inspect the nearby water supply and emergency vehicular access to see if a special contingency plan needs to be prepared. No matter whether such a plan needs to be prepared or not, FSD officers in the district concerned will step up inspection and heighten their alertness to the affected premises.

FSI contractors are also required under the above agreement to take the following measures to ensure fire safety when building FSIs are shut down for repair or maintenance:

- notify residents, occupiers and management companies of the works to be carried out and the relevant temporary measures to be taken beforehand;
- whenever possible, top up water tanks prior to the commencement of the repair or maintenance works;
- complete the repair or maintenance works as early as possible, so as to minimize disruption to the normal operation of FSIs;
- as far as practicable, conduct the repair works by phases and avoid shutting down the whole system for a prolonged period, so as to ensure that part of the building FSIs remains functional; and
- in case the whole system has to be shut down, provide stand-by equipment, such as fire extinguishers, at suitable locations, and inform the FSD, residents, occupiers and management companies where appropriate.

As the above agreement is for guidance only, the FSD cannot prosecute those FSI contractors who do not take appropriate precautionary measures. The FSD is seeking legal advice on whether the Department can, according to the Fire Service (Installation Contractors) Regulations (Cap. 95A), refer those FSI contractors who do not comply with the agreement to the disciplinary board set up pursuant to the abovementioned Regulations for disciplinary proceedings and penalties. Subject to the abovementioned legal advice, if the contractors are found guilty, penalties will include reprimand and suspension/revocation of registration.

Annex I

<i>Date of Inspection</i>	<i>Name of premises</i>	<i>Inspection Result</i>			
		<i>Warning Letter Issued</i>		<i>Fire Hazard Abatement Notice Issued</i>	
		<i>Premises</i>	<i>Unit</i>	<i>Premises</i>	<i>Unit</i>
14 June 2005	Cheung Fat Shopping Centre	-	1	-	-
29 June 2005	Choi Ming Shopping Centre	-	-	-	1
6 July 2005	Choi Wan Estate Market	1	-	-	-
22 July 2005	Cheung On Estate Market	-	-	-	1
8 August 2005	Hing Tung Shopping Centre	-	1	-	-
20 October 2005	Peng Chau Market	1	-	-	-
13 December 2005	Fu Shin Shopping Centre	1	-	-	-
8 February 2006	Wong Tai Sin Shopping Centre	-	1	-	-
9 March 2006	Tsz Wan Shan Shopping Centre	-	1	-	-
14 March 2006	Hau Tak Shopping Centre	1	-	-	-
4 May 2006	Leung King Estate Market	1	-	-	-
22 May 2006	Chung On Estate Market	1	-	-	-
12 July 2006	Sheung Tak Shopping Centre	2	-	-	-
13 July 2006	Fu Tung Shopping Centre	1	-	-	-
25 August 2006	On Ting Shopping Centre	-	1	-	-
18 October 2006	Hoi Fu Shopping Centre	1	-	-	-
29 November 2006	Tin Shui Shopping Centre	1	-	-	-
29 November 2006	Tin Tsz Shopping Centre	1	-	-	-
18 December 2006	On Ting Shopping Centre	-	1	-	-
5 February 2007	Hui Lai Shopping Centre	2	1	-	-
26 February 2007	Tsz Ching Shopping Centre	-	1	-	-
26 February 2007	Tsz Wan Shan Shopping Centre	-	4	-	-
27 February 2007	Wang Fai Centre, Lok Fu	-	1	-	-
27 February 2007	Chuk Yuen Shopping Centre	-	2	-	-
7 March 2007	Tsui Wan Shopping Centre	-	1	-	-
30 March 2007	Hau Tak Market	2	-	-	-
26 April 2007	Hung Hom Market	1	-	-	-
26 April 2007	King Lam Estate Market	-	34	-	-
30 April 2007	Oi Man Shopping Centre	1	-	-	-

Annex II

List of Shopping Malls and Markets with FSI shut down
during the period of May 2005 to April 2007

1	Sam Shing Estate	34	Wing Fong Street Market
2	Tokwawan Market	35	Tin King Estate
3	Tai Yuen Estate	36	Tin Wan Estate
4	Tai Hang Tung Estate	37	Pak Tin Shopping Centre
5	Tai Kwok Tsui Market	38	Shek Pai Wan Estate
6	Tsat Tsz Mui Road Market	39	Shek Wai Kok Estate
7	Tai Shing Street Market	40	Shek Kip Mei Estate
8	Tai Wo Hau Estate	41	Shek Tong Tsui Market
9	Tai Kiu Market	42	Shek Yam Road Market
10	Tai Hing Estate	43	Shek Yam Estate
11	Siu Sai Wan Estate	44	Shek Lei Estate
12	Shan King Estate	45	Wo Che Estate
13	Fu Mei Street Market	46	On Ting Estate
14	Un Chau Street Market	47	On Kay Court Shopping Centre
15	Un Chau Estate	48	On Yam Estate
16	Yuen Long Market	49	Chuk Yuen Estate
17	Yau Oi Estate	50	Sai Kung Market
18	Tin Ping Estate Market	51	Western Wholesale Fruit Market
19	Tin Ping Estate Commercial Complex	52	Western Wholesale Market
20	Tin Heng Estate	53	Sai Ying Pun Market
21	Tin Yan Estate	54	Sai Wan Ho Market
22	Tin Yuet Estate	55	Lei Tung Estate
23	Tin Shing Court Shopping Centre	56	Lei Cheng Uk Estate
24	Tin Yat Estate	57	Heng Fa Chuen
25	Tin Tsz Estate	58	City One Shatin Shopping Centre
26	Tin Shui Estate	59	Sha Kok Estate
27	Tin Yiu Estate	60	Sau Mau Ping Market
28	Tai Wo Estate Commercial Complex	61	Sau Mau Ping Shopping Centre
29	Tai Wo Estate Market	62	Sau Mau Ping Estate
30	Dairy Farm Shopping Centre	63	Leung King Estate
31	Ngau Chi Wan Market	64	Stanley Market
32	North Kwai Chung Market	65	Kwun Chung Market
33	Ping Chau Market	66	Sheung Tak Shopping Centre

67	Sheung Tak Estate	105	Hong Wah Market
68	Fortune Estate	106	Choi Ming Shopping Centre
69	Ming Tak Estate	107	Choi Hung Road Market
70	Tung Tau (2) Estate	108	Choi Hung Estate
71	Yau Ma Tei Market	109	Choi Wan Estate Shopping Centre
72	Fa Yuen Street Market	110	Choi Yuen Estate
73	Flower Market Road Market	111	Choi Fai Estate
74	Cheung On Estate	112	Choi Ha Estate
75	Cheung Heng Estate	113	Kai Tin Estate
76	Cheung Wang Estate	114	Kai Yip Estate
77	Cheung Sha Wan Wholesale Mkt	115	Mui Wo Municipal Services Building
78	Cheung Sha Wan Vegetable Market	116	Lei Muk Shue Estate
79	Cheung Ching Shopping Complex	117	Sham Shui Po Market
80	Cheung Ching Estate	118	Cheung Wah Estate
81	Cheung Chau Market	119	Soy Street Market
82	Cheung Hong Estate	120	Pok Hong Estate
83	Cheung Fat Estate	121	Fu Tor Loy Shopping Centre
84	Po On Road Market	122	Fu Shan Estate
85	Nam Shan Estate	123	Fu Cheong Estate
86	Nam Cheong Est Shopping Centre	124	Fu Tung Estate
87	Hau Tak Market	125	Fu Tai Estate
88	Hau Tak Shopping Centre	126	Fu Shin Estate
89	Kin Sang Estate	127	King Kong Commercial Centre
90	Heng On Estate	128	King Lam Estate
91	Clague Garden Estate	129	Wu King Estate
92	Mei Lam Estate	130	Wah Sum Estate
93	Melody Garden Market	131	Wah Ming Estate
94	Miramar Shopping Complex	132	Wah Fu Estate
95	Aberdeen Market	133	Wah Kwai Estate
96	Fung Wah Estate	134	Lung Hang Estate
97	Long Ping Estate	135	Shun Tin Estate
98	Hoi Fu Shopping Complex	136	Shun On Estate
99	Hoi Lai Shopping Centre	137	Shun Lee Estate
100	Chun Shek Estate	138	Shun Lee Estate Shopping Complex
101	Allway Gardens	139	Wong Tai Sin Shopping Centre
102	Tsuen King Market	140	Tze Ching Estate
103	Tsuen Wan Market	141	Tsz Man Estate
104	Ko Yee Estate	142	Tsz Wan Shan Shopping Centre

143	Tsz Lok Estate	174	Wan Tau Hom Estate
144	Oi Man Estate	175	Chak On Estate
145	Oi Tung Estate	176	Hing Man Estate
146	Sun Tin Wai Estate Shopping Complex	177	Hing Tin Estate
147	Sun Kwai Hing Shopping Arcade	178	Hing Tung Estate
148	Sun Chui Estate	179	Hing Wah (1) Estate
149	San Hui Market	180	Hing Wah (2) Estate
150	Yu Chui Shopping Complex	181	Kam Tai Shopping Centre
151	Kwai Fong Estate	182	Lockhart Road Market
152	Kwai Chung Estate	183	Ap Lei Chau Shopping Complex
153	Kwai Shing West Estate	184	Ap Lei Chau Estate
154	Kwai Shing East Estate	185	Wan Tsui Estate
155	Kwai Hing Estate	186	Luen Wo Hui Market
156	Wan Tau Tong Shopping Centre	187	Tsun Yip Street Cooking Food Market
157	Yung Shing Shopping Centre	188	Sheung Fung Street Market
158	Chung On Estate	189	Lei Yue Mun Estate
159	Chung Fu Shopping Centre	190	Lek Yuen Estate
160	Ka Fuk Estate	191	Lai On Estate
161	Yue Wan Estate	192	Regent Garden Shopping Centre
162	Tsui Lam Estate	193	Lai Sun Shopping Centre
163	Tsui Ping Estate	194	Lai Kok Estate
164	Tsui Wan Estate	195	Po Tin Estate
165	Fung Tak Estate	196	Po Lam Estate Shopping Complex
166	Kwong Tin Estate	197	Po Tat Shopping Centre
167	Kwong Yuen Estate	198	Po Tat Estate
168	Kwong Fuk Estate	199	Bowrington Road Market
169	Tak Tin Estate	200	Yiu On Estate
170	Lok Fu Shopping Centre (I)	201	So Uk Estate
171	Lok Fu Shopping Centre (II)	202	Hin Keng Estate
172	Lok Wah Estate	203	Wan Chai Market
173	Butterfly Estate	204	Lower Wong Tai Sin Estate

MR LAU KONG-WAH (in Cantonese): *President, this matter arose because of the fire that broke out in Hau Tak Estate. It arouses our concern about whether adequate fire safety measures are taken when FSIs are shut down, particularly in respect of the several points designed to ensure fire safety as spelt out by the Secretary in part (c) of the main reply. May I ask the Secretary whether*

adequate measures had been taken in Hau Tak Estate at that time and whether the FSD had carried out any inspection? If it had, how was the situation like?

SECRETARY FOR SECURITY (in Cantonese): Madam President, the main question does not ask anything about Hau Tak Estate, however, if my memory is correct, in this case, we have done everything required by the agreement reached with the contractor concerned. We have complied fully with all the requirements.

MS EMILY LAU (in Cantonese): *President, I also want to raise a question concerning Hau Tak Estate and the Secretary is also responsible for answering Question 6 seeking a written reply raised by me. Therefore, he should be well-versed in the situation in Hau Tak Estate.*

President, the Secretary mentioned in part (a) of the main reply that two warning letters had been issued. President, Annex I shows that the FSD issued two warning letters relating to the premises housing Hau Tak Market on 30 March this year and 30 March was the day after the fire and 29 March was the day that the fire broke out. In view of this, may I ask the Secretary why two warning letters were issued after the serious fire? In addition, President, Hau Tak Market can be found at item number 87 in Annex II, which sets out the shopping centres and markets the FSIs of which were shut down. Since no dates were given in the table and it is only stated therein that the period was between May 2005 and April this year, may I ask the Secretary when the market was closed down? Was the closure related to this major fire?

SECRETARY FOR SECURITY (in Cantonese): Madam President, concerning Hau Tak Estate, it is true that when we carried out an inspection on 30 March, two warning letters were issued, however, it was not the case that we went there to carry out an inspection only after the fire. Ms LAU can see that we also went there to carry out an inspection and issued a warning letter on 14 March.

As regards whether it was because of the fire that we went there again purposely to carry out an inspection, in fact, it was necessary for officers of the FSD to go there to look at the scene after the fire to see if there was still any violation of regulations. This is our job. In fact, in the six months prior to the

fire at Hau Tak Market, officers of the FSD had inspected Hau Tak Market and Hau Tak Shopping Centre for as many as 13 times in total and I also have the specific dates here and they are: 7 October 2006, 20 October 2006, 25 October, 31 October, 7 November, 24 November, 21 December and 26 December in the same year and several inspections were also carried out in 2007, namely, on 4 January, 13 January, 11 February, 1 March and 5 March. In other words, the FSD has all along been carrying out inspections.

MS EMILY LAU (in Cantonese): *President, the Secretary has not answered my supplementary. I am asking about the two warning letters issued on 30 March. President, the letters were issued in respect of the premises because here, the letters are classified into those issued to premises and those to units. Two warning letters were issued the day after the fire, so were they related to this fire and what are the details of the warning letters? Furthermore, President, I wish to raise a question concerning Annex II. When were the FSIs in Hau Tak Market shut down and was the fire related to the shutdown on that occasion?*

SECRETARY FOR SECURITY (in Cantonese): Madam President, I really do not know the details of the warning letters. Please allow me to give Ms LAU a reply in writing after the meeting. (Appendix I)

The FSD issued two warning letters relating to the obstruction of fire sprinklers and malfunctioning FSIs in Hau Tak Market to its landlord, that is, The Link Management, to require it to remove the goods and any structure that hindered the operation of the fire sprinkler system and to inspect and repair the malfunctioning FSIs. I wonder if in this way, I have answered the supplementary put by Ms LAU just now. The fire at Hau Tak Market is not at all relevant to this question because the main question does not ask about Hau Tak Market. However, it is due to the fact that Question 6 asked by Ms Emily LAU raises queries on this matter that I now have a little bit of information in this regard on hand.

MR HOWARD YOUNG (in Cantonese): *President, the Secretary said in part (c) of the main reply that if FSIs were shut down temporarily, the contractor had to notify the residents, occupiers and management companies. As far as I know, apart from these people, there are also other people in a shopping mall,*

that is, the stakeholders or residents living on the superstructure. Moreover, there may also be a lot of shoppers coming from other places. Does the contractor concerned also have the responsibility to post notices at appropriate public locations to let these people who are neither residents of the premises, people of the management company nor occupiers know that the FSIs are under repairs and maintenance, so that they can raise their alertness?

SECRETARY FOR SECURITY (in Cantonese): Madam President, according to the existing agreement, it is necessary to notify the occupiers, residents and the management company concerned, as pointed out by me just now. Of course, after this incident, we will conduct a review to see if it is necessary for the company responsible for repairs and maintenance to post notices, so that all the people using the place concerned are all aware of the situation. We will go back and review this.

MISS TAM HEUNG-MAN (in Cantonese): *President, the Secretary said in part (b) of the main reply that over 30% of the works had taken more than one month to complete and 20% had taken one week to one month to complete. In view of such long periods of time and with more than 50% of the works taking such a long time to complete, will the Bureau consider increasing the number of inspections and paying greater attention to the progress of such works during the inspections, so as to pre-empt the occurrence of accidents?*

SECRETARY FOR SECURITY (in Cantonese): Madam President, to answer Miss TAM's question simply, we will do so.

After receiving this kind of notifications, apart from making site inspections, we will also examine if it is necessary to formulate a special contingency plan, that is, whether it is necessary for us to implement a special contingency plan in case a fire unfortunately breaks out. In addition, the FSD officers of the district concerned will also step up inspection.

MS EMILY LAU (in Cantonese): *President, I wish to follow up Annex I again, that is, the information concerning the warning letters issued by the FSD under the column "Inspection results". President, towards the end of this Annex, it*

can be seen that King Lam Estate Market, which also falls within my constituency, received 34 warning letters on 26 April this year. President, what actually happened? Why did such a situation occur in King Lam Estate and what was the problem with that place? May I know what remedial measures the Secretary has taken? In addition, before this, on 29 June 2005, the FSD also issued Fire Hazard Abatement Notices to Choi Ming Shopping Centre and this also happened to Cheung On Estate Market. Comparatively speaking, that was something more hazardous. What happened subsequently?

PRESIDENT (in Cantonese): Secretary, if you do not have the information now, you can reply in writing.

SECRETARY FOR SECURITY (in Cantonese): Madam President, I do not have the relevant information right now, however, I can give a brief reply to Ms LAU.

We will issue a warning letter when we find that someone has obstructed the means of escape by putting articles there. Say, if the owner of a stall removes the articles in question after we have issued a warning letter, the hazard has been eliminated and we will not take any further action. However, if the articles in question are not removed after we have issued a warning letter, we will then take further action by issuing a Fire Hazard Abatement Notice. If the person concerned still ignores it, we will institute prosecution. Therefore, it was due to such a situation that we issued Fire Hazard Abatement Notices in relation to Choi Ming Shopping Centre and Cheung On Estate Market respectively on 29 June, that is, initially, we requested the people concerned to remove the articles in question, however, they did not do so and continued to let the articles obstruct the means of escape, so we took further action by issuing Fire Hazard Abatement Notices.

I believe these cases have already been dealt with, otherwise, the FSD would have prosecuted the people concerned. If Ms LAU wants any further information, I can give you a reply in writing. (Appendix II)

MS EMILY LAU (in Cantonese): *President, I wish to obtain the relevant information. Can I have it?*

PRESIDENT (in Cantonese): Secretary, Ms LAU wants to obtain the information relating to the warning letters issued to the 34 units in King Lam Estate.

(The Secretary for Security nodded in acknowledgement)

MR JAMES TO (in Cantonese): *President, the core of the problem is that when carrying out some works, it is inevitable that all the FSIs have to be shut down and it may even be absolutely necessary to do so. Is there any special method to ensure that residents will definitely be notified in the meantime? This is my question.*

My supplementary is: Since at present, 30% of the works take more than one month to complete and the Secretary said at the end of part (c) of the main reply that it may be necessary to shut down all the FSIs and in view of the incidents that happened in the past few months, may I know if the Government has conducted any review? For example, with the measures mentioned by the Secretary, can residents really be notified, so that they really know that the FSIs are not working and what the potential hazards are? This is because, as far as I understand it, in those cases, many residents said that they were not aware of such a problem. Of course, it may be stated on record that notification has been given and this is something that will definitely be done. However, has the Secretary learnt any lesson from various instances, so that he can do an even better job?

SECRETARY FOR SECURITY (in Cantonese): Madam President, it is not the responsibility of the FSD to give notice and this should be the responsibility of the FSI contractor responsible for the relevant works. This is specified in the agreements that the FSD reached with these contractors.

In April this year, that is, after the fire at Hau Tak Market, the FSD and the Association held a meeting with a view to discussing how to improve the FSIs, fire service equipments and the existing arrangements for carrying out repairs and maintenance. In the meeting, the FSD and the Association reached some agreements, so as to carry out repairs and maintenance with better planning, for example, by shutting down a system in phases and resuming the normal operation of the system as fast as possible.

Secondly, if it is necessary to shut down FSIs, the FSI contractor concerned will post standardized and illustrated notices at prominent places on the premises concerned to notify the landlord, commercial tenants and the management company of the relevant works as well as the anticipated completion date.

On 11 April this year, the FSD had a meeting with four organizations responsible for market management, including The Link Management, the Food and Environmental Hygiene Department, the Housing Department and the Housing Society, to offer advice to them as well as assisting them in raising the fire safety standards of the markets under their management. These organizations in charge of management agreed to report regularly to the FSD on their progress in raising the fire safety standards of the markets under their management and the FSD is also satisfied with the progress so far. The FSD has also organized seven fire safety training courses for their management staff and the major components include introduction to fire service equipment, the use of extinguishers, actions to be taken in case of a fire and the measures to be taken when FSIs are shut down, and so on. A total of 564 management employees have received the training. The FSD has also held meetings with the Hong Kong Association of Property Management Companies Limited to seek their assistance in following up fire safety in private markets. The Fire Service Installation Task Force of the FSD will also continue to follow up individual cases.

I now answer Mr TO's question in brief. After the serious fire, we have really done a lot of follow-up work.

MR JAMES TO (in Cantonese): *President, the thrust of my question can be found in the part that the Secretary has not answered, and that part has to do with notification. The Secretary said just now that after holding those meetings, notices would now be posted at prominent places, so is this a new measure? That means in the past, notices were not posted at prominent places but such notices will be posted now. May I ask the Secretary if this measure is the outcome of the lesson that you have learnt? Have you learnt any other lessons? What actually are those lessons?*

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

SECRETARY FOR SECURITY (in Cantonese): Madam President, I have nothing to add.

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

MR LAU KONG-WAH (in Cantonese): *The situation in Hau Tak Estate is absolutely relevant to this question. The Secretary said just now that after the serious fire, two warning letters were issued, one concerning the obstruction of fire extinguishers and it seems that the other one had to do with the lack of water supply. May I ask the Secretary why these problems were found only after the serious fire but not in the previous 17 inspections?*

SECRETARY FOR SECURITY (in Cantonese): Madam President, please allow me to reply to this question in writing as I do not have the information on this right now. (Appendix III)

PRESIDENT (in Cantonese): Oral questions end here.

WRITTEN ANSWERS TO QUESTIONS

Fire at Market Under The Link Management

6. **MS EMILY LAU** (in Chinese): *President, on 29 March this year, a fire broke out in Hau Tak Market, Tseung Kwan O, a market under The Link Management Limited (The Link). It has been more than one month since the incident, but the Market has not yet reopened. Not only have affected tenants suffered from a sudden loss of their means of livelihood, but residents in the vicinity have also found it very inconvenient to shop. In this connection, will the executive authorities inform this Council:*

- (a) *whether they will set up an independent committee to investigate the causes of the fire and identify the party/parties responsible for the incident; if so, of the details; if not, the reasons for that;*

- (b) *whether they have received any requests from affected tenants and their employees for emergency ex gratia relief payments; if so, of the number of such cases and the details on how these cases have been handled;*
- (c) *whether officers from the Fire Services Department (FSD) had carried out inspections at the Market during the year before the divestment, and after divestment, of the Market by the Housing Authority to The Link; if so, of the dates and details of such inspections; if not, the reasons for that; and*
- (d) *given that before the fire broke out, the single operator of the Market had notified the FSD that the fire services sprinkler system of the Market had to be temporarily suspended for renovation works, whether the FSD had issued guidelines to the operator or requested the operator to take measures during the period concerned to deal with unexpected incidents?*

SECRETARY FOR SECURITY (in Chinese): President, my reply to the four parts of the question is as follows:

- (a) After putting out the fire, officers of the FSD conducted a preliminary investigation into the cause of the fire at the scene immediately. As nothing suspicious or unusual was discovered, the FSD has not set up any task force to investigate into the cause of the fire. However, the officer-in-charge of the incident has investigated into the cause of the fire in accordance with the usual procedures. Since the incident scene was seriously destroyed by the fire and there was no eyewitness during the fire that can provide information, there is insufficient evidence to ascertain the real cause of the fire. Therefore, the cause of the fire is classified as "unknown".
- (b) In this fire incident, the families of some of the affected tenants and their employees are facing financial difficulties due to the temporary stoppage of business. Therefore, the Sai Kung District Office (SKDO) has allocated a one-off cash grant from the General Chinese Charities Fund to individual affected families with financial

hardship to provide immediate relief. As at 11 May 2007, the SKDO has received 200 applications, of which 128 cases, involving \$300,000 in grant, have been approved. The remaining applications are being processed by the SKDO. Besides, the SKDO has referred the cases of 13 applicants to the Social Welfare Department for follow-up at their request.

- (c) At present, the FSD will not carry out special inspections because of change of ownership of property. Before and after the Housing Authority divested the Hau Tak Market in November 2005, the FSD officers conducted inspections in shopping malls and markets of various public housing estates as usual. They inspected the fire service installations (FSIs) and equipment inlets, fire hydrants, fire services appliances emergency access, and so on, so as to familiarize themselves with the environment of the concerned shopping malls and markets. During inspection, they would also ensure that there was no obstruction to the means of escape and non-compliance with the fire regulations in those buildings. According to the records of the FSD, during the six months before the fire incident at Hau Tak Market (that is, 1 October 2006 to 29 March 2007), the FSD officers conducted 13 inspections at the Hau Tak Estate, Market and Shopping Centre. Detailed dates are as follows:

<i>Date</i>
7 October 2006
20 October 2006
25 October 2006
31 October 2006
7 November 2006
24 November 2006
21 December 2006
26 December 2006
4 January 2007
13 January 2007
11 February 2007
1 March 2007
5 March 2007

- (d) Under the existing agreement between the FSD and the Association of Registered FSI Contractors of Hong Kong, FSI contractors (including the contractors conducting the relevant works in the abovementioned Market) are required to take the following measures to ensure fire safety when building FSIs are shut down for repair or maintenance:
- notify the FSD of the repair works preferably seven days in advance;
 - notify residents, occupiers and management companies of the works to be carried out and the relevant temporary measures to be taken beforehand;
 - whenever possible, top up water tanks prior to the commencement of the repair or maintenance works;
 - complete the repair or maintenance works as early as possible, so as to minimize disruption to the normal operation of FSIs;
 - as far as practicable, conduct the repair works by phases and avoid shutting down the whole system for a prolonged period, so as to ensure that part of the building FSIs remains functional; and
 - in case the whole system has to be shut down, provide stand-by equipment, such as fire extinguishers, at suitable locations, and inform the FSD, residents, occupiers and management companies where appropriate.

Determining and Revising Fees and Charges of Medical Services

7. **DR YEUNG SUM** (in Chinese): *President, under the Hospital Authority Ordinance (Cap. 113) (the Ordinance), the Hospital Governing Committee (HGC) of an individual Hospital Authority (HA) hospital or the HA (if there is no HGC established for a public hospital) may, without subject to the approval by the Legislative Council, determine on its own the fees for hospital services provided by the hospital concerned. Regarding the powers and procedures for*

determining and revising medical services-related fees and charges, will the Government inform this Council:

- (a) of the medical services-related fee items and the number of people affected last year, broken down by the powers and procedures for fee determination and revision (subject to the Legislative Council's approval, or may be decided and implemented, without subject to the Legislative Council's approval, by the executive authorities, the HA or the HGCs concerned on their own);*
- (b) of the rationale and principle for conferring on individual HGC the power to determine the fees for hospital services; how the Government addresses the problems of additional fees charged by individual public hospitals (for example, Tuen Mun Hospital charges additional fees for acute wards) and the inconsistency in the fee-charging policies adopted by different public hospitals; and*
- (c) whether it will consider amending the legislation to abolish the arrangement for individual HGCs to determine on their own the fees for hospital services provided by the hospital concerned, and to enhance the monitoring of fee determination by the HA (for example, requiring that such determination shall be subject to the Legislative Council's approval)?*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Chinese):
President, the HA is a statutory body established under the Ordinance. The functions and powers of the HA, including the power to determine the fees payable for hospital services provided by public hospitals, are clearly stipulated in the Ordinance.

Pursuant to section 18 of the Ordinance, an HGC of a public hospital may determine the fees payable for hospital services provided by the public hospital(s) under its charge. For hospitals without an HGC (only two of the 41 hospitals under the HA, namely Wong Chuk Hang Hospital and St. John Hospital, are operating without an HGC), the power for determining fees is exercised by the HA. Any determination so made by an HGC or the HA should be published in the Gazette. Section 18 also stipulates that the Secretary for Health, Welfare

and Food may give directions to the HA over the determination of fees for hospital services; and the HA may also, subject to the Secretary's directions, give directions to an HGC over the determination of fees for hospital services. The above arrangement provides the HA, as an independent statutory body, the necessary power to standardize the fees charged for various hospital services, thus able to avoid irregular fee-charging practices among different public hospitals. The arrangement also enables the Administration to participate in the determination of fees for hospital services through the issue of directions.

- (a) The fees for the main services of the HA and the number of patients served in 2006 are set out in the table below:

<i>Types of services</i>	<i>Amount of fees</i>	<i>No. of patients served</i>
In-patient service	\$100/day for acute bed; \$68/day for convalescent/ rehabilitation/infirmarary/ psychiatric bed	580 000
Accident and emergency service	\$100 for each consultation	1.71 million
Specialist out-patient service	\$100 for first consultation; \$60 for each follow-up consultation	1.51 million
General out-patient service	\$45 for each consultation	1.28 million

- (b) and (c)

The rationale for conferring upon individual HGCs the power to determine the fees payable for hospital services was based on the fact that prior to the establishment of the HA, the fees for hospital services charged by some of the subvented hospitals were not entirely the same as those charged by government hospitals. In the process of drafting the Ordinance, the Administration considered that subvented hospitals should be allowed to retain a certain degree of flexibility in the determination of hospital service fees, so as to enable their parent organizations to provide some free medical services to the community with their own resources. For example, members of the public can still enjoy free general out-patient and

specialist out-patient services at the Tung Wah Eastern Hospital, Tung Wah Hospital and Kwong Wah Hospital today. However, there are only a handful of hospitals left within the public health care system with such arrangements for free hospital services or for the provision of hospital services at reduced rates. After its establishment, the HA has already put in place an overall medical fee waiver mechanism in public hospitals to assist patients with financial difficulties. It has also standardized the fees for public services in 1996 and then the fees for private patient services in 2003.

While the legislation confers upon individual HGCs and the HA the power to determine the fees payable for hospital services, as a matter of actual practice whenever there are new policies on or major changes in the charging of public hospital fees (for example, the introduction of charges for accident and emergency service in 2003), the Administration and the HA have always consulted the Legislative Council Panel on Health Services and explained the policy and fees involved.

Since the mechanism for determining the fees charged by public hospitals has been working well for many years, the Administration does not have any plan to amend the relevant legislative provisions and abolish the arrangement for individual HGCs and the HA to determine the fees payable for hospital services.

Emergency Medicine Wards are a new type of wards in public hospitals. The services provided in this type of wards are in-patient services by nature, and are different from the services provided by Accident and Emergency Departments. The objective of establishing this new type of wards is to provide patients in acute clinical conditions with multi-disciplinary health care services. The Emergency Medicine Wards are under the charge of specialists in emergency medicine, who employ a more proactive "treatment and review" approach. In addition to conducting rapid examination and tests, the doctors in Emergency Medicine Wards will administer emergency treatment in accordance with patients' conditions, where necessary, and devise longer-term treatment plans. Generally speaking, a determination will be made within 24 hours as

to whether the patients can be discharged or need to remain hospitalized. Moreover, Emergency Medicine Wards adopt an integrated and multi-disciplinary treatment approach to provide specialist consultation to patients in need and facilitate their early recovery. Apart from Tuen Mun Hospital, Emergency Medicine Wards have also been set up in Queen Elizabeth Hospital. Since the services provided by Emergency Medicine Wards form part of the in-patient services (acute beds) of public hospitals, patients in such wards are charged \$100 per day, which is the standard maintenance fee applicable to all acute beds in public hospitals as published in the Gazette.

Wan Chai Development Phase II

8. **MR MARTIN LEE** (in Chinese): *President, the Government is conducting a comprehensive planning and engineering review on the Wan Chai Development Phase II (WDII), and has commissioned consultants to conduct the "Harbour-front Enhancement Review — Wan Chai, Causeway Bay and Adjoining Areas" (HER), with a view to enhancing public engagement in the process of the review. In this connection, will the Government inform this Council:*

- (a) *whether it will plan to provide a promenade within the WDII area adjoining the waterfront promenade in Central and Sheung Wan, so that more people can enjoy the view of Victoria Harbour on the waterfront;*
- (b) *when the preparation of the Recommended Outline Development Plan (RODP) and amendments to the relevant Outline Zoning Plans (OZPs) is expected to be completed, of the future land use of the waterfront sites within the WDII area, and whether public consultation will be conducted on the modified proposals; and*
- (c) *whether, in planning the WDII project, it will strictly adhere to the Urban Design Guidelines in the Hong Kong Planning Standards and Guidelines (including the guidelines on the waterfront sites, public realm, view corridors and air ventilation), provide more public space, and impose height restrictions on the buildings to be*

constructed (if such construction is necessary); if such restrictions are to be imposed, of their details?

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Chinese): President, while the Government is conducting a comprehensive planning and engineering review on the WDII, we have invited the Harbour-front Enhancement Committee (HEC) to conduct a public engagement programme entitled HER. The Envisioning Stage and Realization Stage of the HER have been completed, and the Detailed Planning Stage is underway.

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

- (a) Under the HER project, a waterfront promenade is proposed to be provided along the new coastline to link the Central harbour-front with areas at Oil Street in North Point forming a continuous green waterfront promenade along the northern shore of the Hong Kong Island for public enjoyment.
- (b) The RODP for WDII and the proposed amendments to the relevant OZPs were completed and submitted to the Town Planning Board (TPB) for consideration in April 2007. The TPB agreed with our plan to conduct consultation on the proposals. The Government's pledge is manifested in the RODP and the proposed amendments to the relevant OZPs such that all land formed incidental to the construction of the Central-Wan Chai Bypass under WDII will be dedicated for harbour-front enhancement after meeting specific infrastructural needs. We shall consult the Legislative Council Panel on Planning, Lands and Works, the HEC and the four District Councils of the Hong Kong Island in May and June 2007. The TPB will, before endorsing the relevant amendments, take the views so collected into account.
- (c) The development proposals for WDII have been drawn up in accordance with the Urban Design Guidelines of the Hong Kong Planning Standards and Guidelines as well as the relevant Harbour Planning Principles. The whole new waterfront will be mainly used as "open space". All new structures to be erected on the waterfront will be low-rise and low-density buildings. According to the RODP and the proposed amendments to the relevant OZPs,

all such buildings are subject to height restrictions of 10 m to 50 m above principal datum. As the heights of such low-rise buildings will decrease progressively towards the waterfront, there will be no adverse impacts on the harbour view and the air ventilation in the area.

Dispensing Error

9. **MR ANDREW CHENG** (in Chinese): *President, regarding the problem of dispensing error by private clinics and medical organizations, will the Government inform this Council:*

- (a) *of the number of incidents of dispensing error in private clinics and medical organizations in the past five years, the penalties imposed on the health care workers involved, and the compensation made to the patients concerned;*
- (b) *given that recently a private clinic was found to have dispensed a syrup containing isopropyl alcohol to a patient, whether the Administration, the Medical Council of Hong Kong (MCHK) and the Hong Kong Medical Association (HKMA) have further reviewed the relevant dispensing procedures and taken measures, including stipulating the qualification of staff responsible for dispensing medicine and increasing their responsibility, so as to minimize errors in dispensing and mixing medicine; if so, of the details; and*
- (c) *given that in reply to a Member's question at the Legislative Council meeting on 25 October 2006, the Secretary for Health, Welfare and Food said that the separation of prescribing from dispensing of drugs (SPD) would require a thorough discussion by the stakeholders and the community as a whole, and that a consensus should be reached by members of the community before any major change should be made, and the Administration would continue to listen to the views of all the stakeholders, of the details of the views received by the Government so far; and whether it will make a decision expeditiously on the implementation of SPD, and study the conditions, ancillary facilities and preparatory work required for the implementation of SPD; if so, of the details; if not, the reasons for that?*

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

- (a) In the past five years, five cases of dispensing error in private clinics were brought to the attention of the Department of Health (DH) and the MCHK:

<i>Year</i>	<i>No. of cases</i>
2005	2
2006	1
2007	2

Legal proceedings on one of these cases have commenced. The DH is investigating another case and will submit the evidence to the Department of Justice to consider if prosecution should be made.

As for disciplinary actions against the medical practitioners involved, the MCHK is following up three cases. In another case, the medical practitioner involved was found guilty of misconduct in a professional respect after inquiry, and the MCHK ordered the name of the medical practitioner to be removed from the General Register for a month, suspended for 12 months provided that the medical practitioner does not commit any other disciplinary offence during that period.

Patients affected may lodge a claim for compensation from the health care practitioner or organization involved through civil proceedings. We do not have information on the compensation payable.

- (b) The Administration attaches importance to the safe dispensing of drugs in private clinics. To further ensure the protection for patients, the MCHK conducted in July 2005 a review of the provisions on drug dispensing in its Professional Code and Conduct for the Guidance of Registered Medical Practitioners (the Code). The revised provisions were published in Issue No. 11 of the Newsletter of the MCHK in August 2005. Under the revised Section 10.1 of the Code, a medical practitioner who dispenses

medicine to patients has the personal responsibility to ensure that the drugs so dispensed are strictly in accordance with the details in the prescription and are properly labelled before the drugs are handed over to the patients. The Code also requires medical practitioners to lay down appropriate procedures to ensure that the drugs are properly labelled and correctly dispensed, and follow the Good Dispensing Practice Manual issued by the HKMA. Medical practitioners must supervise the entire dispensing process and ensure that their staff comply with the procedures. The MCHK may consider taking disciplinary action against registered medical practitioners who are in breach of the above requirements. The HKMA is also reviewing its Good Dispensing Practice Manual and will make appropriate changes to the Manual where necessary.

- (c) SPD has for many years been in practice in public hospitals and clinics, and in private hospitals. These together constitute the bulk of the drug dispensing activities in Hong Kong. Currently, patients have the right to ask their doctors at private clinics for a prescription and obtain the drugs from pharmacists in community pharmacies. We have received views on SPD from various organizations. Those in favour of the practice argue that SPD provides patients with useful drug information and serves as a further safeguard for proper use and dispensing of drugs. Those with reservations express their worries that SPD would lead to increase in medical expenditure and cause inconvenience to patients, and at present there are not enough qualified pharmacies and pharmacists to cater for the needs, and so on. We maintain an open mind on this matter. As SPD could have far-reaching implications on, among others, the current role of doctors in solo-practice, manpower demand for pharmacists and medical expenditure of the public, and may involve a major change of patient behaviour, the matter would require a thorough discussion by the community as a whole. We consider that the well-being of patients should prevail and any changes to be introduced should be conducive to the co-operation between doctors and pharmacists. At this stage, we encourage members of the two professions to enhance their exchanges and co-operation on drug dispensing.

Heritage Conservation

10. **PROF PATRICK LAU** (in Chinese): *President, I have learnt that the Lee Tat Bridge in Shui Tsan Tin Tsuen in Pat Heung, which has a history of over 100 years, is facing the risk of its original appearance being damaged, or even demolition. Although the Antiquities Advisory Board (AAB) has assessed the bridge to be a building of rural cultural character, it has not put forward any preservation proposals. Moreover, in a cemetery in Happy Valley, some of the gravestones of soldiers who died in war times have been damaged due to lack of proper maintenance. Regarding the heritage assessment and conservation of cultural relics, monuments and historic buildings, will the Government inform this Council:*

- (a) *whether, under the existing heritage conservation policy, monuments or historic buildings include cultural relics of historical significance such as gravestones;*
- (b) *whether it has conducted grading assessments on such cultural relics as gravestones in the past five years; if so, of the number of gravestones being graded; if not, the reasons for that;*
- (c) *of the reasons for not classifying the Lee Tat Bridge as a Grade I, II or III historic building; and*
- (d) *whether there is any mechanism for members of the public to appeal against the grading of monuments; if so, of the details?*

SECRETARY FOR HOME AFFAIRS (in Chinese): *President,*

- (a) and (b)

In accordance with the Antiquities and Monuments Ordinance, the Antiquities Authority (that is, the Secretary for Home Affairs) may, after consultation with the AAB and with approval of the Chief Executive, by notice in the Gazette, declare any place, building, site or structure, which the Antiquities Authority considers to be of public interest by reason of its historical, archaeological or palaeontological significance, to be a monument for protection.

Over the past five years, the Antiquities Authority had not consulted the AAB on matters relating to the declaration of gravestones as monument. Moreover, the AAB had in the past five years mainly worked on the grading of historic buildings. No gravestones have been accorded with grading.

- (c) For most of the residents in Shui Tsan Tin Tsuen, Yuen Long, the Lee Tat Bridge is the major access to the village. The Antiquities and Monuments Office will continue to liaise with the villagers and relevant government departments for the grading of the bridge, as well as to explore the possibility of drawing up a conservation approach which is both feasible in the long run and acceptable to the villagers.
- (d) Apart from declared monuments, the AAB has in the past years graded 497 historic buildings as Grade I, Grade II or Grade III buildings in accordance with their heritage value. The grading system, which has no statutory authority, serves as an internal reference for the AAB. Historical buildings are graded primarily on the basis of their heritage values. If members of the public have any views on the AAB's work, they are welcome to forward them to AAB or its Secretariat.

Long-term Acting Appointment of Government Employees

11. **MS LI FUNG-YING** (in Chinese): *President, it is learnt that long-term acting appointment is quite common among government employees, and many officers have acted for an aggregate of two years. However, in order to avoid convening review boards and seeking the advice of the Public Service Commission on the long-term acting appointments, the departments concerned have arranged for such officers to step down for a short period every six months. In this connection, will the Government inform this Council:*

- (a) *of the number of officers who have acted for an aggregate of more than two years in the past three years;*
- (b) *of the reasons why a number of posts requires officers of a lower rank to act up over a long period of time;*

- (c) *as some trade unions have relayed to me that long-term acting appointments have seriously affected the officers' daily life and their opportunities for further studies, and have thereby dealt a serious blow to their morale, of the solutions offered by the relevant authority; and*
- (d) *of the reasons for the departments concerned not convening promotion boards for such acting appointments to identify the most suitable candidates for promotion?*

SECRETARY FOR THE CIVIL SERVICE (in Chinese): President, according to the arrangements promulgated by the Civil Service Bureau, the management would endeavour to fill posts with long-term operational need on a substantive basis. Where necessary, a promotion board would be convened for the selection of suitable candidates for substantive promotion to fill such posts. The standing arrangement is acting appointments should not be made automatically. Only when there are genuine operational and management needs would the management fill posts by acting appointments.

Against the above background, my reply to the various parts of the question is as follows:

- (a) For the past three years, the number of officers who had acted continuously for more than 24 months is as follows:

<i>Financial Year</i>	<i>Number of Acting Officers</i>
2004-2005	957
2005-2006	735
2006-2007	728

- (b) Under the existing policy, an acting appointment to fill a vacant post should only be made when there is an operational need and when the promotion board has not been able to identify a suitable officer ready for promotion. Furthermore, some posts are for time-limited duration (for example, posts created for time-limited

projects) and are not counted as promotable posts. Hence these posts can only be filled by acting appointments, the duration of which would depend on the duration of the time-limited posts. In addition, an acting appointment can be made for the purpose of testing an officer's ability to carry out duties at a higher rank (for example, such arrangement is quite common in the Administrative Officer grade). Some acting officers may need to be tested for a longer period than others. Regardless of the reasons for an acting appointment, if it lasts for six months or more, the management would select the acting officer through a selection board and review the acting arrangement regularly to determine if it should continue. For posts under the purview of the Public Service Commission¹, the management must also seek the advice of the Commission on the selection and review the arrangements to ensure fairness and impartiality in the process.

- (c) When considering or reviewing the suitability of officers for acting appointments, the management will take account of the abilities and performance of the officers concerned. We encourage the management to maintain effective communication with staff; and individual staff can always reflect his/her views on acting appointments to the management so that appropriate arrangements can be worked out in the light of the actual circumstances. The management also endeavours to ensure that the lifestyle and the opportunities for further studies of the acting officers would not be unduly affected.
- (d) For posts with long-term operational need, the management would endeavour to fill them on a substantive basis, for example, through convening promotion boards regularly to identify the most suitable officers for promotion. When a promotion board considers there is no suitable officer(s) ready for promotion, or when there is a need to test a particular officer's ability to take up a particular post, an acting arrangement to fill the vacancy would be made.

¹ Posts remunerated on a pay scale with a maximum pay point at MPS 26 or above.

Usual Residents in Hong Kong

12. **MS AUDREY EU** (in Chinese): *President, according to the information relating to the 2006 Population By-census (06BC) released recently by the Census and Statistics Department (C&SD), the total number of Usual Residents present in Hong Kong at the reference moment in 2006 was 6 416 124. In this connection, will the Government inform this Council of the following information about these Usual Residents:*

<i>Age Group</i>	<i>Number of female Usual Residents</i>	<i>Number of female Usual Residents who came to Hong Kong on two-way exit permits</i>	<i>Number of male Usual Residents</i>	<i>Number of male Usual Residents who came to Hong Kong on two-way exit permits</i>
<i>11 or below</i>				
<i>12-15</i>				
<i>16-19</i>				
<i>20-23</i>				
<i>24-27</i>				
<i>28-31</i>				
<i>32-35</i>				
<i>36-39</i>				
<i>40-43</i>				
<i>44-47</i>				
<i>48 or above</i>				
<i>Total</i>				

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in the absence of Secretary for Financial Services and the Treasury) (in Chinese): *President, according to information from the C&SD, the number of Usual Residents present in Hong Kong at the reference moment of the 06BC is as follow:*

<i>Age Group</i>	<i>Number of Female Usual Residents (Present in Hong Kong at the reference moment)</i>	<i>Number of Male Usual Residents (Present in Hong Kong at the reference moment)</i>
<i>11 or below</i>	<i>316 372</i>	<i>339 144</i>
<i>12-15</i>	<i>157 923</i>	<i>165 875</i>

<i>Age Group</i>	<i>Number of Female Usual Residents (Present in Hong Kong at the reference moment)</i>	<i>Number of Male Usual Residents (Present in Hong Kong at the reference moment)</i>
16-19	160 866	165 617
20-23	176 850	162 927
24-27	211 171	169 235
28-31	222 791	170 045
32-35	249 617	181 735
36-39	253 532	181 757
40-43	284 568	218 736
44-47	263 045	234 337
48 or above	1 110 368	1 019 613
Total	3 407 103	3 009 021

The definition of Usual Residents does not include two-way permit holders from the Mainland in Hong Kong, and the 06BC did not collect data pertinent to two-way permit holders in Hong Kong. Nevertheless, the 06BC counted the number of visitors who were born in the Mainland of China and were residing in households at the reference moment. Relevant figures are given in the following table:

<i>Age Group</i>	<i>Number of visitors (female) who were born in the Mainland of China residing in households at the reference moment #</i>	<i>Number of visitors (male) who were born in the Mainland of China residing in households at the reference moment #</i>
11 or below	728	762
12-15	360	312
16-19	207	192
20-23	1 126	206
24-27	3 145	167
28-31	2 512	371
32-35	1 937	371
36-39	1 410	225
40-43	797	291
44-47	691	132
48 or above	2 803	957
Total	15 716	3 986

Refers to the number of visitors residing in households at the 06BC reference moment. For short-stay visitors accommodating in hotels or guesthouses, they were not included in the coverage of the 06BC.

Energy Efficiency of Buildings

13. **MR LEE WING-TAT** (in Chinese): *President, regarding the energy efficiency of buildings, will the Government inform this Council whether:*

- (a) *any benchmark survey has been conducted on the energy efficiency performance of existing buildings; if it has, of the results of the survey;*
- (b) *new government buildings are required to achieve certain energy efficiency standards and targets; if so, of the details of such requirements; and*
- (c) *property developers are encouraged to reduce the use of glass curtain wall design in new buildings, and use energy-saving building materials as far as possible?*

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

- (a) Between 2000 and 2004, the Electrical and Mechanical Services Department (EMSD) conducted benchmark surveys on the energy efficiency performance of selected groups of buildings and used the findings to develop energy consumption indicators and benchmarks. The groups of buildings covered by the surveys include offices, shops, hotels and boarding houses, universities, post-secondary colleges and schools, hospitals and clinics. Energy consumption indicators of different groups of buildings are available on the EMSD website and the public can use the benchmarking tool developed by the EMSD for comparing energy consumption of their premises with the average energy consumption of similar premises. This could help the public set energy consumption targets and draw up measures for reducing energy consumption.
- (b) In November 2005, the Government issued a technical circular requiring all works departments to apply energy efficient features in new government buildings and retrofit projects. All new government buildings and retrofit projects are also required to fully comply with the Building Energy Codes issued by the EMSD.

To achieve energy conservation objectives, we also actively promote good energy management methods in government buildings, such as conducting energy audits, strengthening house-keeping practices, maintaining air-conditioning room temperature at 25.5 degrees Celsius in summer, and using electrical appliances and office equipments bearing energy labels.

- (c) Under the Building (Energy Efficiency) Regulation, all commercial buildings and hotels shall be designed and constructed in a way that can achieve energy efficiency to the satisfaction of the Building Authority. The Code of Practice for Overall Thermal Transfer Value in Buildings promulgated by the Buildings Department provides technical guidance on building design and use of construction materials to people involved in the design and construction of buildings.

In addition, the EMSD has compiled five sets of Building Energy Codes since 1998 and launched the Energy Efficiency Registration Scheme for Buildings to encourage the implementation of various energy conservation measures in local buildings in accordance with the Codes to reduce energy consumption.

Flat Selection for HOS Flats

14. **MR LI KWOK-YING** (in Chinese): *President, the flat selection process is under way for the Home Ownership Scheme (HOS) flats offered for sale by the Hong Kong Housing Authority (HA) under Phase 1 of 2007. I have recently received complaints alleging that one-person households affected by clearance programmes are placed, in the order of flat selection, after all Green Form (GF) households and some White Form (WF) households. In this connection, will the Government inform this Council whether:*

- (a) *it has reviewed if the abovementioned arrangement is unfair to these people; if it has, of the results of the review; if it has not, the reasons for that; and*
- (b) *it has reviewed the quota of HOS flats allotted to various categories of applicants and the arrangements for flat selection; if it has, of the results of the review; if it has not, the reasons for that?*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Chinese): President, the Subsidized Housing Committee of the HA approved in November 2006 the sales arrangements for the Sale of Surplus HOS Flats — 2007 Phase 1. The quota allocation ratio of GF to WF applicants has been set at 80:20. The order of priority for flat selection has also been formulated. To ensure that priority is given to the most needy in the allocation of resources, for both GF and WF applications, family households are allowed to select flats before one-person households, and families or single persons affected by the HA's clearance programmes are allowed to select flats before other families or single persons respectively. The order of priority for flat selection by category of applicants is as follows:

<i>GF applicants</i>	<i>WF applicants</i>
Public housing families affected by the HA's clearance programmes	Nuclear families (that is, families formed by couples or parents and children) applying under "Priority Scheme for Families with Elderly Members"
Families applying under the "Priority Scheme for Families with Elderly Members"	Nuclear families not applying under the "Priority Scheme for Families with Elderly Members"
Families not applying under the "Priority Scheme for Families with Elderly Members"	Non-nuclear families
Single persons affected by the HA's clearance programmes	Single persons
Single persons	

If there are any remaining GF allocation quotas after selection of flats have been arranged for all GF applicants, they will be allocated to WF applicants, and *vice versa*.

Under the existing flat selection arrangements, single persons affected by the HA's clearance programmes are given priority in flat selection over other single persons. As those affected by clearance programmes are applying under the GF category and the quota for GF applicants accounts for 80% of the flats offered for sale, single persons affected by clearance programmes would select flats before most of the WF family households.

The existing quota allocation ratio and flat selection arrangements are in line with our policy of allocating the limited and precious housing resources to the most needy, and have balanced the needs of different categories of applicants. Single persons affected by the HA's clearance programmes are not treated unfairly. The above quota allocation ratio and flat selection arrangements will be maintained in the sale of other surplus HOS flats.

Extension Works of the Pedestrian Footbridge on Mong Kok Road

15. **MR JAMES TO** (in Chinese): *President, at the meeting on 12 January 2006 of the Traffic and Transport Committee (TTC) of Yau Tsim Mong District Council, the Transport Department (TD) proposed that the extension works of the pedestrian footbridge system in Mong Kok, including the extension of the footbridges on Nathan Road, Bute Street and Sai Yee Street, would be financed and constructed by private developers. The proposal was supported by the TTC. Moreover, in reply to my question at a Legislative Council meeting earlier, the Secretary for the Environment, Transport and Works said that the TD had planned to commence the works for extending the pedestrian footbridge on Mong Kok Road to the west of Nathan Road in early 2008. However, it has recently been reported that the processing of the above project applications have been held up due to staff changes in the TD. The TD has also said that the project applications concerned have to be reassessed before formal approval is given. In this connection, will the Government inform this Council:*

- (a) *since the TD has proposed to the TTC the implementation of the above projects, why it has to reassess the impact of the projects;*
- (b) *given that the private developer concerned had submitted the above project applications in mid-2006, why the TD has so far completed the processing of the application for the Nathan Road footbridge extension works only; of the estimated time for completing the processing of the applications for the remaining two projects (that is, extension of the footbridges on Bute Street and Sai Yee Street), and the estimated commencement and completion dates of the three projects; and*
- (c) *apart from the above projects, whether the Government or the MTR Corporation Limited (MTRCL) has any plan to connect other*

existing footbridge systems in Yau Tsim Mong District to MTR station exits or subway systems in the district?

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

(a) and (b)

Construction of the existing pedestrian footbridge system at Mong Kok Road (Phase 1) and the western extension of the system across Nathan Road (Phase 2) is undertaken by the Sun Hung Kei Properties Charitable Fund Limited (SHK). Phase 1 of the project was completed in 2003 and the footbridge is now managed and maintained by the Government. Construction of Phase 2 was approved by the Government in 1998 together with Phase 1 and the project was gazetted in 1999 as required.

To implement Phase 2 of the project and make way for the foundation works, the engineering consultant of SHK is now liaising with the public utilities companies concerned for relocation of common trenches. Relocation and construction are expected to complete by end 2007 and end 2009 respectively.

Apart from the above project, representatives of SHK also joined the TD in seeking the preliminary views of the TTC of Yau Tsim Mong District Council on two new proposals, namely "Sai Yee Street Extension Project" and "Bute Street Extension Project".

Residents and shops nearby will be affected by the proposed design of the footbridge, and the extension works in Bute Street will ban vehicles longer than 7 m in Sai Yee Street northbound from turning left onto Bute Street westbound. The Bureau and the departments concerned, therefore, need to consider carefully the impact of these works as well as alternative ways to improve pedestrian flow before implementing the above proposals. Nevertheless, the results of the initial assessment made by the TD show that the two proposals should be able to further enhance the overall operation of the footbridge system at Mong Kok Road. The department will

continue to follow up the issue with the representatives of SHK and consult the TTC.

- (c) Apart from the above projects, the Government is carrying out two footbridge projects in Tsim Sha Tsui East across Chatham Road South and Salisbury Road. Upon completion, these two footbridges will connect the exits of East Rail's East Tsim Sha Tsui Station, their subway systems and MTR Tsim Sha Tsui Station. At present, the MTRCL does not have any plan to connect the footbridge systems in Yau Tsim Mong District with MTR station exits or subway systems.

For the Kowloon-Canton Railway Corporation (KCRC) Kowloon Southern Link (KSL) under construction, footbridge and subway systems at West Kowloon Station are being planned to connect the Station with the existing footbridges and subways at Jordan Road. The works will include partial modification of the subway at Austin Road West to connect the subway with West Kowloon Station.

Extension works of the KCRC's subway at Middle Road commenced in late March this year. By the end of 2009 when construction of KSL completes, East Tsim Sha Tsui Station/Tsim Sha Tsui Station will be connected with the existing pedestrian subway at Kowloon Park Drive and Peking Road.

Manpower of Tuen Mun Hospital

16. **DR KWOK KA-KI** (in Chinese): *President, it has been reported that the results of the latest Hospital Authority's staff opinion survey reveal that doctors and nurses in the New Territories West Cluster (NTWC), with Tuen Mun Hospital (TMH) as the leading hospital, are most discontented with their present work. Some doctors of TMH have relayed to me that there is serious shortage of manpower in the hospitals under the NTWC. According to government information, the ratio of doctors per 1 000 population in the NTWC has been lower than that of most other clusters for four consecutive years. In this connection, will the Government inform this Council of the respective numbers of doctors in service, departed from and newly recruited to work in TMH in each of the past five financial years, broken down by ranks and departments, including the general/family medicine out-patient service and various specialties?*

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Chinese): President, the number of doctors in TMH has been increasing in the past five financial years, from 399 in 2002-2003 to 518 in 2006-2007. The number of doctors in active service, left the service and newly recruited at TMH in each of the past five financial years are shown in Annex 1. The total number of doctors by ranks in various clinical departments for the same period is shown in Annex 2.

The NTWC attaches great importance to the workload and morale of its staff. The NTWC plans to increase manpower by more than 5% in 2007-2008, including recruitment of some 80 medical officers. The additional manpower, apart from enabling improvement of hospital services, would also relieve workload of front-line staff, as well as enhancing promotion prospects of existing staff. In addition, a designated Working Group has been set up under the NTWC to gauge and follow up the concerns of staff of different grades. The Working Group will put forward specific recommendations to the management to ensure that staff's concerns are duly addressed. The above initiatives will enhance the working environment of the staff and at the same time improve their morale.

Annex 1

Numbers of doctors in TMH between 2002-2003 and 2006-2007

	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
Number of doctors in service (Note 1)	399	459	489	490	518
Number of doctors departed	11	37	39	35	31
Number of newly recruited doctors	24	97	69	36	59

Note 1: The number of doctors in service refers to the staffing strength of doctors (including temporary staff) as at the end of that financial year.

Annex 2

TMH

Numbers of doctors by ranks and by clinical departments

<i>Clinical Department</i>	<i>Ranks</i>	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
Accident and Emergency	Consultant	2	3	3	3	3
	Senior Medical Officer/Associate Consultant	8	8	7	7	8
	Medical Officer/Resident/Specialist	25	23	23	29	35
	Intern/Part-time Medical Officer	0	0	0	0	0
	Total	35	34	33	39	46

<i>Clinical Department</i>	<i>Ranks</i>	<i>2002-2003</i>	<i>2003-2004</i>	<i>2004-2005</i>	<i>2005-2006</i>	<i>2006-2007</i>
Anaesthesia and Intensive Care	Consultant	4	4	4	4	5
	Senior Medical Officer/Associate Consultant	6	6	8	8	9
	Medical Officer/Resident/Specialist	21	21	25	23	26
	Intern/Part-time Medical Officer	0	0	0	0	0
	Total	31	31	37	35	40
Cardio-thoracic Surgery	Consultant	0	0	0	0	0
	Senior Medical Officer/Associate Consultant	0	0	1	1	1
	Medical Officer/Resident/Specialist	0	0	1	1	1
	Intern/Part-time Medical Officer	0	0	0	0	0
	Total	0	0	2	2	2
Clinical Oncology	Consultant	2	2	2	2	2
	Senior Medical Officer/Associate Consultant	2	2	2	2	2
	Medical Officer/Resident/Specialist	10	11	11	10	11
	Intern/Part-time Medical Officer	0	0	0	0	0
	Total	14	15	15	14	15
Ear, Nose and Throat	Consultant	1	1	1	1	1
	Senior Medical Officer/Associate Consultant	2	2	1	2	2
	Medical Officer/Resident/Specialist	7	7	7	7	7
	Intern/Part-time Medical Officer	0	0	0	0	0
	Total	10	10	9	10	10
Family Medicine	Consultant (Note 1)	0	1	1	1	1
	Senior Medical Officer/Associate Consultant	1	1	1	1	2
	Medical Officer/Resident/Specialist	23	43	44	35	34
	Intern/Part-time Medical Officer	2	3	2	2	2
	Total	26	48	48	39	39
Hospice	Consultant	0	0	0	0	0
	Senior Medical Officer/Associate Consultant	0	0	0	0	0
	Medical Officer/Resident/Specialist	1	2	2	2	2
	Intern/Part-time Medical Officer	0	0	0	0	0
	Total	1	2	2	2	2
Medicine and Geriatrics	Consultant	8	7	7	7	8
	Senior Medical Officer/Associate Consultant	14	13	13	14	16
	Medical Officer/Resident/Specialist	45	58	66	63	71
	Intern/Part-time Medical Officer	5	8	8	8	8
	Total	72	86	94	92	103

Note 1: TMH has created a full-time Consultant post in its Family Medicine Department since 2003-2004. In addition, TMH has all along engaged private medical practitioners as consultants of the specialty concerned on a part-time basis.

<i>Clinical Department</i>	<i>Ranks</i>	<i>2002-2003</i>	<i>2003-2004</i>	<i>2004-2005</i>	<i>2005-2006</i>	<i>2006-2007</i>
Mental Handicap	Consultant	0	0	0	0	0
	Senior Medical Officer/Associate Consultant	1	1	1	1	0
	Medical Officer/Resident/Specialist	0	0	0	0	1
	Intern/Part-time Medical Officer	0	0	0	0	0
	Total	1	1	1	1	1
Neurosurgery	Consultant	2	2	2	2	2
	Senior Medical Officer/Associate Consultant	3	3	3	3	3
	Medical Officer/Resident/Specialist	5	4	4	6	6
	Intern/Part-time Medical Officer	0	0	0	0	0
	Total	10	9	9	11	11
Obstetrics and Gynaecology	Consultant	4	4	4	4	4
	Senior Medical Officer/Associate Consultant	5	5	5	7	9
	Medical Officer/Resident/Specialist	15	16	16	16	17
	Intern/Part-time Medical Officer	5	5	4	4	4
	Total	29	30	29	31	34
Ophthalmology	Consultant	2	2	2	2	2
	Senior Medical Officer/Associate Consultant	4	4	4	4	4
	Medical Officer/Resident/Specialist	9	9	12	11	12
	Intern/Part-time Medical Officer	0	0	0	0	0
	Total	15	15	18	17	18
Orthopaedics and Traumatology	Consultant	3	3	3	2	4
	Senior Medical Officer/Associate Consultant	8	8	7	8	8
	Medical Officer/Resident/Specialist	17	19	20	21	21
	Intern/Part-time Medical Officer	3	3	4	4	4
	Total	31	33	34	35	37
General Out-patient and Specialist Out-patient Clinics	Consultant	0	0	0	0	0
	Senior Medical Officer/Associate Consultant	0	5	4	4	4
	Medical Officer/Resident/Specialist	9	23	36	31	28
	Intern/Part-time Medical Officer	0	0	0	0	0
	Total	9	28	40	35	32
Paediatrics and Adolescent Medicine	Consultant	4	4	4	4	4
	Senior Medical Officer/Associate Consultant	6	5	5	5	5
	Medical Officer/Resident/Specialist	21	23	23	24	24
	Intern/Part-time Medical Officer	2	2	3	3	3
	Total	33	34	35	36	36

<i>Clinical Department</i>	<i>Ranks</i>	<i>2002-2003</i>	<i>2003-2004</i>	<i>2004-2005</i>	<i>2005-2006</i>	<i>2006-2007</i>
Clinical Pathology	Consultant	5	5	5	4	4
	Senior Medical Officer/Associate Consultant	4	4	5	6	7
	Medical Officer/Resident/Specialist	7	7	6	8	8
	Intern/Part-time Medical Officer	0	0	0	0	0
	Total	16	16	16	18	19
Psychiatry	Consultant	1	1	1	0	0
	Senior Medical Officer/Associate Consultant	1	0	0	0	0
	Medical Officer/Resident/Specialist	4	4	4	4	0
	Intern/Part-time Medical Officer	0	0	0	0	0
	Total	6	5	5	4	Note 2
Radiology	Consultant	5	5	5	5	5
	Senior Medical Officer/Associate Consultant	6	5	6	6	6
	Medical Officer/Resident/Specialist	10	11	10	11	13
	Intern/Part-time Medical Officer	0	0	0	0	0
	Total	21	21	21	22	24
Surgery	Consultant	6	6	6	6	6
	Senior Medical Officer/Associate Consultant	7	8	7	8	8
	Medical Officer/Resident/Specialist	20	20	21	23	26
	Intern/Part-time Medical Officer	5	5	6	6	5
	Total	38	39	40	43	45
Staff Clinic and others	Consultant	0	0	0	0	0
	Senior Medical Officer/Associate Consultant	0	0	0	0	0
	Medical Officer/Resident/Specialist	1	2	1	1	1
	Intern/Part-time Medical Officer	0	0	0	3	3
	Total	1	2	1	4	4
Grand Total		399	459	489	490	518

Note 2 The establishment of medical officers in the Psychiatry Department has been transferred to Castle Peak Hospital since 2006-2007, but the psychiatric services provided at TMH remain unchanged.

Adoption of Open Source Software by SMEs

17. **MR SIN CHUNG-KAI** (in Chinese): *President, according to a survey on Open Source Software (OSS) Adoption in Hong Kong conducted by the Hong Kong Productivity Council (HKPC) from September 2003 to February 2004, over 85% of the responding companies expressed concern about the security and stability of OSS. In addition, the results of the 2005 Survey on Application of*

Linux in Hong Kong released by the HKPC and Linux Resources Centre in July 2005 showed that the lack of technical know-how and professional support in solving operational problems, as well as software and hardware compatibility were the most common difficulties cited by small and medium enterprises (SMEs) in Linux adoption. In this connection, will the Government inform this Council:

- (a) of the measures taken to assist SMEs in tackling the above difficulties;*
- (b) whether it will conduct a survey within this year or in the near future on the current trend of OSS adoption among SMEs and the difficulties faced by them; if it will, of the details; if not, the reasons for that;*
- (c) whether it will conduct regular surveys on the situation and trend of OSS adoption among SMEs as well as the support needed, and publish the results of such surveys; if it will, of the details; if not, the reasons for that; and*
- (d) as the Government has indicated, in the public consultation document issued for formulating the 2007 Digital 21 Strategy, that its objective was "to offer a range of affordable software solutions to SMEs" so as to develop a digitally inclusive society in Hong Kong, of the promotion strategies in place to achieve such an objective?*

SECRETARY FOR ECONOMIC DEVELOPMENT AND LABOUR (in the absence of Secretary for Commerce, Industry and Technology) (in Chinese):
President, regarding the question raised by Mr SIN Chung-kai, my reply is as follows:

- (a) In order to enhance the SMEs' confidence in OSS adoption in the issues of security and stability, the Government has been implementing, sponsoring and supporting various initiatives in this area. For instance, the Government provided funds for launching a SME Linux Jump Start Programme in 2005 to provide integration testing service on Linux solutions, and setting up a Linux Patch Management System in 2004 to synergize the effort of applying patches to Linux systems.

Furthermore, since November 2002, the Government has published and kept up-to-date the Interoperability Framework covering standards and interfaces for data sharing and systems/applications communication. The Framework is technology neutral to both proprietary and OSS. It aims to reduce technical barriers for SMEs wishing to develop or adopt OSS-based solutions.

In facilitating industry actions in promoting OSS adoption in the business sector, the Government sponsored the "Linux Business Adoption Campaign" in 2003 and the "Linux Business Award" in 2005. Moreover, the Government has designed and implemented Standing Offer Agreements for the supply of information technology (IT) products aiming to facilitate the inclusion of both proprietary and OSS products, where applicable.

- (b) The Government has no plan to conduct further surveys on OSS development or adoption this year nor in the short term but will continue to provide the appropriate support to the relevant industry bodies in the further development in software technologies, including but not limited to OSS, as well as to conduct specific surveys on trends in technology development and adoption.
- (c) The Government has no plan to regularly conduct surveys on OSS adoption among SMEs. However, we will continue to liaise with the industry, collect their comments and render appropriate support to help promote the adoption of OSS products as and when necessary.
- (d) The Government has launched the Sector-specific Programme (SSP) to promote IT awareness, including OSS, among SMEs since 2004. Commencing April 2007, we rolled out a new series of 2006-2007 SSP to more business sectors to further encourage the development of more affordable software solutions, including but not limited to OSS solutions, to facilitate wider IT adoption among SMEs. We will also gauge the industry's interest in offering all-in-one packages to SMEs, including personal computer hardware and software, Internet connection and support services at affordable prices.

Illegal Parking of Bicycles and Trolleys

18. **MR ALBERT CHAN** (in Chinese): *President, recently, I have received complaints from many members of the public that bicycles or trolleys, some of which being rather worn-out, are often illegally parked at railings alongside footpaths, in pedestrian subways and on footbridges in many places in Tsuen Wan, Tung Chung and Tin Shui Wai of Yuen Long. Despite repeated complaints lodged by members of the public with the Administration, the problem has not yet been solved. In this connection, will the Government inform this Council:*

- (a) *of the number of complaints received in each of the past three years about frequent illegal parking of bicycles or trolleys at railings alongside footpaths, in pedestrian subways and on footbridges, as well as the locations involved;*
- (b) *of the number of clearance operations carried out in each of the past three years in response to the relevant complaints, as well as the locations and the number of bicycles and trolleys involved; and*
- (c) *whether it will consider improving the existing policy, so as to prevent illegal parking of bicycles and trolleys at railings alongside footpaths, in pedestrian subways and on footbridges more effectively; if it will, of the details; if not, the reasons for that?*

SECRETARY FOR HOME AFFAIRS (in Chinese): President,

- (a) In the past three years, most of the complaints received by the authority about the parking of bicycles or trolleys in Tsuen Wan, Tung Chung and Tin Shui Wai were related to such locations as railings along walkways, on footbridges and along footpaths at public transport interchanges as well as fences on the boundaries of housing estates. The number of complaints received by the concerned departments is shown in the following tables; as members of the public can refer a same case to different departments, the complaint records of departments may overlap:

Complaints received by the Home Affairs Department:

	<i>Number of complaints</i>
2004	22
2005	47
2006	45

Complaints received by the Transport Department:

	<i>Number of complaints</i>
2004	2
2005	2
2006	1

Complaints received by the Food and Environmental Hygiene Department:

	<i>Number of complaints</i>
2004	10
2005	8
2006	2

Complaints received by the Lands Department:

	<i>Number of complaints</i>
2004	31
2005	31
2006	60

- (b) Details of the clearance operations targeted at illegal parking of bicycles/trolleys in Tsuen Wan, Tung Chung and Tin Shui Wai for the past three years are as follows:

	<i>Number of clearance operations</i>	<i>Number of bicycles/trolleys cleared</i>
2004	6	1 226
2005	6	519
2006	17	1 095

- (c) The Government has been concerned about the problem of illegal parking of bicycles. We and the concerned departments have reviewed the situation and agreed to adopt a three-pronged approach to tackle the problem:

- (i) To organize interdepartmental clearance operations against district black spots for illegal parking of bicycles and trolleys;
- (ii) To strengthen public education at the district level to call on and encourage members of the public to use legal parking places; and
- (iii) To continue our collaboration with the local community and District Councils to identify more locations for designation as bicycle parking places. In this regard, the Government has designated a total of 5 921 additional bicycle parking places in the New Territories in the past three years.

The Government will continue to monitor the problem, and the concerned departments will take appropriate actions having regard to situations in individual districts and views of the concerned District Councils.

Consevation of Antiquities and Monuments

19. **MR LAU WONG-FAT** (in Chinese): *President, will the Government inform this Council:*

- (a) *of the current number of buildings completed before 1951 in each District Council (DC) district, and among such buildings,*
 - (i) *the respective numbers of those which have been declared/classified as statutory monuments, Grade I, Grade II and Grade III historic buildings; and*
 - (ii) *the number of those which have yet to be given the grading assessment, and when they will be given such an assessment; and*
- (b) *how the relevant authorities conduct the consultation and grading assessment exercises for the conservation of antiquities and monuments in the various districts, of the role of DCs in this regard, and how DCs can specifically be involved in the relevant work?*

SECRETARY FOR HOME AFFAIRS (in Chinese): President,

- (a) (i) At present, there are 81 declared monuments, of which 63 are buildings and 18 are rock carvings, forts and archaeological sites. Apart from declared monuments, the Antiquities Advisory Board (AAB) has in the past years graded 497 historic buildings (Grade I to III). The grading system, which has no statutory authority, serves as an internal reference for the AAB. Historical buildings are graded primarily on the basis of their heritage values. The number of declared monuments and graded historic buildings in each of the 18 districts is listed at Annex.
- (ii) Since March 2005, an expert assessment panel under the AAB has been conducting a detailed heritage assessment of some 1 440 pre-1950 historic buildings in 18 districts, including those 497 graded historic buildings mentioned above. The assessment is underway and the results will be forwarded to the AAB for further consideration.
- (b) In accordance with the Antiquities and Monuments Ordinance, the Antiquities Authority (that is, Secretary for Home Affairs) may, after consultation with the AAB and with approval of the Chief Executive, by notice in the Gazette, declare any place, building, site or structure, which the Antiquities Authority considers to be of public interest by reason of its historical, archaeological or palaeontological significance, to be a monument for protection.

The Home Affairs Bureau is reviewing the built heritage conservation policy and the works involved. To enhance public participation in heritage conservation matters, we organized a series of public forums in January and February to gauge public views from regional organizations and professional bodies, stakeholder groups and the community on what and how to conserve our built heritage. From March to June, the Secretary for Home Affairs would attend the meetings of the 18 DCs to discuss the subject with DC members, with particular attention to historical buildings and sites in each of the relevant districts.

The Government places a lot of emphasis on the role and participation of the DCs in heritage conservation matters. We would continue to enhance communication and partnership with the DCs so that their views on built heritage conservation could be duly taken into account.

Annex

Number of Declared Monuments (Historic Buildings) in 18 Districts

<i>District</i>	<i>Number</i>
Central and Western	18
Eastern	2
Islands	1
Kowloon City	1
Kwun Tong	0
North	10
Sai Kung	2
Sha Tin	1
Sham Shui Po	0
Southern	3
Tai Po	6
Tsuen Wan	3
Tuen Mun	1
Wan Chai	1
Wong Tai Sin	0
Yau Tsim Mong	4
Yuen Long	10
Kwai Tsing	0
Total	63

Number of Graded Historic Buildings in 18 Districts

<i>District</i>	<i>Grade I</i>	<i>Grade II</i>	<i>Grade III</i>	<i>Total</i>
Central and Western	10	26	18	54
Eastern	6	5	11	22
Islands	3	5	7	15
Kowloon City	0	4	8	12

<i>District</i>	<i>Grade I</i>	<i>Grade II</i>	<i>Grade III</i>	<i>Total</i>
Kwun Tong	3	2	0	5
North	4	21	8	33
Sai Kung	3	3	6	12
Sha Tin	19	8	6	33
Sham Shui Po	1	9	4	39
	25 ¹			
Southern	20	20	45	85
Tai Po	1	13	6	20
Tsuen Wan	0	2	6	8
Tuen Mun	3	3	7	13
Wan Chai	8	24	6	38
Wong Tai Sin	5	2	2	9
Yau Tsim Mong	14	7	13	37
	3 ²			
Yuen Long	14	23	25	62
Kwai Tsing	0	0	0	0
Total				497

¹ This refers to Grade I to III buildings/military facilities within the Ngong Shuen Chau Barracks.

² This refers to Grade II and III buildings within the Gun Club Hill.

MOTIONS

PRESIDENT (in Cantonese): Motions. Two proposed resolutions under the Interpretation and General Clauses Ordinance to amend the Sewage Services (Sewage Charge) (Amendment) Regulation 2007.

PRESIDENT (in Cantonese): The Secretary for the Environment, Transport and Works and Ms Audrey EU have given notice to each move a motion to amend the above Regulation.

Council now proceeds to a joint debate. I shall first call upon the Secretary for the Environment, Transport and Works to speak and move her motion.

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

(in Cantonese): President, I move that the resolution, as printed under my name on the Agenda to amend the Sewage Services (Sewage Charge) (Amendment) Regulation 2007, be passed.

The purpose of the resolution is to modify the 10-year period of the scheduled sewage charge adjustments such that the first sewage charge increment will take place in the next financial year on 1 April 2008 instead of 1 July 2007 as originally set out. The respective proposed sewage charge rates for the relevant periods will remain unchanged, that is, there will be an increase of 9.3% in the rate (presently at \$1.2 per cu m) on 1 April 2008 and on the same date in each of the following nine years. Under the latest proposals, the sewage charge increments will remain modest, gradual and affordable to the community. The average sewage charge for domestic accounts will increase on a yearly basis from about \$11 per month at present to eventually reaching a level of about \$27 per month in 2017-2018, which will remain at the lower end of the global scale of sewage charges.

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

In the course of the scrutiny of the Regulation, some Members suggested that the adjustments should be deferred to allow more time for trades with high water consumption to accommodate the changes, and that the new rates should only start to match the commissioning of new major sewage infrastructure. I wish to say a few words here, that is, the sewage charge does not mean to collect money in advance. As a matter of fact, the sewage charge the public pay every day has been subsidized by almost 50%, and the first few years of the sewage charge increment scheme seeks only to recover the subsidy in the past. Linking the adjustments with the commissioning of new facilities would mean uneven and sharp increases in the next 10 years, which is unlikely to be acceptable to the community. Our past consultations indicate that the public can accept stable and confirmed increments so that they can prepare for the change in all respects. This is in line with the spirit of "polluter pays" principle which allows polluters a

way and the time to deal with and minimize pollution. Taking into account the time for preparation, we agree that the previous proposal can be fine-tuned, such that the first increase will be deferred to the next financial year to take effect on 1 April 2008 and increases in the subsequent nine years will coincide with the beginning of the financial year. The revised arrangement would provide certainty in the gradual achievement of the overall objective to recover 80% of the recurrent costs of sewage facilities through gradual increments of sewage charge within the next 10 years. The proposal has received the support of the majority members of the Subcommittee as well as major political parties. It has also been set out in detail in the report to the House Committee of the Legislative Council.

Deputy President, I wish to take this opportunity here to talk about the purposes of the Amendment Regulation and the concerns stemming from it. In fact, Members are well aware that sewage charge is an important component in realizing the "polluter pays" principle. In all civilized communities in the world or even in some developing countries or cities, sewage charge is collected as a matter of course because we all know that sewage treatment is a recurrent expenditure. It is an important element in all aspects of the finances and also a heavy burden. I will expound on this later.

The second concern is that Members of the Legislative Council are very concerned about their mission in monitoring the Government in the entire establishment. I fully appreciate this and also find it necessary. The third concern is that the green groups and also some Members of this Council are concerned about the status of the Harbour Area Treatment Scheme (HATS) Stage 2 project, that is, whether we will press ahead with it or undertake to do it. I will brief Members on these three aspects. Indeed, Members have shown their support for the "polluter pays" principle in a number of discussions. This principle was first widely discussed in the United Nations Conference on Environment and Development in 1992. In December 1993, the then Legislative Council supported the application of the principle in the provision of sewage services in Hong Kong and the sewage services charging scheme was since introduced in Hong Kong on 1 April 1995. In December 2004, the Legislative Council reaffirmed its support and urged the Administration to review the sewage charges in accordance with the principle. In applying the principle, we are fully aware of the need to take into account the affordability of the community and the trades. We have thus considered carefully alternative schemes and concluded that the proposed scheme is the most desirable.

What we are proposing now is to collect the sewage charge according to the recurrent expenditure. The Government accords priority to the enhancement of our water quality. In the next 10 years, the Government will invest about \$20 billion in new sewage treatment and other sewerage facilities, about the same amount as has been invested over the past two decades. These are the responsibilities, that is, the construction cost and capital cost, the Government will continue to undertake, while the households and the trades should share the recurrent cost of projects in accordance with the "polluter pays" principle. This is the subject for discussion by the United Nations Conference on Environment and Development, and its importance is shared by all who care about the environment. Since financial incentives will alter people's living habits and make them realize that environmental protection is of immediate concern to them, instead of wholly relying on the Government to bear the responsibility of causing pollution for them.

The management of water resources is an important policy of the SAR Government because an effective management is crucial to every one. A number of academics concurred that the water resources of our entire region is a grave issue, particularly clean potable water. Although Hong Kong can have an endless supply of water from Dongjiang, the protection of water resources and the conservation of its usage as a whole remain a priority task, in which sewage disposal is a crucial element. To achieve a change in one's behaviour is the biggest goal of the "polluter pays" principle.

In the course of scrutiny, Members have expressed concern about the role to be played by the Legislative Council in monitoring the sewage services accounts once the proposed 10-year increment scheme has been approved. I fully appreciate and agree with this. Regarding sewage treatment infrastructure, the Legislative Council will continue to play a key monitoring role as funding approval will be required for each major project. Moreover, these projects would also need to go through a detailed environmental impact assessment (EIA) process which is open to public scrutiny as required by the law.

I can also assure this Council that Members will continue to play a key and even more active role in the future in overseeing the sewage services once the proposed sewage charge increment scheme is endorsed. As supported by the Subcommittee, the Government undertakes to conduct the following regular reviews in respect of the sewage services accounts.

Firstly, after the Regulations relating to the sewage charge and the Trade Effluent Surcharge (TES), and the Technical Memorandum under the TES scheme have been passed by the Legislative Council, the Administration will provide annually to the Panel on Environmental Affairs of the Legislative Council the summary of the Sewage Services Operating Accounts of the previous financial year and the projection for the following financial year for scrutiny. I further undertook in the letter dated 4 May to the Chairman of the Subcommittee that, if, at any time during the 10-year period:

- (a) the sewage services accounts show that the 80% cost recovery target for the sewage charge has been exceeded or is projected to be exceeded in the following year; or
- (b) the programme of the planned major sewage services-related infrastructure projects (the Advanced Disinfection Facilities under the HATS Stage 2A, Sludge Treatment Facilities and Stage 2A of HATS) or other projects will be delayed by more than one year,

we will conduct a review of the schedule of increases specified in the legislation and seek the views of the Panel on Environmental Affairs on how the application of the "polluter pays" principle should continue to be manifested.

Furthermore, we will conduct a mid-term review in mid-2011, which will also take into account the review of the timing of the implementation of HATS Stage 2B. We will present the results of the reviews to the Panel on Environmental Affairs containing information on a progress report and programme for Stage 2B of HATS and on the sewage charge. In respect of the sewage charge, the following information will be provided:

- (a) a summary of the Sewage Services Operating Accounts for the previous period and projections for the coming period, including information on the actual and projected operating cost recovery rates for the sewage charge;
- (b) an assessment of the economic impact of the prevailing and projected rates; and
- (c) an account of the savings and efficiency measures adopted and planned by the Drainage Services Department over the review period and for the coming period respectively.

Deputy President, Members can rest assured that they will continue to play an important role in overseeing the provision of the sewage services in the future following the approval of the increment scheme, ensuring that our sewage services will remain cost-effective and affordable to the community.

In the course of scrutiny, the Subcommittee as well as members of the public have affirmed their support for the scheduled implementation of Stage 2A of HATS by 2014. We will spare no efforts in achieving this aim, and, once the Regulations and the Technical Memorandum are endorsed by the Legislative Council, we will bring forward the next Stage 2A-related project for funding approval before the Council rises in summer.

In accordance with the recommendation of the Public Accounts Committee in June 2004, we plan to commission the Advanced Disinfection Facilities by 2009. This will facilitate early reopening of the Tsuen Wan beaches which were closed following the full commissioning of HATS Stage 1. We are aware of concerns expressed about potential environmental impacts of the facilities and have undertaken that, if the final EIA study ultimately concludes that the currently proposed disinfection process, that is, chlorination to be followed by dechlorination would lead to unacceptable environmental consequences under the local conditions, we would not adopt it.

We are aware that some Members aspire for early implementation of Stage 2B of HATS. Let me put the record straight. In fact, this 10-year increment scheme seeks to recover 50% of the subsidized portion of sewage charge as well as the operating cost of Stage 2A. It is unrelated to Stage 2B which is still at the planning stage. However, I am aware that some members of the public hold that Stage 2B lacks a timeframe and thus wish to include this as one of the criteria for this increment scheme. The stance of the Government is more than clear, that is, Stage 2 of HATS includes Stage 2B. It is only a matter of timing and due to many objective conditions that Stage 2B cannot be commissioned at the same time.

There are views in some quarters that Stage 2B, which adopts biological sewage treatment, should be implemented as soon as possible, but there are also different views in society about these technologies. The latter are not idle views. We have, since 2000, tested these technologies under an in-depth pilot study in accordance with the recommendations of the International Review Panel. These technologies are not tested by a simple experiment of mixing two test tubes

of substances and observing the colour changes of the mixture, but by undergoing a long period of operation. There are two reasons for doing so, one of which is that the proposal is an attractive option and the other is that it is a compact technology, that is, a compact proposal.

For sewage treatment, in particular biological sewage treatment, it requires a lot of land because biological reaction takes a longer time to take place. For instance, tests requiring chemical reactions take only one hour for the pollutant to precipitate, but tests requiring biological reactions may take one to six hours, varying from method to method. If it takes six hours, as Members may imagine, the volume and area for storing sewage will be doubled or even tripled since the sewage has to be stored before treatment and cannot be discharged into the sea immediately after treatment. The experts held that the biological sewage treatment of Stage 1 and Stage 2 could be conducted on 2.3 hectares of land. The reality is that the minimum area required is 9 hectares and even as many as 20 hectares depending on the biotechnology adopted. It is not that easy for us to find so much land all of sudden. Thus, after the release of the report in 2004 and the completion of the consultation in 2005, we decided to implement Stage 2A immediately, not because it involved any delay, but because of the fact that if we waited for Stage 2B, there might not be any progress after a few years' time. Without land, how can the planning of the sewage treatment plant be made? I thus made the decision to press ahead with Stage 2A first.

Some people prefer referring to Stage 2A as primary treatment. In fact, academically this is no longer a proper term because primary, secondary and tertiary treatments often refer to processes that do not involve biological sewage treatment. One that does not involve biological treatment is called primary treatment, but now academically speaking, this is separated. Our Stage 1 actually refers to chemical treatment, which has also been recognized by the experts as a method conducive to the environmental design of a city — moreover, discharging into the sea and the river are handled differently. We have achieved very effective results with chemical sewage treatment for 70% to 80% of the pollutants are removed by chemical means and the cost is relatively low and the time required relatively short. Members may think that the Secretary, having read chemistry as a major, may bias in favour of chemical treatment. This is not true. The reason is that chemical substances can be controlled easily. If the test shows that the sewage is very dirty, more chemical substances can be added to speed up precipitation. The time for the entire procedure and the volume of the sewage can thus be kept under good control. However,

biological treatment is different because the quality and volume of sewage are not under our full control, which may be affected by the amount of excreta and rainfall. Under these different conditions, the biological reaction will differ, rendering biological sewage treatment more difficult to control.

Stage 1 of HATS in Hong Kong now has a capacity of 18 000 tonnes. Together with Stage 2, the capacity will reach 28 000 tonnes. I believe the largest sewage treatment plant in the world does not have as large a capacity as ours. I do not have this information with me now, but the latest information I have heard is that it is only about over 1 million tonnes. When we consider using biological treatment in such a large-scale operation, we need to consider carefully issues of operation and maintenance in the future. It will lead to grave consequences if problems arise in view of the large volume of sewage. The chemical sewage treatment adopted in Stage 2A or Stage 1 is not only recognized by international experts, but also chosen as a desirable treatment method for urban sewage by international scientific literature — if you are interested in reading such literature. It has been well tested. We find this method, after so many years of application in Hong Kong, a good one. I thus reiterate that the sewage charge for these 10 years will be used on, firstly, disinfection so that the *E. coli* content in the Tsuen Wan beaches and the entire Victoria Harbour can be lowered; secondly, Stage 2A, in order to collect and carry through deep tunnels the sewage generated from Hong Kong Island to the first chemical treatment works under Stage 2A to be constructed on a 2.3 hectare site on Stonecutters Island. After this, the sewage charge will naturally have to be increased. From 2014 onwards, the sewage charge will be used entirely for recovering the cost of Stage 2A. For the sewage charge collected from 2008 to 2014, part of it will be used for recovering 50% of the present subsidy and the remaining part will be used for the disinfection facilities. Therefore, not a single penny will be over-charged. We adhere totally to the "polluter pays" principle.

We made it clear when tabling this to the Legislative Council that we will present to Members information on Stage 2B in detail in the review in 2011. Although this is only subsidiary legislation, I hold that this is very important. I believe Members who care about the environment will recognize that environmental protection is different from building a road or a reservoir. For the latter, people directly benefited from it can easily reckon its advantages. After a road is built, it will be more convenient for them to go to work and the traffic will improve; and after a railway is built, they can have an extra transport means. However, sewage treatment and environmental protection are entirely

different because people have already used the service or polluted the water. All they need to do is press the button and flush it away. If sewage treatment fails to secure financial support, people will not be able to notice the negative impacts caused to the environment, not until the state of the environment has worsened to such an extent that everyone can see it, by which time it will be too late. By then, efforts to protect the environment will be much less effective. I do not wish to see the sea in Hong Kong turn black, because when such a tipping point happened, it would be the misfortune of Hong Kong and it would also be very difficult to restore the sea to its original state. Environmental protection — we often say this, and not just I say so, the previous Secretary General of the World Bank also said so — without financial support and participation of the business sector will remain a distant dream. I thus hope Members can support this sewage charge increment scheme which will enable the Government and in particular us, the one responsible for environmental protection — no matter who will take charge of this in future — to support a stable, reliable and confirmed recurrent cost. The Government considers this very important. I cannot say that nothing can be achieved. There will be, however, many obstacles, including obstacles in appropriation. I thus hope that Members supporting environmental protection will support this motion. In respect of the "polluter pays" principle or monitoring by the Legislative Council, we will seek to ensure that people taking charge of the relevant areas will be fulfilling their responsibilities.

During this three-year consultation from 2004 till now, the public have shown acceptance of our actions in improving the water quality, our proposal of carrying out Stage 2A and 2B separately, and this gentle, stable and confirmed sewage charge increment. I thus hope Member can support this motion and the proposals concerned. Thank you, Deputy President.

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

"RESOLVED that the Sewage Services (Sewage Charge) (Amendment) Regulation 2007, published in the Gazette as Legal Notice No. 45 of 2007 and laid on the table of the Legislative Council on 28 March 2007, be amended -

- (a) in section 2(1), in the new section 2(1)(b), by repealing "1 July 2017" and substituting "1 April 2018";

- (b) in section 4, by repealing the new Schedule 1 and substituting -

"SCHEDULE 1 [s. 2(1)]

PRESCRIBED RATE OF SEWAGE CHARGE

PART 1

<i>Item</i>	<i>Periods</i>	<i>Prescribed rate \$ per cubic metre of water supplied</i>
1.	1 April 1995 - 31 March 2008	1.20
2.	1 April 2008 - 31 March 2009	1.31
3.	1 April 2009 - 31 March 2010	1.43
4.	1 April 2010 - 31 March 2011	1.57
5.	1 April 2011 - 31 March 2012	1.71
6.	1 April 2012 - 31 March 2013	1.87
7.	1 April 2013 - 31 March 2014	2.05
8.	1 April 2014 - 31 March 2015	2.24
9.	1 April 2015 - 31 March 2016	2.44
10.	1 April 2016 - 31 March 2017	2.67
11.	1 April 2017 - 31 March 2018	2.92

PART 2

\$2.92 per cubic metre of water supplied". "

DEPUTY 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.

DEPUTY PRESIDENT (in Cantonese): I now call upon Ms Audrey EU to speak on the motion moved by the Secretary for the Environment, Transport and Works as well as her own motion, but will not ask her to move her motion now.

If the Secretary for the Environment, Transport and Works' motion is agreed, that will by implication mean that Ms Audrey EU may not move her motion. If the Secretary's motion is negated, Ms Audrey EU may move her motion.

MS AUDREY EU (in Cantonese): Deputy President, a Subcommittee has been set up by the Legislative Council to scrutinize these two Amendment Regulations and the Technical Memorandum. First of all, I will give a brief report in my capacity as Chairman of this Subcommittee.

The Subcommittee has held a total of five meetings. We have listened to the views of many environmental groups, the catering industry and professional bodies.

Deputy President, Secretary Dr Sarah LIAO has spoken for almost half an hour earlier, and most of the principles in her speech actually would not meet opposition from anyone. Her support for environmental protection, the principle of "polluter pays", and so on, are agreed by all Members. We agree that sewage disposal service should be provided on the "polluter pays" principle, but many Members from various parties and groupings have queried the Government's proposal to increase the sewage charge by yearly increments over the next 10 years from 1 July, which is now amended as 1 April next year, through a single piece of legislation tabled at the Legislative Council for its approval in one go.

Certainly, whenever Members make amendments to legislation to increase fees and charges, it may affect the next term of the Legislative Council or even the term after next. But the current proposal on how sewage charge will be increased is actually unprecedented. With regard to these regulations, they are very simple and set out clearly on page 2 of the "speaking note". As Members can see, the rate of sewage charge will be increased over a period of 10 years at a yearly increment of 9.3% from the present \$1.2 to \$2.92 per cu m. This proposal of the Government will concern not just the current term of the Legislative Council, for the rate of adjustments determined by the Government will straddle the next term of the Legislative Council and the term after next.

Moreover, some Members are concerned that the increase will actually involve a lot of projects that have not been completed and for which funding has

not yet been granted. Does it mean "spending money of the future"? Having considered Members' various concerns, the Government finally decided to defer the effective date of the regulations for nine months from 1 July this year to 1 April next year.

While a number of Members supported the Government's amendments, the Subcommittee considered it necessary to conduct a mid-term review of sewage charge. In this connection, as undertaken by the Secretary in her speech earlier, a report of the mid-term review will be submitted to the Panel on Environmental Affairs in 2011, particularly including the timing of implementing the Harbour Area Treatment Scheme (HATS) Stage 2B.

Members have held detailed discussions with the authorities on the cost-effectiveness of HATS Stage 2A, especially the environmental impact of the use of chlorination/dechlorination for advanced disinfection, as well as expediting the implementation of HATS Stage 2B. The Panel on Environmental Affairs will continue to follow up the relevant developments in future.

With regard to these two regulations and the Technical Memorandum, the Subcommittee also pointed out some technical and textual errors and the authorities agreed to make amendments to them.

Deputy President, I will now explain the difference between my amendments and those of the Government. Members may take a look at page 2 of the "speaking note". Colleagues of the Secretariat have made a detailed list showing the main differences between the Government's amendments and those of mine. Our proposals are entirely the same for items 1, 2, 3, 4 and 5, that is, we both proposed an increase at a yearly increment of 9.3% from 1 April to 31 March 2012. The only difference is this: I proposed that the increment would cease on 31 March 2012, which means that when sewage charge is increased to \$1.71, it would be maintained at this rate, whereas the Government proposed that the increments be continued for six more years until 31 March 2018 to reach \$2.92, and sewage charge would be maintained at this level thereafter.

What is the difference? Deputy President, it is not that we do not support "polluter pays", as the Secretary has said. Nor does it mean that we do not support environmental protection. The Secretary made an appeal to us just now that if we support "polluter pays", then we have to support this amendment of the

Government. This is actually not where the difference lies. The difference lies mainly in two points: First, is it the Government or the Legislative Council that should have the initiative? If the Legislative Council should discharge its duty of monitoring the Government, should this initiative be always vested in the Legislative Council? Second, how can we, being Members of the Legislative Council, encourage the Government to promote environmental protection more actively?

From what the Secretary has said in her speech, we understand that insofar as sewage disposal is concerned, the problem actually lies not in Members or the public not supporting the Government's sewage projects, but the tardy work progress of the Government, as it has been dragging its feet for over a decade, and it is still talking about conducting in 2011 a review of when Stage 2B will be taken forward. So, the major amendments proposed by me seek to address these two problems only, with the objective of encouraging the Government to attach more importance to environmental protection, so that the harbour can be restored to its original state, in which case we would feel at ease holding the cross-harbour swimming competition again very soon.

In her speech earlier on the Secretary refuted that this is not "recovering money that has not yet been spent" because the principle is "polluter pays", adding that even if taking into account the revenue from sewage charge for the next 10 years, they would only recover 80% of the operating costs.

However, Deputy President, the Government has a series of 41 projects to be launched in the next couple of years — these 41 projects have not yet commenced and certainly require the approval of the Legislative Council — and the authorities have nevertheless factored in the operating costs of these 41 projects in calculating the proposed increase of sewage charge in the next 10 years and come up with the present proposal. Particularly, the HATS Stage 2A and sludge treatment or disinfection facilities mentioned by the Secretary earlier have not yet commenced. HATS Stage 2A will start only in 2014. Deputy President, my amendment proposed that the increment should cease in 2012, but the scheme will, in fact, come into operation only in 2014.

So, this is absolutely a case of "spending money of the future". However, this is actually not the main reason why I proposed my amendments. The Government should have thought of this, and so should Members.....Deputy President, as you may recall, at the meetings we consistently posed this question

to the Government: What would happen in the event of a delay? There are 41 projects which have not yet commenced. What if they are delayed? The Secretary has undertaken that the rate would be lowered if a delay of over a year occurred, in which case the authorities would propose an amendment on its own initiative to lower the sewage charge.

How can we, being Members of the Legislative Council, suggest that the authorities should lower the rate in the event of a delay? Certainly, the right way is to approve the increase only when the authorities can launch the project. The authorities undertook to conduct a mid-term review and submit a report in 2011, and the Legislative Council is to approve the increments up to 2012. If the authorities can submit the 2011 mid-term report, which is undertaken by the authorities, before 31 March 2012, the Legislative Council will approve the increase.

Secretary Stephen LAM likes to describe officials as running water. The officials are like running water. In fact, it is not that I do not trust the Secretary, but many of the measures relating to sewage disposal mentioned by her are not implemented by her. So, it is not the case that I do not trust the Secretary's very sincere vow to take forward these initiatives. But as pointed out by Secretary Stephen LAM, given the movement of officials, she may not be the person in charge of this area of work next time around. So, from the perspective of the Legislative Council and from the constitutional angle, it is certainly necessary for the Government to conduct a review and submit the report to the Legislative Council for scrutiny. If the report can be submitted in 2011, then the Legislative Council will certainly approve the increase before 31 March 2012 because all colleagues in the Legislative Council support the principle of "polluter pays".

We think that it is now time to settle old scores with the Government. The situation is that in northern and western Hong Kong Island there is now a daily discharge of 450 000 tonnes of untreated sewage into the Victoria Harbour. While Hong Kong has claimed to be a world class city, sewage has nevertheless been discharged directly into the harbour over the years. Besides, why has this problem, which prompted calls for improvement to the quality of water or water in the Victoria Harbour, remained a nuisance to us for such a long time?

This can be dated back to 1987 when the Hong Kong-British colonial government proposed the Strategic Sewage Disposal Scheme (SSDS), under

which sewage was discharged through tunnels into waters off the Lamma Island after primary treatment. At that time, academics and green groups already criticized that the Government could not thoroughly resolve the problem of pollution by primary treatment and they, therefore, called for secondary treatment. But subsequently, the operation in forms of a trading fund was later found to be unsuccessful, and there were cases of tunnel leakage in projects under the SSDS which caused ground settlement. Coupled with the various problems emerged in the operation of the trading fund, Chief Executive TUNG Chee-hwa put a halt to the scheme in 1999 and appointed the International Review Panel (IRP) to conduct studies, and the SSDS is eventually turned into the existing HATS.

At that time, the IRP proposed to adopt secondary treatment and this, the Government also agreed. This is why in her speech earlier the Secretary mentioned many chemical studies, the use of land, and so on, pointing out that it is not just mixing or blending the contents of two test tubes. In fact, the Secretary does not have to make it so complicated. To put it simply, the Government has not adopted secondary treatment. Although the authorities agreed that secondary treatment should be adopted, that is, they accepted the recommendation made by the IRP in 2000 but it is 2007 now and yet, a timetable on the implementation of secondary treatment is still lacking. Later, given the outbreak of SARS, the Government said that the scheme would be divided into two stages, and Stages 2A and 2B have since been introduced.

Now, why has the progress remained so slow? The Government said that this is due to many objective factors. I asked the Government to provide a list, as the Government mentioned that a site had already been identified on Stonecutters Island in 2004. Then let us take a look at this list. What has the Government done? It has done nothing. We in the Legislative Council have asked questions about this. According to the Administration's explanation in May 2005, the Administration initiated the internal steps necessary to ensure that land would be available for Stage 2B and that the site would not be otherwise allocated, which means that this site has been set aside internally by the Government. Then in August of the same year, discussions with the stakeholders of the 2B site on potential planning and interface issues began. At a meeting, I asked Dr BROOM what this meant. According to him, it means that discussion was held with people from the economic authorities; they were asked whether they wanted the site and they said they did. So, the conclusion is that there is no conclusion, that is, it remained inconclusive.

In March 2007, the authorities did carry out some work in order to table the proposed increments to Legislative Council. What has it done? Further discussions with the stakeholders of the 2B Site to resolve planning and development issues were held. Certainly, the discussion was again inconclusive, for this site has already been reserved for logistics-related developments by the Economic Development and Labour Bureau, and while it is proposed that the site will be used for this purpose, no information has been provided on what will be developed underground. Deputy President, this is all that we have been told.

Although the authorities have made it very complicated in explaining the method it will adopt for treating sewage, the fact is that they already reserved this site on Stonecutters Island for use as a secondary treatment plant in 2004, but no follow-up action has been taken subsequently.

Such being the case, what reasons are there for us, Members of the Legislative Council, to believe that the projects would commence very soon and that secondary treatment would be adopted? Since the Government has accepted secondary treatment, my amendment, therefore, serves only to encourage the Government to work for it as soon as possible. If the Government can submit a report as soon as possible, we would approve the increments expeditiously.

Even if nothing has been done by the authorities, it still may not be the fault of the Secretary. Nor does it mean that the Secretary has to be fully held responsible. It is because all the "running water-like officials" previously had done nothing and this is the reason why things have developed to the present state. From an institutional angle or the angle of constitutional duty, all I can say is that I cannot support the approval of the increments over a 10-year period, in order not to dampen the authorities' initiative to take forward Stage 2B of the scheme.

Deputy President, four environmental groups (including the WWF Hong Kong, Green Student Council, the Conservancy Association and Green Sense), together with Prof Albert KOENIG who is a Professor in the University of Hong Kong and a member of the IRP which I have just mentioned, issued a joint statement on the day before yesterday, expressing great disappointment at the Government's failure to respond to the recommendation made by the IRP seven years ago of pursuing secondary treatment. They also agreed that this amendment can most effectively encourage the Government to expeditiously carry out Stage 2B of the scheme.

Deputy President, we have certainly taken into account the environmental perspective as the Chairman of the Advisory Council on the Environment, Prof LAM Kin-che, urged Members to support the Government's proposals, pointing out that if we support environmental protection, then we must accept the principle of "polluter pays".

Deputy President, we accept this principle, as well as his views about a more moderate rate of increase and the need to consider the public's affordability. But most importantly, Deputy President, what the Government has done in respect of sewage disposal does give cause for concern. Although the Government has accepted secondary treatment of sewage, all that it has undertaken to do since 1989 is to conduct a review in 2011, and conducting a review does not even mean that the scheme would be launched right away in 2011.

Considering such history and track record, Deputy President, all I can say is that the most generous and proactive proposal from us in support of environmental protection is to undertake that we would support the Government's proposed increments for the first four years until 31 March 2012. We hope that the Government will submit a further report as soon as possible to tell us good news about when Stage 2B will be implemented.

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

MISS CHOY SO-YUK (in Cantonese): Deputy President, with regard to wastewater, or sewage disposal, insofar as these amendments are concerned, I think the contentions mainly revolve around three areas: First, the technical aspect; second, sewage charge; and third, the two amendments. I would like to talk about my views or the views of the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB) on these several areas.

Let me start with the technical aspect. Deputy President, in my personal view, this Strategic Sewage Disposal Scheme (SSDS).....sewage disposal is, in my personal view..... The main reason why I am so concerned about environmental protection is that the Government had sought funding approval for \$1.7 billion from the Provisional Legislative Council for the completion of SSDS Stage 1. It was the first time that I met friends from the environmental protection sector to understand their concern. I strongly opposed the funding

application at the time, and I had also arranged for friends in the environmental protection sector to meet with Members of the Executive Council. I remember that meetings had been held with a number of people, including Mr Charles LEE and Justice T.L.YANG, and certainly, they also met with Secretary Bowen LEUNG, hoping to convince him not to continue with the chemically-enhanced primary treatment, which can be described as halfway between primary and secondary treatments, and implement secondary treatment immediately. Of course, I did not succeed in the end because there was just one voice from me which was too weak to make any difference. Finally, the Government was allocated with this \$1.7 billion funding. Looking back, I think the allocation of this funding to the Government for it to complete works under Stage 1 had enabled sewage to really undergo chemically-enhanced primary treatment smoothly on Stonecutters Island. Despite that it was only halfway between primary and secondary treatments, it is still better than doing nothing to treat sewage. This, I must admit.

But with regard to secondary treatment, the DAB, as well as members of the public or environmental protection groups that I know, had all strongly called for secondary treatment. The Government, perhaps encouraged by the "benefit" of having obtained the \$1.7 billion funding so swiftly and completed Stage 1, immediately proposed to embark on Stage 2. The Stage 2 at that time was in fact the continuation of Stage 1, which means that sewage would continue to receive chemically-enhanced primary treatment. At that time, I made up my mind to become a Member of this Council, so that I could oppose Stage 2 in this Council. I had once burst into tears when explaining my points to Mr TUNG when he met with Members of the Legislative Council. Fortunately, Mr TUNG subsequently instructed Secretary Gordon SIU to further review Stage 2 and the use of chemically-enhanced primary treatment as proposed by the Government then. I am grateful to Secretary Gordon SIU for deciding to appoint an International Review Panel (IRP) to conduct the review. In fact, in the result of the review, the IRP echoed our view that secondary treatment should be pursued as soon as possible. This is a recommendation made by the IRP. As Ms Audrey EU already told us the story earlier on, I am not going to repeat it. So, technically speaking, secondary treatment is basically a common aspiration.

I am strongly against Secretary Dr Sarah LIAO's proposal on Stage 2A, which suggested the use of chemically-enhanced primary treatment plus chlorination for disinfection. It is not the case that I oppose it only today. I have opposed it for a long time. I have opposed it since day one; it was actually

last year when I started to oppose it. On the use of chlorine, I remember that my teacher Dr HODGKISS telephoned me some time before his retirement asking me whether there was a more stupid way than using chlorine to kill E. coli. E. coli is an indicator, and if we kill this indicator, it does not mean that the seawater will be safe for people to swim in it. So, I always have very strong views about this technology. I have spoken at such great length because Members of this Council, as well as other green groups and many members of the public fully support that the Government must immediately improve the existing chemically-enhanced primary treatment and the use of chlorination for disinfection. As this method is proposed to be used in 2014, I hope that between now and 2014 we can have the time to further discuss this with the Bureau. Today, I am not going to give in and agree with the Government's proposal that the best approach for Stage 2A is to provide chemically-enhanced primary treatment plus chlorination and the Government can hence apply this technology smoothly in 2014. I think the Government must conduct a further review.

However, the amendments today are about sewage charge. Certainly, I very much agree that we should at the same time compel the Government to do more technically through the fee-charging process, or to take this opportunity to call on the Government to do more, which I have been doing. I have made use of this opportunity to continuously question why chlorination is proposed. I asked why this method should be used and why no site is available. I think these are not the key points of our discussion today, but I reiterate that we support and call on the Government to do that. I think not even Stage 2A can go ahead as smoothly as expected, as we will not allow the Government to launch it immediately. I think a review and discussion are still warranted.

Let me come back to the question of sewage charge. We are talking about several points here. The first point was also mentioned by Ms Audrey EU earlier. Will a precedent be set if such a mechanism is put in place? We have never allowed the Government to increase its fees or charges over a period of 10 years before. Another point is whether it is reasonable to increase the sewage charge at these increments. Does it mean "recovering money that has not yet been spent"? Should sewage charge be increased even before the projects commenced? Is this in line with the "polluter pays" principle?

Deputy President, I personally support the proposed increase. Why do I support it? First of all, as the Secretary said earlier, this method of

treatment.....while we do not agree to the technology, but even with the application of this technology, the Government still cannot recover the cost, and it will take a very long time to recover 80% of the cost. So, I think since we all support the principle of "polluter pays", and under this principle, I support that the Government should increase sewage charge.

However, there may be a number of ways to effect an increase. One is to immediately increase the charge to a level close to the cost, in which case the increments may have to be spread out over a shorter period of three or five years, or more drastically, the period can be shortened to one year and perhaps it may be increased to a level equivalent to 80% of the cost next year. Alternatively, the increments can be extended over a longer period, say, 10 years, so that the yearly increment can be smaller in amount, as in the case of paying in instalments.

Deputy President, although it may be a precedent indeed to increase the charge at a yearly increment over a 10-year period — I have not looked into whether or not this will set a precedent — I still consider it acceptable even if it will set a precedent, for it enables the public to face a less heavy burden each year. Instead of immediately increasing the charge by 20%, 30% or even 50% or 60% in a year or two, a 10-year period serves only to even out the increments. This is one point.

The question that follows is whether the Government, after increasing the charge, will do what it has promised to do. Deputy President, this is actually a question of whether or not amendments should be made. The Government told us that we should allow it to increase sewage charge over a period of 10 years and that it would certainly come back to us and submit a plan to us in 2011, telling us whether secondary treatment or an even better method would be adopted. Certainly, many Members (including some organizations) said that they do not believe the Government would definitely come back to us then. They opined that if we allow the Government to increase the charge now but in 2011, if the Government refused to do it or said that it would provide a timetable and that a decision would be made only in 2050, and if that happened, it would be no use to cry over spilt milk. What the Government needs is Members' trust in its willingness to do it.

On the other hand, Ms Audrey EU's amendments propose to allow the Government to increase the charge until 2011. She said that if, in 2011, the

Government can put forward a better proposal, it would be allowed to increase the charge a little more. This will require the people and especially the Government to trust that Members will be willing to allow the Government to increase the charge a little more in 2011. In fact, insofar as the proposed increase is concerned, it is not the case that all the political parties will certainly support the Government increasing the charge so much on the principle of "polluter pays". Now, they are asking the Government to agree on 2011 and saying that Members would surely allow the Government to effect future increases then.

Deputy President, I will not say that Members should agree with the Government or the Government should trust Members, and perhaps they should trust each other or they should not trust each other. But we can see that in 2011, the Government will still be the existing one under Donald TSANG. Despite that there will be a new structure following the reorganization on 1 July, I think it will still be an executive structure under the leadership of this Chief Executive. This is one thing. However, there will be a general election of Members in 2008. What Members who are elected in 2008 will think in 2011? This is another thing.

But the question before us is whether we should allow the Government to increase the charge at bigger or smaller increments before we can make a decision. I think if we approve only half of the total increments proposed by the Government today, then in 2011, I think it will be very difficult to make the Government..... Ms Audrey EU said earlier that this is the most effective way to make the Government come up with a good proposal. This, Deputy President, I do not agree, and I have a different view. It is our common objective to make the Government implement secondary treatment more quickly. If we do not even allow these future increments proposed by the Government, I think it will be very difficult for any government to have the courage to spend more money in future and then come to us asking for our approval for further increases. If the Government is not even allowed to increase the charge by just 10 cents today (and it may need to seek approval for an increase of 60 cents in future), will it have the courage to spend 60 cents first and then come to us to recover those 60 cents later? I would rather allow the Government to increase the charge by 10 cents now, hoping that when the Government will come to us one day to recover the money that it has spent, it would only ask for an increase of 50 cents. To the Government, since the increase of 10 cents is approved, it will hope that a further increase of 50 cents will also be approved by Members. I will interpret

from this angle. I only wish to encourage the Government to expeditiously embark on Stage 2B. If we do not give it our approval today, the Government would think that since Members do not approve even an increase of 10 cents, it would really feel inhibited from further spending 60 cents in future.

Moreover, I also wish to say that the sewage charge that we are talking about now is actually not enough even for implementing Stage 2A. It requires a lot more money to carry out Stage 2B. For this reason, I think if we agree with the "polluter pays" principle, in my personal and even the DAB's view, we should support the Government and allow it to increase sewage charge at a yearly increment. Deputy President, I so submit.

MR WONG KWOK-HING (in Cantonese): Deputy President, since the commencement of the Harbour Area Treatment Scheme (HATS) Stage 1, the water quality of the Victoria Harbour has been gradually improved. Some organizations even pointed out that there have been significant changes in the underwater ecology of the Victoria Harbour in recent years as we can find live corals there, and as we all know, corals can live only in very clean seawater.

However, the water quality of the Victoria Harbour has shown improvement because sewage is now discharged in western Hong Kong instead, resulting in the closure of seven beaches in Tsuen Wan due to a considerable increase in bacteria count. I think this is a price that we cannot afford to pay, Secretary. The Government said that improvement of the water quality of the Victoria Harbour can foster Hong Kong's image as a city with environmental commitments, but from all the measures that it has adopted so far, it is only cheating itself and the others, and worse still, the right of residents in Tsuen Wan and New Territories West to enjoy the beaches has been sacrificed. On the other hand, many beautiful beaches on Lantau South, such as the Silvermine Beach in Mui Wo and Pui O Beach in Pui O, are seriously threatened by pollution caused by improper disposal of sewage.

Deputy President, the HATS Stage 2 now proposed by the Government will continue to provide primary treatment. Chlorination will be used for disinfection, and in order not to affect marine life, the process of dechlorination is necessary before sewage is discharged into the harbour. Views have remained diverse on how significantly this process of chlorination/dechlorination will impact on the ecology. Environmental groups consider that this may create

a tremendous impact on the environment but the Government pointed out that this is the most efficient and most cost-effective method. In fact, since the levying of sewage charge in 1995, the Government has still remained at the stage of primary treatment in respect of sewage disposal despite many years of work. Even for Stage 2A of the scheme which has already commenced, sewage will undergo primary treatment or chemical treatment only. So, I think the progress is indeed too slow.

Deputy President, I would like to cite an example to explain the importance and urgency of sewage disposal, and also point out that government departments must take concrete actions, rather than delaying sewage projects on various pretexts which would only allow sewage to contaminate the environment and take its toll on the people's living and health. Yesterday, I went with officials from government departments to Wang Tong River on Lantau for another site visit. The river across the villages in Mui Wo, but the Government has not properly handled the sewage in the villages as it allows sewage to flow into Wang Tong River and as a result, the River emanates a foul smell like that of nullahs. In fact, as early as two years ago, on 13 July 2005, I went with the villagers to the Environmental Protection Department and demanded sewage disposal service, so that the villagers would be spared from the nuisance of the foul smell of the river water. On the other hand, the water of Wang Tong River will flow into the Silvermine Bay and hence affect the water quality there, and if the E. coli count of water in Silvermine Bay is found to be exceeding the prescribed limit, the beach may have to be closed, thus dealing a serious blow to the only economic lifeline of Mui Wo.

Deputy President, the Wang Tong River that I have just mentioned can be seen from this map of the Government. There are 300-odd households living along this river and this is the outlet where the river water flows out to the side of Silvermine Bay. Secretary, if sewage is not properly treated, not only the river but also the beach will be polluted.

During our visit yesterday I took many pictures, and I have chosen 10 of them to show Members here. Let us look at this one. At the back there is an area of lush greenery resembling a wetland park. But Secretary, this is not so in reality. Residents in Mui Wo even joked that some sort of biological treatment is being conducted there, for it is, in fact, a muddy swamp of filthy wastewater, and on the surface *Colocasia antiquorum* grows all over it and underneath the greenish *Colocasia antiquorum* there lies a swamp of filthy, obnoxious water.

Some two years ago, I already brought officials there for a visit, but up to the present moment, nothing has been done at all.

The foul water coming out of it is jet-black, containing plastic bottles, cans and tins, and other types of rubbish and much waste. We can see that the water along the river is also jet-black sewage, and the situation is very serious. The sludge and pollutants at the river bed has even caused the river to stink. Some two years ago I could still see fish swimming there, but it is very difficult to find any now. I used to see ducks swimming there too but now, not even one duck can be found there. The foul odours there are deplorable, and I think not even ducks will go near it, in order not to spoil their feather. The river has completely become murky green.

Let us look at this picture. The surface of the river seems to be beautiful but in fact, it is a pool of stagnant water. Why do I say that it is a pool of stagnant water? Why would a running river become a pool of stagnant water? It is because at the river outlet near the Silvermine Beach, pollutants have accumulated because of the failure of government departments to address complaints. As a result, the river outlet is blocked by sand and mud, and the blockage has made it impossible for the sand and mud to be discharged, and of course, even if water can be discharged from the outlet, what is to be discharged is just effluent and waste. Therefore, the whole river smells horrible.

If we look at it from this angle, the river water has turned green. Deputy President, Secretary, do we feel saddened seeing these scenes? Should this be dealt with expeditiously? Let us look at the tenth picture. It is the Silvermine Beach beside it. Secretary, the swimming season is about to start and many swimmers will go there swimming and sunbathing. But how can they enjoy sunbathing beside a sewer? How can they swim joyfully beside a stinking river? Secretary, what should we do?

Deputy President, this actual example that I have just cited is evidence cast in iron that I found during the site visit conducted jointly with government departments yesterday. What I wish to say is that it is really imperative to address the problem of sewage discharge, and it is really imperative to clean our harbour. Otherwise, we would eventually find ourselves living in a nullah.

Deputy President, sewage must be handled with care. Although we still cannot confirm how greatly the process of chlorination/dechlorination will

impact on marine life, what we already know is that the sewage discharged into the sea has already been affecting marine life, and this has been reported earlier. The high *E. coli* count in seawater has already posed a potential hazard to the Chinese white dolphins, a national first-class protected species. We really do not wish to see marine life suffer continuously. For this reason, I hope that HATS Stage 2 will commence as soon as possible. I urge the Government to closely monitor the impact of chlorination/dechlorination on marine life after the implementation of Stage 2A. For the benefit of marine ecology, I certainly hope that the Government can expeditiously embark on HATS Stage 2B and provide biological treatment for all sewage collected, so that we can fulfil our responsibility as citizens and make the ocean healthier and healthier.

Deputy President, I am also a member of the Subcommittee and during the scrutiny of the regulations, I expressed concern over three issues. I have put forward suggestions and demands to the Government which has also given a response. Firstly, I am concerned about this resolution tabled by the Government on the Sewage Services (Sewage Charge) (Amendment) Regulation 2007, which seeks to increase sewage charge over a period of 10 years with effect from April 2008. With regard to cost-sharing, the cost recovery rate will be increased from 54% to 80%. We agree to applying the "polluter pays" principle, but if we approve in one go increments over a 10-year period, it will indeed be difficult for the Legislative Council to monitor the work progress of the Government. For this reason, at the meeting I strongly urged the Bureau to conduct a mid-term review in 2011. It is because apart from monitoring the Government, it is also necessary to consider how the Government will carry out sewage disposal projects. It is necessary to consider whether the new technology or new methods to be introduced then for sewage disposal will bring additional cost-effectiveness. It is also necessary to consider the economic conditions of Hong Kong as well as the public's affordability at that time. This is why a mid-term review is warranted, and the Government has undertaken to do so. This is my first concern.

Second, in the course of the scrutiny I expressed concern about the construction of a sewage treatment plant underground as the cost of constructing underground facilities will increase. I, therefore, urged the Government not to factor in the construction cost of underground facilities when levying sewage charge, as there is no reason for consumers to shoulder the cost. The Government has also given us a positive response and undertaken not to factor in the construction cost when calculating sewage charge. This is what the Government has undertaken to do.

Thirdly, I strongly complained about the pollution of beaches along Mui Wo, especially at Wang Tong River where pollution is very serious. The Government had resorted to stalling tactics at first but finally, it still agreed to conduct the site visit yesterday and undertook that short-term and long-term improvement measures would be introduced. In respect of short-term measures, the relevant government departments have undertaken to resolve the blockage of the river outlet by sand within two months to ensure smooth flow of river water. The relevant departments said that dredging works would be carried out in the river and black spots causing pollution would be removed in a month. I hope that the Secretary can reaffirm later that these short-term measures will be taken, or else the ecology in Mui Wo will be plagued by serious problems even before the sewage disposal projects commence.

On the other hand, the Government has pointed out that with regard to long-term measures, it is in the course of identifying a consultancy firm to draw up plans and designs of the sewerage projects, and together with the sewage treatment plant on Lantau, it aims to tackle the problem of sewage discharge on South Lantau at the same time. The design will be submitted in early 2008, and the Rural Committees and Village Representatives will be duly consulted. The project, to be gazetted in 2009, will commence in mid-2009 and span three years, with a view to addressing the problem of sewage disposal on South Lantau comprehensively. In the interim, priority will be accorded to sewage works at Wang Tong River. After the completion of the works, sewage and terminal manholes of village houses can be connected to the public drainage and sewerage systems. I also hope that the Secretary will give a positive response in respect of this long-term solution in this meeting today.

Deputy President, I have listened very attentively to the Secretary's speech earlier on. The Secretary said that she hoped Members of this Council would support this motion proposed by the Government. She also mentioned the problem of sewage treatment, saying that the improvement of the environment was a distant dream. Insofar as this dream is concerned, I think if the Government can actively implement the projects, this dream will not be too distant. However, I very much hope that this is a beautiful dream, not a nightmare. I hope that the Secretary will really honour her undertakings and bring a beautiful dream, not a nightmare, to the people of Hong Kong, to residents in New Territories West and to residents of Mui Wo.

With these remarks, I support the Government's resolution. Thank you, Deputy President.

DEPUTY PRESIDENT (in Cantonese): Time is up.

MR TOMMY CHEUNG (in Cantonese): Deputy President, on the scheme to increase the sewage charge over a 10-year period as proposed by the Government on this occasion, the catering industry and I are both feeling very concerned because it is a very unusual precedent to request the Legislative Council to pass in one go a 10-year scheme designed to increase the sewage charge straddling several terms of the Legislative Council.

In fact, concerning the sewage services in Hong Kong, if we look back at 1994, the British-Hong Kong Government already betrayed the trust of the public and the industry. At that time, the Government lobbied the public and the industry, saying that if the Sewage Services Bill was passed, it would invest \$8 billion to implement the Harbour Area Treatment Scheme (HATS) Stage 1 and a decade later, the Victoria Harbour would be so clean that even cross-harbour swimming races could be organized again. However, the Secretary has said again today, in 2007, that if we passed this Bill, she would dare take part in a cross-harbour swim together with me. However, I will be an old man by then and no matter how clean the seawater will be, I think I may not have the strength to join any cross-harbour swim. However, if the Government continues to carry out reclamations, perhaps I would not have to swim, and I only have to walk across the harbour. That would be another matter.

This time, the Secretary said here again that if we approved the increases in sewage charge over a period of 10 years, the sewage problem would see significant improvement. However, we found on examination that of the 41 sewage projects planned by the Government, three of the most costly projects have yet to be completed and some of the projects have not even been approved by the Legislative Council.

Firstly, we are very worried because even though she has no results to show us, she is asking us to issue a blank cheque by approving in one go the increases in sewage charge over the next 10 years for all domestic and commercial users. If the projects cannot be launched as scheduled, for example, if the disinfection facilities cannot be commissioned as planned in 2009 or if the sludge treatment facilities cannot be commissioned in 2011-2012, as she said, or the HATS Stage 2A cannot be completed in 2014 or even hit snags, what should be done then? In that event, who should we hold accountable? Perhaps by

then, we can only say, in colloquial terms, that we have no more card up our sleeves and we only have ourselves to blame in approving the increases.

Secondly, the authorities request that the target recovery rate of the sewage charge be increased to 80% a decade later, however, the target set by the authorities is only an estimate. If in future, the Government achieves efficiency with the help of technology or cost-cutting measures and consequently, the operating costs of sewage services are reduced significantly, the cost recovery rate of the sewage charge will of course be higher than the estimate. In that case, will the Government continue to adjust the sewage charge upwards according to the amendments to the Regulation passed today? Are the authorities not trying to coax us so that we will get on board and to take advantage of members of the public again? Prior to asking us to pass the amendments to the Regulation on this occasion, should the authorities not first address the foregoing two issues of concern and give us an explanation?

In fact, the catering industry and I both greatly support the "polluter pays" principle. As far as we understand it, if polluters do not feel the pinch, they will not make an effort to protect the environment, so people who play a part in causing pollution should pay. However, should taxpayers shoulder an undue share of responsibility and should they assume the responsibility? Of course, polluters should pay and we should shoulder the burden. In the past, on the sewage charge issue, the Government said that so far, polluters were shouldering only about 50% of the operating costs and the remaining 40% had to be subsidized by the Government. In accordance with the "polluter pays" principle, the Government wants to adjust the share of responsibility to 80%. In the long run, it is in fact no cause for complaint, however, we must remember that what the Government describes as subsidy in fact also comes from taxpayers' wallets. Since the authorities will increase the sewage charge, they should be possible to reduce the subsidy provided by taxpayers to sewage services. Moreover, since the coffers are swamped with money, should the authorities not consider offering rebates to taxpayers? To take rates as an example, the expenditure on sewage treatment is in fact included in them. In that case, should the excess money levied in the form of rates for the purpose of sewage treatment not be deducted before the authorities increase the sewage charge?

What I am worried about is that the authorities often break down various charges into smaller items and keep exploiting members of the public in various

guises and by means of misleading information, however, not cancelling pre-existing charges at the same time, as a result, the coffers will receive more and more income but taxpayers' wallets will become increasingly light.

I must also declare in advance that supporting the "polluter pays" principle does not mean supporting the Government in recovering 100% of the costs. This is because if all costs are recovered fully, I believe the situation will surely degenerate into that of the Government being generous at the expense of the public. The executive departments may not adhere to the principle of cost-effectiveness. Instead, there may be an upside if the costs are not fully recovered and that is, government departments will be alert in monitoring expenditure and they will avoid the prospect of the Government being taken to task for providing too much subsidy.

Regarding the two amendments proposed by the authorities to the Technical Memorandum on this occasion to extend the period during which a reassessed TES rate is effective from one year to two years and in the event of formal applications for reassessments, to reduce the sampling requirement for small TES accounts from three days to two days, these moves can of course reduce the cost of making a reassessment of the surcharge and in general, the catering industry agrees with these move. However, there are still some deficiencies.

In fact, the two foregoing measures can only reduce the cost of reassessment by several thousand dollars. Usually, for smaller restaurants, the cost of making a reassessment is between \$20,000 and \$30,000 and even if it is reduced by several thousand dollars, it will still be necessary to pay between \$10,000 and \$20,000. Moreover, even if the decision on an application for reassessment is favourable, the amount of surcharge reduced may not be able to offset the cost of applying for a reassessment. For larger restaurants, the cost incurred by a reassessment is even higher and it amounts to some \$40,000 to \$50,000.

Hence, not many restaurants will benefit from these revised measures in the Technical Memorandum and the number stands only at about 1 000. However, there are over 9 000 restaurants that are incapable of applying for a reassessment, and as a result, they are forced to pay excessive TES.

I wish to state once again that in the past 11 years, the authorities have all along determined the effluent quality of over 10 000 restaurants throughout Hong Kong according to the water samples collected from 31 restaurants and charge the catering industry the TES according to this benchmark. This is an extremely unfair practice.

In fact, the Environmental Protection Department (EPD) stated publicly at the beginning of this year that it had completed an assessment of the effluent quality of the catering industry and the results showed that the Chemical Oxygen Demand (COD) per cu m was obviously less than 2 000 COD, which is the existing benchmark for the surcharge, and that it believed there was room to lower the surcharge.

However, the authorities have used the excuse of not having completed the surveys on the quality of the effluents of 30 trades to refuse to lower the benchmark on which the surcharge for the catering industry is based, so a final decision will be made only at the end of this year. I am very disappointed by this.

Again, I urge the authorities to listen to the demands of the industry and they should at least fulfil the promise of lowering the surcharge for the catering industry as soon as possible in order to do justice to this industry. In the long run, a charging scheme characterized by cost-effectiveness and positive incentives should be established to ensure that large sums of TES will not be levied on the industry indefinitely.

Deputy President, another thing that I wish to say is that although the Government said the sewage charge under discussion would come into effect only on 1 April next year, in fact, I have been lobbying all the time as I think the increases in sewage charge should be introduced only in 2009. The reason is very simple. This is because the Government has done little in the past decade and what the Government really wants to do is to introduce disinfection in 2009. According to government figures, the additional expenditure incurred will be less than \$100 million. I think it is only fair to begin to increase the charge at that time. If nothing has been done but people are asked to pay, this is not at all fair. Of course, the Government is now willing to implement the increases with effect from April next year, so this is at any rate better than doing so with effect from 1 July this year.

In addition, Deputy President, since there is still some time left for me, I also wish to talk about the sewage charge. Just now, Miss CHOY So-yuk talked about 1998, whereas my involvement in this area began in 1995. Back then, I had no idea what a protest was, nor did I know what a rally was. At that time, I did not know how to switch a loudhailer on when I had got hold of one. It was in this way that I led a protest rally of several thousand people. Ever since bills were issued starting from 1 April 1995 to levy the surcharge on the catering industry, I have been involved in the work relating to this piece of legislation for 12 years. Therefore, after learning that the Secretary wanted to increase the sewage charge, I have had many sleepless nights.

I heard her say just now that to support the increase in the charge is to support environmental protection. I wish to tell the Secretary that my degree of support for environmental protection is no less than hers. I believe we both support it. However, supporting environmental protection does not mean that we must support the increases in the charge. The reason is that sometimes, some charge increases can be most unreasonable. Often, the Government is being generous at the expense of the public and we think that this is really unfair. What is most unfair thing is that in 1994, she promised us that a cross-harbour swim could be held, however, it is now 2007 but still, this cannot be done. The Secretary is now telling us again that it may be possible to do so in 2016, so she is now coaxing us into waiting for nine more years but allowing her to increase the charge now — or rather, it should be eight years later that the cross-harbour swim can be held again because the increases in the charge will come into effect only in 2008.

Deputy President, I do not know whether I will still serve in this legislature by then, but it is likely that I will not have the opportunity. By then, I will be an old man. Unlike Mr LEE Wing-tat, who is still in his middle age, I will be in my old age. In view of this, I wish to remind the Secretary — and I hope this will be the last time — that the Government must be credible. Let us not talk about the British-Hong Kong Government of the past for now. The present Government is the SAR Government and I hope the Secretary can really put things into practice. If Honourable colleagues approve the increases and the public have really paid the money, I think the Government has the responsibility to fulfil its promise and the promise is to at least make it possible for us to swim in the Victoria Harbour. If this cannot be done, it should not keep coaxing us into getting on board and paying the money, then say that things are not ready even though we have paid the money. If we do not let her increase the charge,

she would say that we do not support environmental protection. I am utterly against other people labelling me in this way. I believe the Secretary's speech given on this occasion is not an attempt to put such a label on me. I only wish to clarify here that no matter if I support today's motion or not, it does not mean that I do not support environmental protection.

Thank you, Deputy President.

MR LEE WING-TAT (in Cantonese): Deputy President, Middle-Aged LEE now starts delivering his speech. Deputy President, I rise to speak in support of Ms Audrey EU's amendment on behalf of the Democratic Party. In fact, my speech is very simple because I have only some viewpoints which were already covered by Ms Audrey EU. So I am not going to repeat them. I shall only speak on two major points.

First, does the Democratic Party support the "polluter pays" principle? I can say very concisely that we support it. In an oral question raised today, I asked about the producer liability system, and I also asked how a plastic bag tax could be levied on lunch boxes, and so on. The Government said that the issue was being studied. In fact, such items have already been written into the platform of our Democratic Party, be it the major platform or the election platform. But why this time, on the surface (the Secretary must feel a bit unhappy), do we appear to be blocking the move and have adopted a cautious stance?

I think the major difference in opinion between the Secretary and us is: We support both this principle and the general direction of this policy, but we think that such support cannot be confused with our constitutional responsibility. Constitutionally, we have the responsibility. As Members of the Legislative Council, we have to monitor the performance of the Government in implementing a certain policy. This is our natural responsibility. We cannot act like what the Government has said: Since we have already accepted a principle, so we have to issue a blank cheque with a validity period of 10 years, and let the Government fill in whatever amount it likes. In fact, the allegation (that the Government can fill in whatever amount it likes) may not be quite true as we do know the percentages that will be filled in. But why do we have to monitor the Government's work? It is because, apart from the issue of principle, in practice, we also want to examine whether the Government has done well in its work.

To put it simply, in implementing Stage 1 of this Strategic Sewage Disposal Scheme (SSDS), the Government has used a lot of money. But after the money is spent, our harbour is still very much like what Mr Tommy CHEUNG (Old Man CHEUNG) said, that he still cannot swim in the Victoria Harbour. We still have to wait for a long time before he can do so. After the completion of SSDS Stage 1, many beaches in Tsuen Wan, about five to seven of them, had been closed. Of course, the Government had explained on many occasions, such as in the course of deliberations on this subsidiary legislation, that the closure of the beaches was not only due to the errors in the SSDS, but also because certain district sewage facilities had not been fully completed.

In fact, even if we do not accuse the Government of adopting coaxing or cheating tactics in its explanation, it still has not told the people fully that the Stage 1 works has not only failed to reduce the level of pollution of the entire harbour, but it has also led to the closure of some beaches for a long period of time. Therefore, in my opinion, some Honourable colleagues of this Council have already been very generous in agreeing to grant the approval for the increment scheme for several years. It is because we all know that, whenever we introduce fee increases, Legislative Council Members would become very concerned. We are unable to agree with many of the requests for fee increases proposed by the Government. Secretary, in fact, we have already been very kind this time in allowing you to increase the charges for four years.

We request the Secretary to come back to this Council to apply for approval for the increases to be introduced in the remaining six periods because apart from the point I have just mentioned, that we have a constitutional responsibility in monitoring the Government, the Government had performed really miserably in Stage 1 (though Secretary Dr Sarah LIAO was not the Secretary at that time, but the Government at that time is still governing Hong Kong now). As the performance was so poor, how can you convince the people that you can definitely do a good job this time around? How do we know that you can do well? You have very poor track records. By track records, I am referring to the closure of six beaches in Tsuen Wan, which makes the people unable to swim at these beaches, including the one near the previous residence of Ms Emily LAU — it could be the reason that made her very angry, thus making her moving away from the district. As the beaches had been closed, and she could not swim there, why should she go on living in the district?

For this reason, I think, the Secretary should not say, "You people always claim to be supporters of environmental protection. But when you are requested to approve the 10-year increment scheme, you are so unwilling to render your support." This has indeed gone over board. Do we have to approve your request for an increment scheme that covers even 30 years just because we have said that we support environmental protection? Do you mean to say that the Legislative Council does not have the authority to monitor your performance? I have not even mentioned Mr Tommy CHEUNG who frequently said in meetings of the Subcommittee, "Your Drainage Services Department is inefficient." I dare not comment on this remark. I have never made such remarks. However, if one of our colleagues has any queries, he has the right to raise questions. He has the right to ask questions because I have allocated taxpayers' money to you. Is the cost-effectiveness of your department good enough? What we want to challenge you now is: Why are those beaches closed? Can you do the work better? All these are reasonable questions. Therefore, you cannot label us as such just because we do not agree with the 10-year increment scheme, saying that some people claim boldly to be environmental protection supporters, but they refuse to give their support when such initiatives are introduced. I find the Secretary's allegation has gone over board.

Second, I would like to discuss the attitude of the Government as a whole. Frankly speaking, at the initial stage of deliberation on the subsidiary legislation, the Government virtually did nothing regarding Stage 2B. This was very obvious. Some colleagues asked the Government: What are you doing right now? How do you proceed with the work? How? In the beginning, they just murmured something like "Ummm" from which we could not decipher any meaningful message. In fact, the conclusion was very straightforward (I am not sure how the sound of "Ummm" can be transcribed into the written form): They could not give any answer just because they had not done any work. They have not done any work during the past few years. That explained why they could not produce any acceptable answers no matter how long they took in stammering.

Later, they presented a paper to say that they had done some work. It involved that piece of land on the Stonecutters Island. The Economic Development and Labour Bureau had earmarked it for logistics purposes. They still said that they would continue working hard to study the feasibility of digging up the site for implementing Stage 2B. A document was eventually presented after several such "Ummm" meetings had been held. After reading the document, I became furious again.

I have been a district board/District Council member of the Kwai Ching District since 1985. At that time, we were already discussing the issue of a rail freight terminal, and a study had been conducted in this regard. I was in my twenties, and now I am nearly 50 years old. Over 20 years have passed, and that is why Mr Tommy CHEUNG said that I am a middle-aged man now. Twenty-five years ago, we were already saying that a study on rail freight was being conducted, and then a site in Container Terminal 8 near the Stonecutters Island was designated as a terminal. We had been discussing issues in such a way, and the discussion has been going on for over 20 years. Probably at that time the Secretary was still working in a private organization as a Chief Executive Officer, and now she has become the Secretary. For an issue that has been discussed for 20 years, you said this only after someone has been pursuing you for an answer, "Right, I am also very anxious about this. I shall now consider the issue in conjunction with the Economic Development and Labour Bureau and see whether we can utilize that site to do something." Only after you have been subject to such hard pressing would you become slightly more proactive and say, "I am really proceeding with the work. I can now tell Stephen IP that he does not have to utilize the site to the full. He can use the road level and I can make use of the underground portion." Even though the Secretaries have held some discussion, Deputy President, the answer is not forthcoming immediately. It will still require another round of study, and we shall have to wait until 2009 or 2010 before we can find out explicitly whether the underground part of that piece of land can be used as the new site for sewage treatment.

(THE PRESIDENT resumed the Chair)

In fact, I have already adopted a relatively light tone in describing the process because as a man who has already moved into his middle age, my hot temper has softened a lot. The Government has been procrastinating for so many years without doing any work, and when the relevant subsidiary legislation has to be enacted, then it would make some tiny progress after much hesitation. No wonder many Honourable colleagues are saying this: Every one says, if we do not ask you to attend the meetings, you would not do any work and you would not care about anything at all.

In fact, this time, both the Secretary and the Director have been very anxious, why? It is because this legislation has to be passed. If it is just some

general discussion on environmental protection, the Secretary would say, "Please go ahead discussing and feel free expressing your views. But we can choose not to listen to them." Of course, frankly speaking, the Secretary should have sufficient votes today. So she could choose not to listen to us. However, since we shall cast our votes by raising our hands at the end of the debate, she has to answer all the questions. Among the numerous discussions, today's meeting witnesses the greatest eagerness on the part of the Secretary and the Director in answering our questions. And in addition, they had also made some minor undertakings (we cannot say that they had made no undertaking at all) because the Secretary says, "Your amendments are unnecessary. I shall come back several years later and make clarifications to you. I shall explain how my accounts operate; whether there is excessive revenue? If so, the money would be refunded." Did the Government say something like this in the past? Not in the past. But it has to say so now. Why does it have to tell us such information now? It is because colleagues have exerted pressure on her to do so.

Therefore, I feel that, it is entirely reasonable for colleagues to adopt such a course of action, that is, in putting forward amendments. With regard to Ms Audrey EU's opinion..... When we held the first meeting, that is, before the subsidiary legislation had been tabled to the Subcommittee for deliberation, I had already said that I would at most support allowing the Government to introduce an increment scheme with a validity period of several years, and then we shall request the Government to come back for further discussion. I know all too well that this is the only way — you may call it an encouragement approach or a pressure approach — that will make the Government care about the opinions of the public, green groups or Honourable colleagues of this Council.

Lastly, I would like to mention this. Two colleagues had made some remarks. I would like to discuss them one by one. Both Miss CHOY So-yuk and Mr Tommy CHEUNG have not proposed any amendments today. But I feel that all along they have been aggrieved. Miss CHOY So-yuk said that the existing environmental protection policies of the Government did not work at all. As she spoke, she had become very angry, and she had lost her temper many times — President, you were not in the Chamber then — she was very angry and even pointed out that the issue had already been discussed in TUNG Chee-hwa's era. As she was speaking, she even broke into tears. However, she did not

propose any amendment to amend the Government's practices. In fact, she does not have to give so much to the Government. She was so furious that she had to yell loudly. She was so agitated. But she supported all the Government's proposals. DAB, what are you doing? In particular, Miss CHOY So-yuk is responsible for environmental affairs. Old Man Tung, no, not Old Man Tung — When TUNG Chee-hwa was the Chief Executive, she said she broke into tears when she discussed environmental protection issues. She did not need to cry. She had the right to amend the laws to make the Government do better before she rendered her support. Why did she have to support the Government unconditionally? She could propose amendments, but she did not.

With regard to Mr Tommy CHEUNG, he said, "Please do not do that". It is no good even implementing charge increases next year. The increases should only be effective in 1999 — it should be 2009, I am sorry. But the Liberal Party also did not propose any amendment. Sometimes, we can see some colleagues feel aggrieved and they may become very unhappy when the discussion is drawn to certain subjects, but they dare not propose any amendment. I really could not understand why they acted that way.

Such behaviour could really be the habits of people in this Council. Some speak in a very loud voice and condemn the Government very vigorously. But when the moment of taking actions arrives, they would hide themselves in a corner and do nothing. I had intended to propose a reasonable amendment, but seeing that Ms Audrey EU has already proposed one, the Democratic Party supports her amendment. I so submit. Thank you, President.

MS EMILY LAU (in Cantonese): President, I rise to speak in support of Ms Audrey EU's amendment. In the last meeting of the Bills Committee (sic), when Ms EU still had not proposed this amendment, a question had been raised to see if members supported the Bill (sic). So, this explains why several days ago the Director thought that we had indicated our support. Yes, we did indicate our support for the Bill (sic) at that time. However, if Ms EU's amendment is good, we do hope that the authorities can consider it. I hope that the Secretary would not think that, as she once said, our act of not supporting her amendment is tantamount to not supporting the "polluter pays" principle. I hope the Secretary is not thinking this way.

In fact, in this Council, by and large, I know some Members do not agree to an increase in charges, but most Members are supportive of it. Therefore, the question before us is: Should we grant the authorities a power that is to be exercised for 10 years in stages? President, of course I do realize that this type of charges have not been adjusted during the past 11 years. However, the power involved should be retained by the Legislative Council. Furthermore, Ms EU is not asking the Government to bring this up in the Legislative Council on a yearly basis. Instead, the Government may bring this up in the Council only after implementing it for several years. I believe this is a reasonable practice.

When the Subcommittee held its meetings, as some Honourable colleagues have pointed out, that some Members argued in a fiercely noisy manner. I had never acted in such a loud manner. In fact, they had been making so much noise that things seemed to have gone out of control. Wow, I could nearly hear everything even without putting on the headphone. It nearly broke our ears, the microphones and the headphones. It was really deafening. This means that they had been very emotional. President, if you had the time, you may check out the recording and listen to it. You must definitely be shocked by the deafening arguments. I believe this issue must have pinched the nerves of certain people. But in short, Members did indicate support for the "polluter pays" principle.

What should we do about sewage treatment? I believe this Council has come to a consensus that Stage 2 should be implemented. That is why many Members said that not all the problems caused by the authorities were caused by Secretary Dr Sarah LIAO. And with regard to these problems that have existed for so many years, when the authorities implement Stage 2, it seems that it has come to a complete standstill. This also explains why the Chairman of the Subcommittee, Ms Audrey EU, said that she did not know what the authorities had done during the past few years, and that was the reason for making others feel that not much had been done.

President, I worry that — I am not sure whether it is Secretary Dr Sarah LIAO or the authorities who did not believe that there is the genuine need for implementing the Stage 2 project. In other words, the authorities think that the existing methods could already be sufficient for treating the sewage, so all along they have been reluctant in carrying on with the implementation of the works. But many people in society wish to see the continued implementation of the project. Although the Government would listen to the views expressed by the

people, especially on today's debate, President, tomorrow's newspapers would not have any coverage on it because this issue does not have strong association with sex and violence, not readily comprehensible and not simple enough. This is relatively solemn and complicated. Nowadays, our mass media would not report or publish this type of information. In fact, this is an issue that is closely related to people's livelihood. If you ask them questions on Stage 1A or Stage 2 projects, and so on, they would not know what they are all about. But if you ask them whether they want to have clean water supply, or whether they want to have the sewage treated properly, their answers must definitely be in the affirmative. Even if they are asked whether they are willing to pay for them, they would also be willing to do so. However, such an important debate that should be reported will not be covered in the media at all. Now, the attention in Hong Kong is of course completely focused on MA Lik — MA Lik is really something, and I would also like to meet with him now.

However, I still think that we should let the people know about such issues. We have not adopted a confrontational stance in dealing with the Government. But the Secretary should once again explain why the vast majority of Members in this Council support the implementation of Stage 2 works, but the Secretary seems to think differently. Does she really think that Stage 2 is not really necessary? Now, Stage 1A will not be commissioned until 2014, and the commissioning date for Stage 2 is indefinite at the moment. President, we might really have to wait for another 20 years and still might not be able to achieve our goals. In this connection, we are really puzzled, and do not understand why the authorities do not go ahead with it.

President, recently we have received a letter from several green organizations which include the World Wide Fund for Nature International, the Green Sense, the Conservancy Association and the Green Student Council. They also hope that Stage 2 can be implemented. They even pointed out that Hong Kong has lagged behind the Mainland in the current sewage treatment standards — President, I cannot travel back to the Mainland, but you can. I do not know whether you are familiar with the sewage standards in the Mainland — they said that newly built plants in the Mainland belong to Stage 2 or Stage 3, but Hong Kong still remains in the present dismal state. They said in the letter that even Macao and Shenzhen are already studying how to inject more resources into implementing secondary or tertiary sewage treatment. But for us, after a lot of hustle and bustle, we are still staying at Stage 2A, ending up in such a dismal state.

Of course, I am not an expert in this field, that is why I hope the Secretary who is an expert herself can explain to us whether we are even worse than just lagging behind the Mainland. They pointed out in this letter that, as an international city, such an affluent city, Hong Kong's sewage treatment has not caught up with the major trend of the world. President, they said that we are lagging behind others, and even though we have the resources and we can do it, we are neither willing nor have the determination to do it. Therefore, on an issue that already has the strong support of this Council, are there any unspeakable miseries or difficulties on the part of the Secretary?

President, earlier on, a colleague mentioned the beach in Tsuen Wan — President, it would not be necessary today for me to dwell on the reasons for my moving away from Tsuen Wan — but I still recall that when we had to deal with that beach then, I was also a member of the Public Accounts Committee (PAC). The Secretary also mentioned it a moment ago that it happened in 2004. I was a member of the PAC. We were of the opinion that the Tsuen Wan beach should be open to the public for swimming. Now, even if the beach is closed, many people would still go there for swimming every day in the morning — one of our former colleagues used to go swimming there, but now he has gone already — though it is dangerous to do so. We did not say either chlorination or dechlorination was essential because since then and up till now, President, many people, including these four green organizations have been saying that chlorine is no good and would affect the marine ecology. They say such danger does exist.

However, I also know that it is necessary to conduct environmental impact assessments (EIA) now. We have also held meetings to conduct consultation. Some say that in fact there is an alternative method called "ultraviolet radiation". But this method will only work for sewage that has undergone secondary or tertiary treatment; otherwise, it is not too effective because the light penetration rate would not be good enough. This is natural. Sewage that has only undergone primary treatment is still very dirty, so how can light penetrate it? If it has been cleaned properly through sewage treatment, together with ultraviolet radiation treatment, then it will at least become more environmentally-friendly. However, the Government says this will not work, and the methods of chlorination and dechlorination have been widely adopted in all the other countries. However, the Government is still willing to see how the results of the EIA are.

I hope the Secretary can listen to the opinions of the academics. Earlier on, some colleagues have mentioned the viewpoints of certain retired professors

of the University of Hong Kong. I hope the Secretary can listen to the opinions of people from all walks of life. One of such groups is the International Review Panel appointed by the Secretary and the authorities. Some of the professors have written to us to express their views: First, the practice adopted by the authorities is rather unusual. It comes to collect the money even when the project still has not started, and the Legislative Council still has not allocated the funds. This is not a correct approach, and besides, they also disagree with the adoption of the chlorination and dechlorination methods.

Therefore, President, regarding the issue we are discussing today, I also agree with Mr LEE in saying that we have adopted a more solemn attitude in our discussion only because the issue necessitates the application for funds and legislative amendments. I often say that such debates are very important. I am not saying that those motion debates are less important as such debates often enable us to discuss issues in whatever way we like. But what we are discussing does have legislative effect. Besides, there is another item of business that involves the charging of fees. The authorities would treat such matters in a most solemn way, and it would be most necessary to have them debated in a most explicit manner. And the authorities have to give us clear explanations. Is it appropriate for us to make some decisions now for the next Legislative Council? Besides, the most significant issue to me, which is also the issue I am most concerned about, is: When will Stage 2B be launched? Or will it never be launched? Does the Secretary really think that we are looking for something to do out of nothing? I say this because the authorities have acted in such a way as if they do not believe in the need or do not find it necessary to implement the project. I hope the Secretary can give us a proper clarification.

DR RAYMOND HO (in Cantonese): Madam President, the Government completed the Strategic Sewage Disposal Scheme (SSDS) at the end of 2001. The so-called SSDS at that time, which cost \$8.3 billion, is now called Stage 1 of the Harbour Area Treatment Scheme (HATS). It was said then that, upon completion of the project, the water quality of sewage discharged into the Victoria Harbour would be substantially improved. At that time, six deeply submerged tunnels were constructed 159 m under the sea, and I had personally inspected three of them. However, we hope the Government can expeditiously implement Stage 2 of the HATS, so as to provide treatment to the remaining 25% of the sewage discharged into the Victoria Harbour.

Stage 2 projects are divided into two phases, namely 2A and 2B. The Government now hopes that, upon the completion of Stage 2A, at least the water quality can be substantially improved. This is because at the moment 45 tonnes of untreated sewage are still discharged into the Victoria Harbour every day from the western and northern parts of Hong Kong Island. This is by no means satisfactory.

The Government now proposes that disinfection should be adopted in Stage 2A. This approach involves the use of chlorine, that is, the sewage would be discharged after having gone through the chlorination and then dechlorination process. Biological treatment will be adopted only in Stage 2B in order to attain the standards of secondary treatment. We hope that the Government can implement secondary treatment expeditiously because, as we look at the situation now, if the concentration of E. coli remains so high, the beaches in Tsuen Wan will not be reopened to the public. Therefore, upon the completion of Stage A, I hope the Government's technologies could improve the quality of the seawater, thus making it possible to reopen the beaches.

The Government has also indicated that it is in the process of conducting environmental impact assessments (EIA), and Stage 2A is only considered as a temporary option, and it is confident that Stage 2B will definitely be implemented. If we do not believe in the determination of the Government It is difficult for us not to believe in the Government. Of course, there had been a period of time in which the Government made very slow progress. In particular, Stage 2B involves sharing the use of a site. However, it seems that the Government has not vied for any land for a long time. I believe this time the Government has a far stronger determination than before; and the land use of Stage 2B has all along been designated for developing the distribution point of the port railway under the Harbour Railway Routes Project Scheme. The Government seems to have made no progress in projects in this aspect. Therefore, I hope this time the Government can really speed up the progress in these two aspects. I believe this is also a good move.

At present, first of all, the Government plans to raise the recovery rate of operating costs from 54% to 80% by 1 April next year. I believe this is a more reasonable standard of charging. In other words, the Government will, on average, levy an additional amount of sewage charge of \$11 a month from each household; and 10 years later, this amount will approximately be \$27 a month, and each cubic metre will charge a fee of \$2.92. The charge to be paid per day

will in fact only be very small. If every one supports the "polluter pays" principle, I think we should support the Government's scheme.

The Government now mainly hopes that we can approve the approach of increasing the sewage charge by increments over a 10-year period. If the Government cannot obtain our approval, and can get only four years' approval instead — because I have also thought of how to make the Government act in a more proactive manner, and some colleagues said that if we only grant a four-year approval — the Government will definitely return to this Chamber to explain to us their experience during those four years, including what kind of information it can secure; whether the Stage 2B site has been allocated; whether the procedures have been completed; whether the biological treatment plan has been completed, and what further plans will be put forward, and so on. Such a mechanism can really make the Government present to us the processes of launching the scheme.

The 10-year incremental charge scheme does not cover the costs of Stage 2B. It just covers those of Stage 2A. I find this fair because if we do not render any support, the Government will not be able to recover the full costs. Even after 10 years, the Government will only be able to recover 80% of the operating costs. This is the so-called "rate of recovery". I feel that at the present stage, this time the Government's attitude and initiative have improved substantially over those in the past (this is very obvious), therefore, I personally support the Government's amendment and am willing to approve this 10-year incremental charge scheme. In addition, I hope the Government can provide us with a long-term plan, so as to let us know, after the completion of Stage 2A in 2014, when we can start using or when we can start implementing Stage 2B as well as when the quality of seawater can really reach at least the standard of secondary treatment.

With these remarks, Madam President, I support the Government's amendment. Thank you.

MR SIN CHUNG-KAI (in Cantonese): President, just now Mr WONG Kwok-hing said that beaches in New Territories West are no longer suitable for swimming. President, I would like to, through you, tell the Secretary that this is also the case for beaches like the Lido Beach. I used to live in the Kwai Chung Estate when I was small. I usually took a 45-minute walk there for a

swim. Of course, swimming in that beach is totally out of the question now because it has been closed since the launch of the Strategic Sewage Disposal Scheme (SSDS) of the Harbour.

We support the "polluter pays" principle mentioned by Mr LEE Wing-tat just now. Today we support Ms Audrey EU's amendment, and the Democratic Party strongly urges the Government to implement the secondary treatment as soon as possible. We find the 10-year incremental charge scheme a highly creative initiative. However, creativity does not always merit credits. While we encourage creativity, is it necessary to "bundle" Members of this Legislative Council up with those of the next term and the term after next with regard to such an important policy?

Ms Audrey EU just said that by then we might just let them increase the charges as they like. I am not sure if we can all be re-elected as Members in the next term. However, Members of the next Legislative Council will have the responsibility of monitoring the Government then. Ms Audrey EU's amendment will also involve the period between 2011 and 31 March 2012. In fact, the next Legislative Council will have the opportunity of casting votes on this issue again.

Secretary, I would like to talk about the Mandatory Provident Fund which has a provision for the so-called "maximum level of relevant income" and "minimum level of relevant income". Subsequent to a review, the authorities concerned agreed to table a motion to the Legislative Council for voting every four years so that each Legislative Council can vote on such important issues — not just on government issues, but also on public issues. Hence, we can support the charge increases and the implementation of the "polluter pays" principle. However, should we be "bound" for 10 years? We actually have voiced this opinion in the Subcommittee meetings. From our point of view, we hope that each Legislative Council can have the opportunity to vote once, or at least once on this issue. Therefore, Ms Audrey EU's amendment can bring about exactly such an outcome.

Regarding the chlorination/dechlorination issue, many Members have already mentioned that according to some environmental groups, this is a common practice in many places. However, this process is carried out only after secondary treatment. But in our case it is carried out in the middle of the secondary treatment, or half way through it, and not after both primary and

secondary treatment are completed. That means it requires a substantial amount of chlorine to kill that much of E. coli. In other places where chlorine is added after secondary treatment, the amount of chlorine required is far less than that in our current practice in which it is added at Stage 2A, that is, before Stage 2B and the biochemical treatment or before full completion of secondary treatment. For dechlorination, when it is carried out after chlorine is added in such a way, the result is not comparable to that of more advanced or greener cities. In those cities where chlorination/dechlorination is carried out after secondary treatment, far less chlorine is required. Therefore, the Government should not say that chlorination/dechlorination are common processes as it all depends on at which steps the processes are carried out. For others, chlorination/dechlorination are carried out after secondary treatment.

President, naturally we all have many dreams. For example, as Mr Tommy CHEUNG said that he hoped in 2016..... I guess you probably would be just over 60 by that time, not too old for a swim. Our leader Chairman MAO Zedong swam across the Yangtze River when he was over 60. So, as long as you keep exercising, this should be achievable.

President, our support for Ms Audrey EU's amendment today does not necessarily mean that we do not support environmental protection. We cannot agree with the Government's allegation that we have to support charge increases in order to support environmental protection. Actually, the introduction of charge increases only means that the Government is "drawing water" from the public into the "big pool" of the Government which will not necessarily be spent on facilities supporting environmental protection. Simply put, money so collected will be credited to the General Revenue Account (GRA). So strictly speaking, charge increases in this case are no different from other fee increases.

By the same token, for other commercial and industrial charges in which the Government still cannot recover the costs involved, should the Government be allowed to get the approval for increments all in one go for the next 10 years in order to achieve full cost recovery? The rationale behind this is exactly the same. While it is "polluter pays" in one case, it is "user pays" in the other. The same principle applies — allow me to repeat this: It is "polluter pays" on the one hand, and "user pays" on the other. The justifications are more or less the same. Then should we use this precedent and extend the rationale to other departments for applications for charge increases and that such annual increments for the next 10 years or for several years could be approved all in one go?

President, regarding the charge increases, the Legislative Council has never ever supported increases that will take effect for 10 years all in one go, never to that extent. We are now proposing a moderate approach by which the increase can only apply for a few years so that each Legislative Council can have the opportunity to vote on it. In putting forward such an amendment, we do not necessarily mean to say that we do not support environmental protection or the "polluter pays" principle. We hope that the Secretary will not label us that way. We shall continue to support environmental protection as well as the "polluter pays" principle. We hope that the next Legislative Council can be given the opportunity to thoroughly examine the Government's progress in implementing Stage 2.

President, many Members, including Dr Raymond HO, have mentioned that not only the Secretary, but the whole Government has been somewhat less than satisfactory in the performance in protecting the harbour against pollution in the last decade or so since the 1980s. As such, they cannot command enough confidence from the public. President, we all recognize the Secretary's great enthusiasm for the cause of environmental protection. However, enthusiasm and determination alone are not enough. We also have to consider how to achieve results. Allow me to make a frank criticism here. For so many years, indeed I have the feeling that "we see actions but not results" in this issue. It seems a lot of work has been done but not much results can be seen. I hope that the Government can review the situation in the next few years and achieve more visible progress in 2012, so as to make the public more willing to support the next round of charge increases.

I so submit.

MR FREDERICK FUNG (in Cantonese): President, my speech is going to be relatively precise and concise, because many of the points have already been covered by many Honourable colleagues. With regard to the amendments in general, I share the Government's viewpoints in a number of areas, and I support the Government, in very much the same way as the Hong Kong Association for Democracy and People's Livelihood (ADPL) and I supported the Harbour Area Treatment Scheme (HATS). First of all, this is not the first day we give our support. We rendered our support 10 years ago when a discussion was held and votes were cast on this issue. Second, we agree that we should speed up the progress. The fact that it has taken 10 good years for us to reach the present

stage is, in my opinion, falling behind the schedule drawn up by the Government during discussions in this Council initially. Third, with regard to the "polluter pays" principle, I support the premise in principle. Surely, that is subject to certain "qualifications", but since those "qualifications" may not have anything to do with today's debate, I am not going to discuss them on this occasion.

I disagree with Mr SIN Chung-kai when he said "polluter pays" was similar to "user pays". To me, "those who have the means pay" is even better than "user pays". Regarding "polluter pays", this is particularly evident in cases where pollution is caused by people for reasons related to their work. If pollution is caused as a result of doing business and making profits, there are all the more justifications for the polluter to pay the relevant costs and expenditure. If this is the "qualification", I shall completely agree to the "user pays" principle.

The Secretary said that the charge has not been increased for nearly 10 years, so consideration should be given to whether an increase should be introduced or even to recover a larger part of the primary costs. I agree to this direction as well. As such, my views are not markedly different from that of the Government. The Secretary had consulted me 10 days ago, and I was supportive in principle. However, after I have talked to some colleagues and members of the trade on certain information, I question if there are "loopholes" to be plugged with regard to the request of granting the approval for the next 10 years all in one go, or, according to the Government's principle, the idea of increasing the charges by yearly increments over the next 10 years to recover 80% of the costs. In fact, a number of colleagues had given me various suggestions, and I talked about these suggestions with the Secretary about 30 days ago; therefore, the Secretary is aware of these suggestions too. Actually, I do agree with the Secretary on item (i) and (ii) of the 10th paragraph of her speech. However, that is only a speech, not a piece of legislation. As far as I am concerned, this is the major discrepancy between the Government and me.

In my opinion, the major discrepancy between the Government and me in this amendment exercise does not lie in the contents of the amendments; instead, it lies in the approach adopted by the Government in introducing the charge increases during these 10 years. In this regard, how should we handle the matter in a better way with respect to certain issues concerning the authority of the Legislative Council, the Chief Executive and the SAR Government? Why

should the Legislative Council and the Chief Executive be included as factors? Let me illustrate this with some examples.

As far as the Legislative Council is concerned, I totally agree with what Mr SIN Chung-kai has said just now. Since the term of office of a Legislative Council is four years, a period of 10 years is equal to two and a half terms. Four years later, will the next Legislative Council fully agree with this piece of legislation? In that case, we are actually doing this job for the next Legislative Council. Of course, if we make it five years as suggested by Ms Audrey EU, it would be one year more than a full term of a Legislative Council. To me, four years may even be better. When the next Legislative Council is formed, it may consist of very different Members who may hold very different viewpoints from ours. Should they have the opportunity to indicate whether or not they would support the Government's proposal and to express their own viewpoints, should they not? The Legislative Council at that time may or may not support the proposal, but I believe the Members then should be given such an opportunity and the Legislative Council should have such authority. This is because, under the constraints of the Basic Law, it is very difficult for the Legislative Council to propose amendments. In my opinion, this is a technical issue in respect of how authority is handled.

Secondly, it is about the SAR Government. It is a piece of legislation that is being amended, and item (i) and (ii) of the 10th paragraph of the Secretary's speech have reflected the views of the Secretary or the SAR Government. However, such views do not have any legal authority, nor are they legally binding on the Government. According to the Basic Law, Donald TSANG cannot serve another term as the Chief Executive, unless amendments are made to the Basic Law. Therefore, according to the Basic Law, Donald TSANG will definitely not be the next Chief Executive or the Chief Executive in the next five years. When the new Chief Executive of the new SAR Government is returned, he will have a political platform of his own, and he will ask government officials to carry out their business in accordance with his political platform. By that time, the posts of Directors of Bureaux may or may not be filled up by the same persons who are taking up the posts right now. But then Donald TSANG will not be the new Chief Executive anyway. If the new Chief Executive does not agree with the policy of our incumbent Chief Executive, he will say that this (item (i) and item (ii) of the 10th paragraph of the Secretary's speech) is formulated in accordance with the political platform of the previous Chief Executive, and as the new Chief Executive, he does not endorse the policy.

He could say that it is best and most practicable to follow what the law has stipulated, and the legislation will continue to be effective. Therefore, be they verbal undertakings or government policies, when a new Chief Executive is returned and a new political platform is in place, such policies could be wiped out altogether. In other words, as far as authority is concerned, item (i) and (ii) of the 10th paragraph of the Secretary's speech do not offer a definite, 100% guarantee when compared to legislation. Therefore, although I support item (i) and (ii) of the 10th paragraph, I find that there is no guarantee that they can be implemented. I think this will have a bearing on how I will vote later on.

Still, I find that by undertaking to recover 80% of the costs over a period of 10 years, the Government has, to a certain extent, already taken into consideration the worries and demands of members of the trade. For example, they may worry that the increase may be too excessive, and that it may affect their business operation, and so on. I believe this is an excellent starting point of implementation if we intend to strive for a consensus among members of the trade, the Government and Members of this Council, so as to meet the "user pays" principle. The only point we need to consider is how to ensure that the charge will not go on increasing after 80% of the costs have been recovered. It is possible that even after more than 80% of the costs have been recovered, the Government and the Chief Executive then may still think that the original legislation is better than the policy of the preceding government or the proposal mentioned by government officials in their speeches. There is no guarantee for this. Therefore, I have asked the Secretary in what ways she could incorporate the contents of the two paragraphs of her speech into the legislation. If this is possible, that would be the most comprehensive way of doing it, and I shall be able to support the Government without any reservation. On the contrary, if the contents of the speech cannot be explicitly written into the law, I will have great reservation in supporting the Government. As such, and in view of the current circumstances, I shall support Ms Audrey EU's amendment. Thank you, President.

MS MIRIAM LAU (in Cantonese): Madam President, the Liberal Party basically accepts the Government's resolution on the Sewage Services (Sewage Charge) (Amendment) Regulation 2007, which proposes to raise the recovery rate of the operating costs attributable to the sewage charge to 80% by introducing an annual increase of 9.3% over the next 10 years (that is, from

1 April next year to 2017-2018). Actually, improving water quality — the quality of seawater, of course — is a long-term endeavour, and the Liberal Party has all along supported environmental protection. We are convinced that an approval for the Government to increase the sewage charge in the next 10 years will give it stable revenue and therefore sufficient resources to tackle the problem of sewage treatment effectively.

I believe that like the general public, the Liberal Party also hopes to see concrete improvement to the water quality of the Victoria Harbour. If the water of our harbour can be cleaned, it will be possible to organize cross-harbour swims. But I do not know how many Members are able to take part in it. Anyway, this does not matter because as long as Hong Kong people can participate, all will be very good. The proposed sewage charge increases are in line with the "user pays" principle. We hope that the Government can give the public a clear account of the relevant costs in the next 10 years.

The Government has already given us the relevant information in the Subcommittee. According to the Government, with the increases, the recovery rate of the operating costs attributable to the sewage charge will rise annually. Currently, that is, in 2007-2008, the cost recovery rate is 58.3%. In 2010-2011, it will rise to 72.8%, and in 2012-2013, the rate will further rise to 75.9%. In the end, in 2016-2017, the cost recovery rate will reach 79.6%, close to the rate of 80%.

In her speech today, the Secretary made two clear undertakings. The first undertaking is that if the sewage services accounts show that the 80% cost recovery target for the sewage charge has been exceeded or is projected to be exceeded in the following year, the Government will review the schedule of increases specified in the legislation. I can remember that members of the Subcommittee still had some worries about this, and there were heated arguments. However, the Government made another undertaking at that time, and the Secretary has also reiterated it today. This other undertaking is that if the planned major sewage services-related infrastructure projects are delayed by more than one year, the schedule of increases specified in the legislation will also be reviewed. In other words, the costs of projects yet to be launched must be deducted. This means that if the cost recovery rate exceeds 80%, deduction must be made. If a project has not yet commenced, the existing charge must be reviewed, so as to deduct the costs already factored into it.

Although this extra undertaking can improve the whole scheme, the Liberal Party still thinks that the Government must anyhow offer an explanation to the public — though we basically support the increases because we also hope that the Government can have stable revenue.

The table supplied by the Government indicates that the cost recovery rate at the beginning will just be 58.3%. This means that under the Government's proposal, if it is lucky enough to attain the rate of 70%-plus within one year, it still does not need to conduct any review because the rate has not exceeded 80% as set out in its undertaking. Naturally, it is very difficult for us to estimate whether the Government can attain the rate of 79%-plus. But even if it can really succeed in doing so, the public will not think that they are lucky. They will simply think that the Government has taken advantage of them. We do not hope to see any such misunderstanding. Since the Government has already provided this table and set out the cost recovery rate for each year, its actual revenue from the sewage charge should not deviate too much from all these cost recovery rates. The Government should undertake to the public and the legislature that it will not take this as an opportunity to take advantage of the public.

Actually, this is a very pragmatic proposal. It is hoped that all of us can work with one heart to properly deal with the problem of seawater pollution, improve our sewage services and give sufficient resources to the Government to do its work. The intention is certainly not to offer any "windfall" to the Government. Therefore, since the Government's purpose is not to get any "windfall", the Liberal Party very much hopes that the Government can really stick to the principle of receiving only what it should receive every year, returning any amount in excess or introducing some remission in the following year, instead of relying solely on 80% as the benchmark for review. In the Subcommittee, the Liberal Party already stated this point very strongly. I hope that when she gives her reply, the Secretary can give a formal undertaking to us and also the general public, so that we can implement the Government's sewage charge proposal without any worries and really concentrate on perfecting the sewage services arrangements.

Regarding the proposal on postponing the date of adjusting the sewage charge from July this year to April next year as set out in the Government's resolution, the Liberal Party would like to express its welcome.

Thank you, Madam President.

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

MR ALBERT CHAN (in Cantonese): President, I speak to oppose the relevant motion today. Furthermore, I cannot support the amendments proposed by a Member. The reason is very simple. While the motion will affect the people's livelihood, the amendments, though with less impact, will also affect the people's livelihood.

In view of the present strong financial position of the Hong Kong Government, the Financial Secretary has chosen to return a generous sum of \$20 billion to those with financial means through rates waiver and tax rebate this year. Given such a fiscal condition, we in the League of Social Democrats (the League) strongly oppose the levying of the so-called sewage charge. This is because, insofar as public finance management is concerned, such an approach is wrong in the sense that the cart is put before the horse. We cannot solely look at the so-called "polluter pays" principle in discussing issues pertaining to the sewage charge. Instead, public finance as a whole should be jointly considered, and policies relating to operators have to be formulated as well.

President, I would like to first say a few words on the discharge problem, which has plagued Hong Kong for nearly two decades. I still recall the discussions conducted in this Chamber in the '90s when Mr Ronald James BLAKE was the Secretary for Works, who repeatedly put forward his visionary deep-sea and deep-water discharge programmes and explained how deep tunnels could be built under the harbour to transfer sewage from various parts of the territory, including Kowloon, Hong Kong Island and various parts of the New Territories, including Tsuen Wan, to South China via a tunnel. Furthermore, a deeper tunnel could be built to connect with South China to treat sewage through the natural oceanic dynamics. This was the bold plan outlined at that time. However, the plan has been proved over time that it was actually conceptually wrong.

This explains why the concept is crucial to addressing the discharge problem. A wrong concept will definitely lead to the loss of public funds and damage to the environment. Of all the places in Hong Kong, New Territories West must be the most badly damaged by the discharge problem, whereas Tsuen Wan must be the worst hit district in New Territories West. A number of Members have mentioned one after another that many beaches in Tsuen Wan

have been seriously damaged as a result of the Stonecutters Island Sewage Treatment Works. The problem is not merely caused by the Stonecutters Island Sewage Treatment Works. Another problem is that the Government has failed to tackle illegal connections and the unauthorized discharge of pollutants or sewage into storm-water drains over the years. As a result, the problem of harbour pollution has failed to be fully and properly addressed. Furthermore, a number of beaches (particularly those in Tsuen Wan) will become smelly for almost a couple of days each month when the tide is receding and the weather is hot.

This problem cannot be tackled merely by the levying of the sewage charge. Other initiatives should be taken as well. They involve control of water quality, including management of storm-water drains and a comprehensive programme to rectify all illegal connections. The two have to complement each other. At the district level, it was pointed out in a district board report in 1988 that the illegal connection problem caused by a number of factory buildings in Tsuen Wan had seriously undermined the water quality of beaches. While some problems involving illegal connections have been corrected, a number of such problems have still remained. As a result, the water quality of beaches is still being polluted. Therefore, I hope the Secretary can, besides giving consideration to conceptual and strategic sewage discharge issues, take into account ways to correct and address the existing problems and draw up a definite timetable to examine how to correct those historical errors. This is very important too.

Furthermore, a lot of the so-called sewage discharge problems in the rural areas are still not addressed. Let me cite a very simple example — the beach in Cheung Sha. Pollutants from the villages nearby have continued to be discharged to a stream adjacent to the beach. There is still no planned discharge arrangement to prevent such a beautiful beach from being affected by pollutants.

As regards the drawing up of the so-called "polluter pays" principle, I hope the Government can come up with a clear, comprehensible and retrospective method of calculation in its overall philosophy of fiscal management. The Government's revenue comes from many areas. In the past, the rates payable by us actually covered expenses in many areas. At the very beginning, rates were partially accounted as wages for policemen as expenditure on law and order. For a certain period, rates were partially designated as public expenditure for the two Municipal Councils. Recently, there has been no

specific use of rates. Anyhow, rates are considered part of the revenue of the Government's coffers. Coupled with Government rent, the revenue is huge.

It is commonly understood that rates.....for instance, we have often complained to the Government about why residents of illegal rooftop structures have to pay rates and why rates should be collected from those living in hillside huts. The Government's reply was that as dwellers, they have to pay rates for the public facilities used by their residential units. However, those squatter huts are illegal. Even though people living in them have no formal ownership, they are still required to pay rates. Rates are considered part of revenue. Ratespayers should include residents living in districts. They have to pay rates because they are liable to assume the public responsibility of sharing the expenditure on public facilities for the use of such facilities.

The Government has never explained to us the cost of sewage treatment and other costs relating to sewage works as a share of rates. For instance, in terms of public finance as a whole, what revenue is considered part of the sewage charge? The Government has never offered a comprehensive explanation and study. The "polluter pays" principle suddenly proposed by the Government is, judging from the principle alone, absolutely reasonable. People causing pollution have to pay. For instance, it has been suggested by some that revenue from the motor vehicle first registration tax should be used on roads. However, according to the calculations made by some people, if the fuel duty, first registration tax and related taxes are added up, the total sum will exceed the expenditure on roads — what I mean is administrative management without factoring in the construction costs.

Therefore, the Government should set out clearly which portion of the existing overall revenue should be designated as expenditure on sewage treatment. This portion should be removed if it is relevant to the expenditure relating to the "polluter pays" principle. For instance, if 3%, 5% or 10% of the rates collected are used for sewage treatment purposes, this portion of rates should be deleted and then calculate.....and determine the charge payable by considering from the angles of the "polluter pays" principle and the sewage charge. However, ambiguity in this area has given people a very strong impression that additional sewage charge has to be levied for compliance with the "polluter pays" principle. In effect, taxpayers are required to.....an extra charge is levied by the Government simply by coining a new name. The total revenue might exceed the total required sum of the sewage charge.

I hope the Secretary can convince me in her reply later that this is not the case actually. On the surface of it, I think that the total sum of A, B, C, D and E would already be enough to cover the sewage charge. However, an extra Z is added ultimately. Plus A, B, C, D and E, the total sum might probably far exceed the total amount required for the sewage charge. In effect, members of the public are required to pay an extra tax. This seems to me not at all reasonable.

President, I find it most worrying that public bodies (particularly the bureaucracy) demonstrates a phenomenon and characteristic that they are particularly good at inflating their ego. It is also worrying that the institutions responsible for handling the charge in future will continue to resort to such inflation of ego, and rapid inflation for that matter because of the need to increase the sewage charge and determine the sewage charge independently. Inflation will definitely lead to an increasing spending of public funds and a heavier burden on the public.

Generally speaking, President, I find it very difficult to oppose this question today as a concept *per se*. However, when the matter is handled jointly with the overall public finances, the original motion should be negated. Neither should we support the relevant amendments.

Thank you, President.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): If no other Member wishes to speak, Ms Audrey EU, do you wish to speak again?

MS AUDREY EU (in Cantonese): President, I have listened very attentively to all the speeches delivered by Honourable Members on the two resolutions today. Except for the opposition raised by Mr Albert CHAN to the two amendments for the reasons cited by him, all the speeches delivered by Members are quite consistent.

First, they greatly support environmental protection. Second, the "polluter pays" principle is approved by all Members. Third, they have all agreed that the Government has handled the sewage problem very poorly. All the expressions used, such as "relatively poor", "take advantage of" and "coaxed them into agreeing", are negative. Furthermore, Members have agreed that secondary treatment should be adopted expeditiously, or else we will compare less favourably than major mainland cities for even sewage not processed by secondary treatment discharged into the Victoria Harbour.

Despite the consistency of Members' views, there is nonetheless some difference. Members supporting my amendment hold that Members of this Council are constitutionally obliged to conduct a review in this Council every term. Furthermore, this Council should have the initiative. If the Government performs poorly, it should not be allowed to raise charges. If it performs well, it does not matter even if the charges are raised higher. But still, the initiative should rest with this Council. It is only reasonable for Members to do so for they are constitutionally duty-bound. Furthermore, we act in this way simply because we support environmental protection.

What do those supporters of the Government think? Members supporting the Government actually share the same feeling that the Government has performed poorly and are extremely worried that the Government cannot fulfill its promise. Yet, they choose to adopt a permissive attitude towards the Government. Sometimes, the Government will be spoilt with excessive permissiveness. In this connection, I would like to cite Dr Raymond HO as a most prominent example. He pointed out directly in his speech — I heard him say it this way — that it was very difficult for us not to believe the Government, despite no action had been taken during its fight for land in the past (meaning nothing had been done in fighting for land to construct a sewage treatment plant for secondary treatment). Then he asked himself what could be done by this Council to make the Government more proactive and force it to turn back earlier. After asking himself this question, he went on to say that the Government seemed to have acted more proactively this time around and thus should be allowed to raise charges.

There was much concern among Members when they heard the speech delivered by Ms Miriam LAU earlier. She urged the Government not to "take advantage of" or "fool" the people. She also indicated that she had strongly proposed during the discussions of the Subcommittee that excessive charges should be returned in case of overcharge, and assurance had been given by the

Administration. Actually, how can assurance be given? President, I believe many Members in this Council have the experience that, even if we sometimes requested the Government to send someone to attend our meetings, no government officials would show up.

As I pointed out earlier, it is not the case that I do not trust the incumbent Directors of Bureau or government officials, but the problem is that government officials are replaceable. The incumbent today will definitely tell us sincerely that he will do his utmost. When we pursue the matter with him when something happens or when there is a delay, he will surely assure us that the mistake will not be repeated or he will do even better next time. What should we do as Members of the Legislative Council? We must ensure that the Government performs its role properly. How can we require the incumbent government officials to guarantee that excessive charges will be returned? According to the Basic Law, we as Members of this Council simply have no power to require the Government to reduce charges. How can we live up to our capacity as Members of the Legislative Council and perform our duty as such should we fail to hold on tightly to our power in approving fees increases?

Mr Tommy CHEUNG — who was mentioned by Ms Emily LAU in her speech without naming him — was the one who spoke so loudly at the meetings of the Subcommittee that we would end up with ruptured eardrums even without wearing a headphone. He was very angry a while ago and said that he was most qualified to be angry because he had been cheated by the Government in 1993. Back then, the Government already undertook that, so long as it was allowed to raise charges, people would be able to swim across the harbour. Today, the promise has yet to be honoured. Now the Government is requesting us again to allow it to raise charges for another decade so that everyone can go swimming in the harbour in 2016.

President, there were a lot of grievances in the speech delivered by Mr Tommy CHEUNG earlier. However, it is most unusual that, given that he has once been cheated by the Government, he should all the more bring his influence into full play by appealing to the Liberal Party to heighten alertness this time. Even though they may give approval for the Government to raise charges for four consecutive years, the Legislative Council of the next term should be allowed to examine in 2012 whether the charges should be raised or lowered or the increases should be reduced, given the Government's undertaking to conduct a review in 2011, right? I think it is a most reasonable approach.

President, Miss CHOY So-yuk is really..... Members should have heard her account of how she became a Member of the Legislative Council. She said that it was all because of the Sewage Disposal Scheme that she vowed to become a Member of this Council. According to Miss CHOY, she was in tears advising Mr TUNG to adopt secondary treatment and she vowed to become a Member of this Council because of this incident. This explains why, after listening to her speech, I really did not entirely understand the position she took in casting her vote because it was totally contradictory to her speech for she said that she agreed with the view of the International Review Panel (IRP). Actually, I have pointed out earlier that a member of the IRP, Prof Albert KOENIG of the University of Hong Kong, was angry about the Government's failure to come up with a timetable for secondary treatment to date. While he disagreed with the Government's separation of the programme into 2A and 2B, he was fiercely against chlorination/dechlorination because 2B would not proceed. He was present in the press conference held the day before yesterday. Therefore, I do not understand why Miss CHOY So-yuk can endorse the Government's amendment today and reject mine (which is considered by me to be more reasonable) while agreeing with the view of the IRP.

Furthermore, Miss CHOY indicated that her mentor opposed chlorination/dechlorination the most on the ground that this process is totally unacceptable because removal of E. coli is tantamount to removing the indicators, so to speak. I would also like to remind Miss CHOY that I have enquired with the Government about the scale of the chlorination/dechlorination process. President, for the implementation of 2A, an operating cost of \$122 million will be required for chlorination/dechlorination annually. However, the scale will be reduced should 2B be implemented since an operating cost of \$56 million will be required instead. In other words, the difference is either \$122 million or \$56 million. These figures were provided to me by the Government. The Secretary can tell me later if I have got the figures wrongly. I jotted them down after raising my question with the government official at that time.

Despite her remark that chlorination/dechlorination are infeasible, Miss CHOY So-yuk again gave the Government approval to implement Stage 2A — she had originally disapproved of the implementation of Stage 2A, and she made it very clear in her speech earlier that she would not give up — the wording used by her was "would not give up". She said that she had not given approval for the Government to implement Stage 2A and she would consider stopping it when it was submitted by the Government for approval. However, President, what

we are talking about is increasing charges for 10 years. The costs to be recovered include the costs of these projects, especially Stage 2A. Do Members know when Stage 2A will be launched? I have mentioned it in my speech earlier that it will not be launched until 2014.

According to the figures provided by the Government, the expenditure on the sewage charge is estimated to stand at \$1.254 billion, \$1.29 billion, \$1.4 billion and \$1.7 billion in 2011-2012, 2012-2013, 2013-2014 and 2014-2015 respectively. Although the additional charges we are now talking about appear to be very small sums of dozens of cents and there is no harm allowing the Government to raise charges, the Government's total expenditure on sewage disposal actually covers the projects not necessarily supported by Miss CHOY. Furthermore, Miss CHOY might even stop these projects from being implemented. Therefore, I did not understand her after listening to her speech. While she said that her mentor disagreed and that she would not give up because it was not right, she has somehow approved of the Government's scheme to raise charges for 10 years and these charges would cover the operating costs of the projects Miss CHOY said she would oppose.

Even Miss CHOY agreed that Members had no power to compel the Government to reduce charges or expedite the projects. Therefore, she did not understand why Members would hope to negotiate with the Government through these charge increases. I really hope that Miss CHOY can pull back before it is too late and mend her ways because the Government has failed to perform its sewage disposal work properly for the past decade or so. If Members do nothing and refrain from stepping up their efforts in monitoring the Government, the Government would be allowed to raise charges for 10 years. Furthermore, secondary treatment is not yet included — I heard from today's speeches that all colleagues requested secondary treatment. Should the Government be allowed to raise charges for 10 years and undertake not to make another request for increasing charges during the period, this would mean that no consideration would be given to secondary treatment during the same period too.

President, I will sometimes feel quite sad when I hear words like these. Even though all Members express their support for environmental protection and for the Government to hurry up — in particular, Dr Raymond HO should be more well-versed in these matters than I am because he is an engineer. How can he prefer doing nothing and ask us to trust the Government? He said that although the Government used to demonstrate no actions, its attitude is more

proactive this time around, therefore, he proposed that we should trust the Government and allow it to raise charges for 10 years.

My amendment seeks to give the Government approval to raise charges for four years, not to disallow the Government to raise any charges. Only that Members of the Legislative Council of the next term should be allowed to discharge their duty four years later. If the Government performs well, it might be allowed to ask for more. If it proceeds too slow, more pressure should be applied instead. The only thing we can do in exercising our power as Members of the Legislative Council is to grasp tighter when the Government requests for charge increases or allocation of funds. If Members cannot make concerted efforts to compel the Government to do better, how can we explain to the public and demonstrate our commitment to environmental protection?

President, in conclusion, I can only say that I am trying to put all this on record. I am afraid it is impossible for my amendment to be passed because royalists are after all in the majority. However, should the Government make any mistakes and fail to submit a timetable by 2011, Members and members of the public would know which Members representing them they could turn to for pursuing the matter.

Thank you, President.

PRESIDENT (in Cantonese): I now call upon the Secretary for the Environment, Transport and Works to reply.

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS (in Cantonese): I thank Members for speaking on this motion and for expressing their support for environmental protection. I think I have never said that any Member does not support environmental protection, only that the degree of our support for it may not be the same and we may not be supporting it all in the same way. I do not intend to repeat what Members have said, however, I would like to point out some common ground that exists between us.

First, some staff changes may have taken place in the Government and so the administrative procedures which we have undertaken to carry out may not be

followed. Now the Government has already quite a considerable number of fees and charges collected on a cost recovery basis and they are collected by administrative means. These are time-honoured. In the Bureau which I work, there are many examples of such a practice. These have never presented any problem. Some people may say that there have already been changes in the Members of the Council and the composition is different from what it used to be. This is certainly a possibility. I would think, however, that at the end of the day, it is what the public thinks that counts most and we are just doing what the public wants.

With respect to raising the sewage charge on this occasion, I have an impression that the people of Hong Kong are acting in a mature manner. They are in complete agreement with the "polluter pays" principle and they hope to pay for their share of the costs which they think they should pay. There are differences between "polluter pays" and "user pays". I watched Mr SIN Chung-kai closely as he spoke earlier. This is because in my opinion, there are some implications to the "polluter pays" principle at a higher plane. It is hoped that when people are asked to pay more, they will do less to cause pollution. So this kind of behavioural change is the most vital part of this idea. It is found in many other kinds of activities in social welfare, education and health care. People will not be forced to use less of these services. However, in pollution matters, there is an example of a project in which people are compelled to use less of a particular service.

Is sewage treatment such a simple matter as we may think? Many Members have pointed out earlier that this is a very simple thing. They may say that we have been doing this for more than a decade and many things are not done correctly and there are problems with a deep sea disposal system. It is precisely because work in that is so complicated that it is never an easy task to complete. I think Dr Raymond HO would understand the kinds of difficulties involved. Of course, after the completion of Stage 1, we have already learned a lot and there are professionals in Hong Kong in this area who can undertake such works projects. But still, a lot of technologies are involved and this means what kinds of technology to adopt. I do not really know whether or not I should spend more time talking about this after so many Members have spoken on the subject. Actually, this is by no means simple at all. There are dozens of methods in biological treatment alone. Our international experts have not been wrong. We also agree that secondary treatment should be undertaken. He is wrong in talking about the BAF in compact technology, for it is not compact at

all. And this makes the land we have earmarked not sufficient. At that time we had great expectations and we thought that the land would be sufficient if a seven-storey building was constructed on it. He might be wrong as well. We should never say that the experts are always right. In any case, the Government will need to undertake the final inspection and feasibility study before deciding on the best option. If there are upwards of a million tonnes of sewage at that time which cannot be treated, just imagine what would happen. So the Government must undertake the advance work. It is unfortunate that Members are so impatient about the advance work and so questions are asked about why such a long time is required. Things have been going back and forth like this for a long time.

Why am I so concerned about this 10-year sewage charge scheme? To be honest, it is never easy to take a green project forward. Because it is very difficult to justify a project given the high costs of operation. Now the proposal can really recover sewage costs and it would make things easier when it comes to the justification of all the works projects concerned. Ms Audrey EU has just quoted some figures. She said that \$120 million would be needed if chlorine is used but some \$50 million would be needed as recurrent expenditure if biological treatment is adopted. This is true. But an extra \$700 million is to be spent every year on biological treatment. I am not saying that this should not be done, but we must find the most suitable technology before we do it. Also I am not saying that the chemical treatment now has reduced 80% of the pollutants. We can see some achievement in the Victoria Harbour and there is coral now growing in the Victoria Harbour. What I am saying is that we have used the cheapest and most efficient way to reduce pollution by an enormous margin and that is 80% less. I would of course love to see a 100% reduction, that is, the remaining 20% can be achieved as soon as possible. Only that the experts were wrong when they made the estimate at that time.

People all talked about history. I also attended the public hearing. I asked him how the 2.3 hectares of land were possible. It is because common sense tells us that this is not possible, unless you can work wonders. The result turns out to be really like that. A total of four years were spent on studies. So we must be clear about what we are doing. As for using chlorine, there are many papers written on the subject. In 2006, there was an international journal on the use of chlorine and it was pointed out that when using chlorine as a disinfectant, the most important thing was of course the amount to be used. What makes the most marked difference is whether it is used in seawater or river water. If we

add chlorine to river water, it would actually turn into chloride. Salt is a kind of chloride. As fresh water rivers and other water resources are used in drinking, so the level of chlorine used must be kept at a very low level, otherwise it would affect patients with a heart problem. However, the case is different with seawater. The chlorine content in seawater is already very high and it is measured in terms of hundreds of thousand ppm. This accounts for the fact that in some reviews, it is more acceptable to remove chlorine from the seawater.

I am not saying that everything can be accepted. I hope Members can know more about such matters. Precisely because sewage treatment is such a controversial subject, so whenever some proposals are made, there are bound to be people who try all sorts of ways and means to prevent projects from commencing. These people would argue that the technology will not work or the location is not right. They may ask why things cannot be pooled together while some may ask why things cannot be dealt with separately. When the operation costs are so high, it would be hard to promote such an idea. As the Director of the Bureau in charge of environmental protection matters, I have the responsibility to remove all the obstacles. Therefore, I ask Members to support me in this matter.

As for the question of whether Members trust the Government or whether the Government trusts the Members, this is a political problem which I do not think can be solved within a short time. What I am anxious about is that while we spend time arguing, damage may already be done to our environment. The environment should not be made a victim. As for many other areas of pollution such as pollution in the rural areas, Mr WONG Kwok-hing has just talked about the examples of Wang Tong River and Silvermine Bay, and what the Government must do is to inject funds to carry out work. We have already made a pledge to Mr WONG in this aspect. We will undertake work in that, be the relevant project a short-term or a long-term one.

One final point I wish to make is that all the citizens should come to a common understanding that if we want our environment to improve and if we want our harbour and rivers clean, then all of us should do our part. We must all pitch in before anything can be achieved. As for Ms Miriam LAU's point that the relevant panel of the Council should discuss the recovery rate for the service accounts and ensure that no excessive charges are collected, I see her point. As I said in the beginning, I understand that Members of the Council have to play their role of monitoring the Government and fulfil their duties, so

after consideration, I pledge that when annual reports are to be compiled during the 10-year period to come, if the service accounts in sewage treatment show that the recurrent cost recovery rate in the sewage charge exceeds the estimated recurrent cost recovery rate for that particular fiscal year — we have issued the relevant paper to Members — we will report the case to the Panel on Environmental Affairs and discuss how the prescribed rate of sewage charge can be adjusted. We hope that a clearer pledge can be made on this and that is, we will do it according to a fee schedule. In this way, Members can rest assured that the Government will only collect the charge at the estimated cost recovery rate and we will decide later how an adjustment can be made. I hope we can speed up sewage treatment on the basis of a stable sewage charge.

I believe all Members are supportive of the cause of environmental protection, only that they may not be the same in the extent of support they give. Some may prefer four years while others favour 10 years. Nonetheless, I am thankful to all of them. It is because if only approval is given for my application to increase the sewage charge, I can start launching various sewage disposal projects. Thank you, Members. Thank you, President.

PRESIDENT (in Cantonese): Before I put to you the question on the Secretary for the Environment, Transport and Works' motion, I wish to remind Members that if the motion moved by the Secretary for the Environment, Transport and Works is passed, Ms Audrey EU may not move her motion.

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.

(Members raised their hands)

Ms Audrey EU rose to claim a division.

PRESIDENT (in Cantonese): Ms Audrey EU 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 displayed.

Mr James TIEN, Dr Raymond HO, Dr David LI, Dr LUI Ming-wah, Mrs Selina CHOW, Miss CHAN Yuen-han, Mr Bernard CHAN, Mr CHAN Kam-lam, Mrs Sophie LEUNG, Dr Philip WONG, Mr WONG Yung-kan, Mr Jasper TSANG, Mr Howard YOUNG, Mr LAU Kong-wah, Mr LAU Wong-fat, Ms Miriam LAU, Miss CHOY So-yuk, Mr Timothy FOK, Mr TAM Yiu-chung, Mr Abraham SHEK, Ms LI Fung-ying, Mr Vincent FANG, Mr WONG Kwok-hing, Mr LI Kwok-ying, Dr Joseph LEE, Mr Daniel LAM, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr CHEUNG Hok-ming, Mr WONG Ting-kwong, Prof Patrick LAU and Mr KWONG Chi-kin voted for the motion.

Mr Albert HO, Mr Fred LI, Ms Margaret NG, Mr James TO, Mr CHEUNG Man-kwong, Mr SIN Chung-kai, Dr YEUNG Sum, Ms Emily LAU, Mr Andrew CHENG, Mr Albert CHAN, Mr Frederick FUNG, Ms Audrey EU, Mr LEE Wing-tat, Mr Alan LEONG, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Mr Ronny TONG, Mr Albert CHENG and Miss TAM Heung-man voted against the motion.

Mr Tommy CHEUNG abstained.

THE PRESIDENT announced that there were 53 Members present, 32 were in favour of the motion, 19 against it and one abstained. Since the question was agreed by a majority of the Members present, she therefore declared that the motion was carried.

PRESIDENT (in Cantonese): As the motion moved by the Secretary for the Environment, Transport and Works has been passed, Ms Audrey EU may not move her motion.

PRESIDENT (in Cantonese): Proposed resolution under the Sewage Services Ordinance to amend the Technical Memorandum on Procedures and Methods for Sampling and Analysis of Trade Effluents.

PRESIDENT (in Cantonese): I now call upon the Secretary for the Environment, Transport and Works to speak and move her motion.

PROPOSED RESOLUTION UNDER THE SEWAGE SERVICES ORDINANCE

SECRETARY FOR THE ENVIRONMENT, TRANSPORT AND WORKS (in Cantonese): Madam President, I move that the resolution under my name as printed on the Agenda to amend the Technical Memorandum on Procedures and Methods for Sampling and Analysis of Trade Effluents (Technical Memorandum) be passed.

During the course of scrutiny of the Technical Memorandum, a number of typographical errors were identified in the Chinese version. Pursuant to section 13(3) of the Sewage Services Ordinance, a resolution is moved to rectify these errors and improve the Chinese text. These amendments will not affect the original purpose of amending the Technical Memorandum, which is to reduce the number of specified sampling days for small establishments from three to two days so as to encourage them to adopt pollution reduction measures.

Thank you, Madam President.

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

"RESOLVED that the Technical Memorandum on Procedures and Methods for Sampling and Analysis of Trade Effluents, published in the Gazette No. 12 Vol. 11 of 23 March 2007 as Special Supplement No. 5 and laid on the table of the Legislative Council on 28 March 2007, be amended -

- (a) in sections 3.3.6, 3.4.4, 5.1.3 and 6.5.5, in the Chinese text, by repealing "涉";
- (b) in sections 3.6.4 and 6.2.2, in the Chinese text, by repealing "況";
- (c) in Table 1 and Table 2 of section 3.6.2, in the Chinese text, by repealing "300-600" and substituting "301-600"; and
- (d) in the second line of section 6.5.3, in the Chinese text, by adding "行" after "進".

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.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by 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.

PRESIDENT (in Cantonese): Proposed resolution under the Pharmacy and Poisons Ordinance to approve the Pharmacy and Poisons (Amendment) (No. 2) Regulation 2007 and the Poisons List (Amendment) (No. 2) Regulation 2007.

PRESIDENT (in Cantonese): I now call upon the Secretary for Health, Welfare and Food to speak and move his motion.

PROPOSED RESOLUTION UNDER THE PHARMACY AND POISONS ORDINANCE

SECRETARY FOR HEALTH, WELFARE AND FOOD (in Cantonese): Madam President, I move that the motion under my name, as printed on the Agenda, be passed.

Currently, we regulate the sale and supply of pharmaceutical products through a registration and inspection system set up in accordance with the Pharmacy and Poisons Ordinance (the Ordinance). The Ordinance maintains a Poisons List under the Poisons List Regulations and several Schedules under the Pharmacy and Poisons Regulations. Pharmaceutical products put on different parts of the Poisons List and different Schedules are subject to different levels of control in regard to the conditions of sale and keeping of records.

For the protection of public health, some pharmaceutical products can only be sold in pharmacies under the supervision of registered pharmacists and in their presence. For certain pharmaceutical products, proper records of the particulars of the sale must be kept, including the date of sale, the name and address of the purchaser, the name and quantity of the medicine and the purpose for which it is required. The sale of some pharmaceutical products must be authorized by prescription from a registered medical practitioner, dentist or a veterinary surgeon.

Arising from five applications for registration of pharmaceutical products, the Pharmacy and Poisons Board proposes to add five substances to Part I of the Poisons List and the First and Third Schedules to the Pharmacy and Poisons Regulations. Pharmaceutical products containing any of these substances must then be sold in pharmacies under the supervision of registered pharmacists and in their presence, with the support of prescriptions.

We propose that these Amendment Regulations take immediate effect upon gazettal on 18 May 2007 to allow early control and sale of the relevant medicines.

The two Amendment Regulations are made by the Pharmacy and Poisons Board, which is a statutory authority established under the Ordinance to regulate the registration and control of pharmaceutical products. The Board comprises members engaged in the pharmacy, medical and academic professions. The Board considers the proposed amendments necessary in view of the potency, toxicity and potential side effects of the medicines concerned.

With these remarks, Madam President, I move the motion.

The Secretary for Health, Welfare and Food moved the following motion:

"RESOLVED that the following Regulations, made by the Pharmacy and Poisons Board on 24 April 2007, be approved -

- (a) the Pharmacy and Poisons (Amendment) (No. 2) Regulation 2007; and
- (b) the Poisons List (Amendment) (No. 2) Regulation 2007."

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

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by the Secretary for Health, Welfare and Food 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' motion. Motion with no legislative effect.

Promoting entrepreneurship.

PRESIDENT (in Cantonese): I now call upon Mrs Sophie LEUNG to speak and move her motion.

PROMOTING ENTREPRENEURSHIP

MRS SOPHIE LEUNG (in Cantonese): Madam President, the term "entrepreneurial spirit" in English is a neologism to many people. It may often be associated with the business world. However, entrepreneurial spirit is in fact a popular concept in the 21st century, perceived to be an impetus for the individual's creative thinking, zeal and enthusiasm and courage to take challenges.

What is entrepreneurial spirit all about? It actually denotes: (1) incessant innovativeness and creation of new social values; (2) an indefatigable spirit marked by a preparedness to take challenges; (3) an ability to organize and manage projects for the ultimate achievement of one's goals; and (4) an emphasis on integrity. Last year, entrepreneurial spirit was given recognition by the European Union as one of the prerequisite knowledge and skills required for the survival of the individual in society. As a skill, entrepreneurial spirit involves the translation of ideas into action, the advocacy of creative ideas, responsible actions to put such ideas into action and the ultimate creation of social values.

Peter DRUCKER, father of modern management theories, once remarked to the effect that for any society to be really creative, everyone in it must be an entrepreneur. This means that everyone must uphold the entrepreneurial spirit. The entrepreneurial mindset and qualities are no longer restricted to our understanding and expectation of entrepreneurs. Rather, they have come to be regarded as the essential qualities of everyone. How important is the entrepreneurial spirit to economic progress? According to a report published by the European Commission in 2004, Europeans lack entrepreneurship and are afraid of bearing any risks. This is the main obstacle faced by the European Union in its attempt to make itself the most competitive economic entity before 2010. Consequently, they hope to improve the situation by enhancing entrepreneurship education in schools. At present, almost 40% of the universities in the United States offer courses on entrepreneurship in their undergraduate and postgraduate programmes, and the number of universities following suit has been increasing. In Japan, they even started to provide employment- and entrepreneurship-related education in primary schools as early as the late 1990s. The inclusion of entrepreneurship as part of the general studies and basic education curriculums is now a world trend. Some may argue that we do not necessarily have to look at entrepreneurship from the perspective of money-making, and that entrepreneurship training should be a milestone in one's virtue cultivation.

Entrepreneurship training should focus on giving students guidance on developing their thinking. Besides, such training should also inspire students to build a foundation of self-discovery, self-enhancement and self-learning. Teachers should play the role of exploring students' potentials and broadening their thinking, inspiring them to integrate entrepreneurship into their life, learning and work. If we are to implement small-class teaching, teachers must have an understanding of entrepreneurship and how it can be applied in our life.

Hong Kong must promptly recognize the importance of entrepreneurship to both personal and social development and work out a way forward by learning from the examples of other countries. For example, entrepreneurship may be included in the secondary and primary curriculums, so that schools can make reference to the art of survival in the business world. But we are not talking about the art of money-making in the business world; rather, we should focus on the mentality of constantly seeking changes. We should explore how all these qualities can be integrated into our basic education and enhance the education and skills training on entrepreneurship for non-business undergraduates in our

universities. All these ideas are feasible. In this regard, everybody will have to "grope the way forward". Therefore, the Government must call for territory-wide co-operation and formulate relevant support measures.

Over the past two or three decades, many segments of the whole education system have undergone various reforms. But I still think that many of the reforms implemented so far are not thoroughgoing enough. Many academic institutions, such as the teaching and research centres of the University of Harvard, have been exploring whether entrepreneurship should be incorporated into their programmes as a main ingredient. This is the only way to bring forth genuine education reform.

According to plenty of literature, the business mindset and mentality can provide us with useful reference in the course of promoting entrepreneurship, and the entrepreneurial spirit as manifested and perceived by successful businessmen is a topic that can be included in entrepreneurship education. The incorporation of the business sector's mentality of constantly seeking changes is crucial to the promotion of entrepreneurship education. As a first step, society as a whole must recognize the importance of entrepreneurship and establish a platform of co-operation for all social sectors, so that the interaction between businesses and the public and between businesses and schools can be promoted. For example, an award scheme with wide recognition may be established as an incentive to encourage enterprises to upgrade their corporate images. In this connection, I wish to point out that under the Caring Company Scheme currently operated by the Hong Kong Council of Social Service, recognition is given only to the participation of enterprises in charitable community activities and the co-operation between enterprises and schools is not taken into account. I maintain that we must conduct a review in this respect. Besides, I also urge the Government to actively explore other feasible alternatives.

Nowadays, to stay at the forefront of the world, one can no longer rely solely on simple entrepreneurial enthusiasm. One must also be equipped with certain knowledge and skills. The development of information and communication technologies has brought about the second wave revolution as massive in scale as the Industrial Revolution at the beginning of the 20th century, completely altering the nature of jobs and the structure of industrial production. In the midst of such a torrent of changes, the ability of adding to one's knowledge will be the most valuable social capital. This means that apart from formal education, lifelong learning shall be an important key to building an entrepreneurial society.

According to the Organization for Economic Co-operation and Development, successful engagement in lifelong learning is marked by four features: (1) individual motivation for continuing studies; (2) people's knowledge and ability of self-directed studies; (3) opportunities and channels of continuing studies for the people; and (4) most importantly, social impetus and the encouragement of social culture (though lifelong learning for all should still be encouraged by financial incentives). The Government should continue to build a lifelong learning framework in these four directions. For example, the integrated application of information technologies, various multimedia channels and even traditional media can all provide a greater number of learning opportunities. The existing Capacity Building Mileage Programme organized jointly by several organizations, which provides learning opportunities to women or people with low qualifications, merits promotion indeed. But this should just be the starting point. Enterprises which voluntarily provide their employees with courses of studies should also be offered tax deduction for the expenses incurred. This is also a feasible measure.

I wish to emphasize that the attitude towards lifelong learning may vary from one person to another. Some may pursue further studies for the sake of promotion prospects and salary increases. Others may simply wish to obtain a certificate to prove their capacity. However, I hope that people will not look at lifelong learning purely from the perspective of material gains. Rather, I hope that society as a whole can seek to promote lifelong learning with an attitude of enabling people to boost their self-confidence, update their mindsets, keep abreast of the times and strive for improvement. Madam President, learning will ultimately enhance one's self-confidence, enabling one to live a happy and contented life. Learning with such an attitude will yield entirely different results. And, it is only when people hold such an attitude that it is possible for lifelong learning to yield the desired social benefits. For this reason, the Government should step up its publicity and education efforts, advising people not to think that obtaining a certificate is everything, and that they should instead realize their goal of lifelong learning with an active and positive attitude.

Madam President, education is only the threshold leading us to an entrepreneurial society. We must still implement all possible policies and measures in all areas to activate entrepreneurship and bring it into play. And, the development of a creative society is an important step towards the manifestation of entrepreneurship.

The whole world is now under the pressure of economic renewal. The need for identifying a new economic locomotive among existing economic activities poses a very severe challenge to everyone and every economy. The value of entrepreneurship lies in its ability to foster new and creative thinking in society because all people are induced to think very hard to find out how they can improve their life and society. This is precisely the impetus for renewed economic growth.

Some think that since the economy of Hong Kong is already well-developed and mature, it will not be easy to identify a creative economic locomotive. However, if Members read a very popular book these days, *The World is Flat*, they may gain a fresh understanding of the world. The author of this book, Thomas FRIEDMAN, refers to "flatness" as a characteristic of the globalization process in recent years. "Flatness", he writes, provides a new platform on which people in all corners of the world can get to know what pushes the whole world forward, how co-operation is achieved and how competition can be induced. A technological, economic and political revolution is now levelling the various barriers on the platform. The resultant "flat" world will be a level playing field. For instance, as long as there is access to broadband services, as long as a person has ambitions and perseverance, he will never be marginalized no matter where he lives. The reason is that all competitors are now standing on flat starting points, and all can compete equally. I maintain that creativity is an important asset enabling us to make a mark in this flat global village.

The promotion of innovation should start with the building of a culture for innovation. Entrepreneurship emphasizes the need for cultivating creativity. But creativity may manifest itself as great technological inventions, or just some clever ideas in our daily life. All along, our policy has been encouraging industries to engage in innovative and high value-added activities, but the importance of developing creativity among the people is ignored. A creative culture can only be nurtured by the people. And, it is only by nurturing a creative culture in society as a whole that we can possibly bring forth creative economic activities. Consequently, we should immediately return to the origin of developing a creative society. For instance, we should seek to promote creative activities among the people by holding activities in the community as well as schools and establish various channels to provide room for the continued development of people's creative activities with potentials of progress.

Madam President, in the past, we frequently referred to the "Hong Kong Spirit", thinking that Hong Kong's success was attributable to this spirit. Today, I hope that apart from upholding the Hong Kong Spirit, Members can also get to know and uphold entrepreneurship, the very force that directs our economic development in this age. We may of course say that the Hong Kong Spirit as manifested in the 1960s and 1970s, to a large extent, already embodied entrepreneurship in action. But since the time has come for conducting concrete discussions on entrepreneurship, on the definition of this term and how it can be realized, we should really let Hong Kong embrace this new concept. Internationally, there are now extensive discussions on this concept and various measures have been formulated to put it into practice. We must catch up as quickly as possible.

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

Mrs Sophie LEUNG moved the following motion: (Translation)

"That this Council urges the Government to develop and promote entrepreneurship, and nurture on all fronts the public's understanding and development of entrepreneurial qualities, so that Hong Kong can become a city with the spirit and culture of entrepreneurship to meet the challenges of the 21st century, and the proposals include:

- (a) establishing the importance of entrepreneurship to the development of an individual and the society;
- (b) developing education on entrepreneurship by incorporating the elements of entrepreneurship into the curriculum of all levels of basic education and university education, thereby making entrepreneurship an integral part of whole-person development;
- (c) enhancing the business sector's recognition and awareness of their corporate social responsibilities, promoting and establishing a platform of co-operation between the business and education sectors, as well as examining the provision of incentives to encourage the business sector to jointly participate in promoting entrepreneurship; and

- (d) laying a solid foundation for the development of a society with entrepreneurship, which includes providing favourable social conditions for promoting the development of creativity and innovative thinking, and taking forward the direction and modes of lifelong learning to promote self-enhancement in a systematic manner."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Mrs Sophie LEUNG be passed.

PRESIDENT (in Cantonese): Two Members will move amendments to this motion. The motion and the two amendments will now be debated together in a joint debate.

I will call upon Dr Fernando CHEUNG to speak first, to be followed by Mr Albert HO; but no amendments are to be moved at this stage.

DR FERNANDO CHEUNG (in Cantonese): President, the topic of discussions today is "promoting entrepreneurship". One may say that entrepreneurship is not a very concrete concept. I believe that it is very difficult for anyone to explain precisely what the term means. Mrs Sophie LEUNG has quoted a viewpoint of Peter DRUCKER. When I lectured in university, I also mentioned this scholar very often. As a matter of fact, he can be described as the father of modern management science with a very high standing in the field. However, when we input the term "entrepreneurship" into Google Search, we will discover that there are actually many different views on this concept. The general perception seems to be about the "creation of wealth by enterprises". Consequently, apart from such basic elements as integrity and respect for one's job, "entrepreneurship" also embodies an adventurous spirit, innovativeness and a willingness to fight for success. In brief, the essence is "leverage", the maximization of profits for an enterprise. Any departure from this aim is departure from rationality, running counter to the spirit of capitalism. In the words of Max WEBER, capitalism is essentially an ideal in pursuit of economic gain. Anyone who is totally dedicated to the pursuit of personal gain is a "heroic entrepreneur".

The shrewd businessmen of Hong Kong naturally know how to run a business, extremely skillful at maximizing marginal profits. For this reason, they can probably meet the requirements of a "heroic entrepreneur" as described by WEBER. In Hong Kong, businessmen are "omnipresent". Economic power can often be transformed into political clout that cuts across all social sectors.

It seems that we Hong Kong people are already used to all this because since the colonial times, Hong Kong has been positioned as an economic city. Economic considerations totally dominate the development of this city, or even the fate of everyone here. Hong Kong is about the pursuit of economic gains, all about the pursuit of economic gains. Such a positioning enabled us to prosper earlier than the rest of the Four Little Dragons of Asia. However, how much of the development in Hong Kong over the past few decades can be described as people-based? And, how much of such development has been based on the overall interests of society?

While we rank top in terms of many economic statistics, many of our social development indicators do not even compare with those of Third World countries. Our wealth gap is ever-widening; our human rights situation is far from being optimistic. Actually, when compared with many advanced places, we are extremely backward. Even today, the Government has not yet taken the very basic step of establishing a human rights commission; it is simply reluctant to do so. Discrimination in society is rampant. We welcome investment immigrants, but we are contemptuous of our newly-arrived compatriots from the Mainland. We do not have a strong awareness of the need for conserving antiquities and monuments. We have all along allowed the Government to eradicate antiquities and old buildings. What is more, when it comes to town planning and urban renewal, the Government and property developers have always focused solely on money, thus leading to the emergence of "screen-like buildings" unique to Hong Kong and a "profit-oriented" approach to urban renewal. Even our school and social welfare systems also emphasize productivity enhancement. The avowed objective of our education system is manpower training, but in practice, many youngsters are simply knocked out in the process, just to enable capitalists to reap bigger profits. Worse still, our welfare policy is restrained by a funding ceiling that overrides the needs of society. Such is our guiding principle. All is because humanist values are all considered as nonsense and only the pursuit of economic gains is regarded as the truth.

Actually, the "market" aside, there are still the "government", the "civil society" and the "public realm". But in Hong Kong, the "market" alone is dominant. The Government has been calling itself a "small government"; it is even apprehensive about an appropriate degree of intervention, fearing that this may destroy its reputation as an upholder of market economy. Even more unfortunately, consumerism and materialism at the same time prevail in our "civil society" and "public realm". Creativity and knowledge is not respected, and there is no room for art and cultural development.

Within the "market", what employees mean to enterprises may just be productivity and labour force. For this reason, the staff welfare commitment of enterprises are restricted to mandatory obligations, meaning that they will only provide the labour protection required by the law. Enterprises will exhaust all possible means to increase their employees' economic efficiency, and they will often resort to inhuman management modes as a result.

As far as external relations are concerned, even some large enterprises still perceive "corporate social responsibility" as participation in charitable activities and sponsorship of caring campaigns. Many more enterprises even think that as long as they can do a good job in making profits, they will have discharged their "corporate social responsibility". They think that the economic gains of enterprises will naturally lead to social gains, such as increases in the number of jobs and pay rises.

Such a perception owes its origin to Milton FRIEDMAN, the great advocate of *laissez-faire* capitalism. According to him, the only social responsibility of an enterprise is to make profits, and this is particularly the case with listed companies because they are accountable to shareholders. Therefore, if any shareholders' money is to be spent on charitable activities, it must first be made sure that such activities can create more wealth for the enterprise. The best way in which an enterprise can discharge its corporate social responsibility is for it to create profits and in turn more job opportunities. Such "enterprise ethnics" has actually been producing impacts on "entrepreneurship" as perceived in Hong Kong.

FRIEDMAN never admitted that the market would err, nor did he ever think that government intervention of any kind would achieve any positive effects. Such an advocacy of "absolute *laissez-faire* capitalism" has come under many criticisms for years. Paul KRUGMAN, a famous American economist,

was able to observe that instead of enabling Latin American economies to take off, FRIEDMAN's *laissez-faire* capitalism had aggravated the problem of disparity in wealth in the countries concerned. But it seems that our SAR Government has always thought that the free market will always work. All its views, both "positive non-intervention" and "big market, small government", are based largely on Friedmanism.

Enterprises in many advanced countries have actually come to realize that apart from the creation of economic gains in the narrow sense, the "creation of wealth by enterprises" should also denote the creation of social benefits, meaning that profits should not be their sole concern and social justice and the public interest must also be taken into account. These enterprises now realize that the only proper interpretation of entrepreneurship should be the adoption of business practices to upgrade the overall living quality of society. If not, if social benefits are disregarded, any corporate acts will only further selfish interests at the expense of others.

Members may have noticed that following the implementation of the well-known ISO 9000 Quality Management System and ISO 14000 Environmental Management System, the International Organization for Standardization (ISO) is now working on a management mechanism for corporate social responsibility, called ISO 26000. Expected to be launched next year, this mechanism will cover standards governing employee safety, organizational supervision, environmental problems, consumer rights and social development. Although ISO 26000 is just a set of guiding principles with no binding effect, it is expected that its launch will help reform the operating principles and management systems of enterprises, bringing forth the integration of social responsibility into corporate practices. Of course, apart from this mechanism, there is still another system, SA 8000, which is already being implemented.

Early this year, CHENG Siwei, Vice-Chairman of the Standing Committee of the National People's Congress, published an article, expressing the view that China can no longer tolerate "the amorality of capitals, unethical creation of wealth and merciless conduct of the rich" which characterize the business practices of enterprises. As a matter of fact, in the Mainland, there have been many enthusiastic discussions on "corporate social responsibility" in recent years. Many enterprises have come to realize that "corporate social responsibility" is not simply about the creation of wealth, donations and charitable acts but also carries much deeper social significance.

Hong Kong may be the most worldly-minded or materialistic city. All along, we have equated "development" with "getting rich", thinking that "getting rich" will necessarily give us a better life, better options and a stronger sense of belonging. However, as proven by facts, "getting rich" is not everything. Today, it seems that we have come round a bit, and we are trying to identify other non-economic values. It is now 10 years after the reunification, and colonial rule has been replaced by "Hong Kong people ruling Hong Kong", a topic we often talk about these days. I hope that Hong Kong people can set a new positioning for this very city, get to know their new identity and regain all those humanistic values which have been discarded. I hope that it will not be too late to make such efforts. President, I so submit.

MR ALBERT HO (in Cantonese): Madam President, the motion proposed by Mrs Sophie LEUNG of the Liberal Party today mainly talks about entrepreneurship, but it does not indicate at the same time any care towards and importance of humanity values. I hold that we cannot accept such an interpretation. Although Mrs Sophie LEUNG may have her personal explanation of entrepreneurship in a broad sense, I hold that we must propose an amendment to the above interpretation of the motion.

Entrepreneurship and humanity values may not necessarily be mutually exclusive or antagonistic, but there must be tension between the two, just as the relationship between development and conservation. Despite lacking a clear and objective definition, entrepreneurship, according to our general definition, refers to the use of an adventurous, innovative and aggressive spirit to create wealth, carry out construction and run an established enterprise. Although this spirit includes creditable virtues such as perseverance, resilience, standing fast to integrity and credibility, competitiveness, and so on — as far as I know, Mrs Sophie LEUNG has also expounded on this aspect on some other occasions — in the end, in her entire interpretation, entrepreneurship is defined as the success attained in the competition of a capitalistic market economy and the yardstick of such success is economic gains.

Madam President, today, with the prevalence of capitalism and an environment where trade is being rapidly globalized, we note that many people use economic gains as the only yardstick to measure many values. In such a society, we hold that we need to take heed of and review the situation. In a

capitalistic environment, the entrepreneurs, who are ready to break conventions and take the risk in achieving success, will certainly be regarded as the role model of success or the top notch achievers. However, behind this so-called success, we cannot disregard to what extent other people in society are benefited, and to what extent the development and conservation of society as a whole, human rights and dignity are safeguarded and enhanced. These are the issues about which we need to do a good introspection. More concern needs to be raised to the fact that the present Government or many public service providers have unconsciously adopted entrepreneurship in managing their public establishments. This has led them further astray.

The spirit we need to value, treasure or even rebuild in society today, and particularly in Hong Kong, is humanism. Madam President, what is humanism? It is to value the dignity of individual life and the basic rights and freedom of a person. We affirm that every person, irrespective of his or her class, background or the community to which he or she belongs, should receive an equal share of care, respect and protection. We should support that human society will be able to develop in a just, balanced and harmonious manner. All in all, these are the core of humanism. Madam President, if we only unilaterally talk about the economic gains of entrepreneurship without paying attention to its front on humanity values, what problems will it bring?

In fact, Dr Fernando CHEUNG has mentioned just now some of the problems. A blind pursuit of economic gains will, very often, reduce the chance to talk about the due social responsibility of an enterprise. Of course, I also notice that social responsibility is also mentioned in the motion today, but then, what is social responsibility? We cannot afford not to delineate it in detail. We note that some public enterprises in Hong Kong, such as The Link REIT, are also talking about entrepreneurship. However, the hedge fund, being its major shareholder, when directing the operation of The Link REIT, only places its concern in whether or not the accounts balance off well and whether or not investors of the fund are still interested in continuing their investment. Have they taken note of who, according to the law, are the service targets of their shopping arcades in the public housing estates? Are the service targets not the stakeholders? To what extent are these service targets satisfied? What are their aspirations? How is the relationship between the shop owners and the people in the community?

Another situation which has raised my concern is the banks. Madam President, you also know that Members have questioned a number of times, no matter in the Panel on Financial Affairs or in meetings of this Council, why banks would cease their banking services *en masse* in public housing estates purely in the name of operation — technology to be exact. Many people at the grass-roots level, particularly those living in remote districts, are thus deprived of the rights to enjoy basic banking services.

We even note that many private or public corporations have no concern for the rights to which people with disabilities are entitled under international conventions, particularly the rights of barrier-free access. They even shirk the responsibilities they should perform. Have public corporations like the MTR Corporation Limited, being well aware of its rights to set fares, thought of giving a fair treatment to the service users by reducing the fare during the long period of deflation in Hong Kong, other than focusing on whether the accounts fared well or whether the investors could have an agreeable amount of dividends? No one in the corporation has mentioned these issues. All that these corporations think about is their entrepreneurship, that is, the profit-making spirit, but not the corporate responsibilities that they should bear or the care they should give to the people.

Madam President, the second problem lies in implementation. It is often the case that these corporations use only statistics for planning and adopt vertical management, often paying no regard to interpersonal relations and communication. Just as I have said, they have neglected the satisfaction and acceptance level of their stakeholders, that is, their employees as well as their service targets, whom these corporations should care about. For example, many corporations reject labour unions and pay no respect to labour rights. To date, Madam President — you know as well as I do — how many corporations have responded to the call of the Chief Executive and participated in the so-called Wage Protection Movement? This is the best example for illustration. Those big property tycoons have made a lot of money, but when they were lobbied by the Chief Executive for protecting minimum wage and when they were given a chance to show their self-respect, they refused to do so. What kind of entrepreneurs are they?

The same is true of schools. I hold that the closing down of schools is also problematic. Of course, the Secretary will say that closing down schools involves an operation target and many financial considerations, but the question

remains: Has this decision respected the people and the school, as well as the affection and relationship between the school and the community? Setting aside the issue of small-class teaching for the time being, these problems have to be considered. I just read a piece of news, Madam President, about a university cluster in Beijing named Oriental University City consisting of 10-odd universities. According to the news report on television, about one third of these 10-odd universities are very similar. Many of them are equipped with luxurious villas and an 18-hole golf course, but only one library within these 10-odd universities. This has led to numerous complaints among students. This University City is definitely good at corporate management, but has it truly cared about its service targets and can it truly achieve humanism which is the noble goal of education? This is the problem our entrepreneurs must think over and the question they have to face squarely from society.

Madam President, the goal of education has to put people first, rather than purely using technology as the practical knowledge. We should also attach importance to the education of pure knowledge, social science, humanities and arts, so as to enable an all-round development of character of the people.

However, I must mention one last point and that is, if an entrepreneur possesses the spirit of humanism, there is no reason for him or her to seek special political protection and there is no reason for him or her not to accept the challenge and value of a democratic universal suffrage. If an entrepreneur refuses to face fair competition and refuses to compete with others in a level playing field, what kind of entrepreneurship do they possess? I believe a true entrepreneur will respect equality between people and a fair chance for everyone to compete. As Mrs Sophie LEUNG said just now, they will not resist universal suffrage, and they should also join hands with us in fighting for universal suffrage and to seek an early realization of a fair competition of "one person, one vote". Thank you.

MR WONG KWOK-HING (in Cantonese): President, today's original motion proposes promoting entrepreneurship and nurturing on all fronts the public's understanding and development of entrepreneurial qualities. Meanwhile, the two amendments have respectively emphasized social benefits and humanity values. I support the spirit of the original motion and the amendments, but I do not think we should engage in empty talk in promoting entrepreneurship and good entrepreneurial qualities. In other words, no empty talk can fulfil an

empty promise. There must be some substantive elements. I would like to discuss and share with Members three elements in the following few minutes.

First, in my opinion, as good enterprises and good entrepreneurs, they should advocate the development of good labour relations because, in the absence of good labour relations, it is impossible to say that they have embodied entrepreneurship and are good entrepreneurs. In fact, all enterprises pursue profits, which should give no cause for criticism. However, should the enterprises not also attach importance to staff relations while pursuing profits and establish a good partnership with their staff? This is the substance of the question. If profit is taken as an indicator of entrepreneurship and good entrepreneurs, such advocacy will become something which is stunted and vulgarized.

A review of the current labour relations in Hong Kong, President, will enable us to see a very significant characteristic, and that is, de-employment. It means the change of normal employment relationship through various means by the owners of enterprises in such a way that the employees cannot enjoy the rights provided by labour legislation which are merely the minimal. Several characteristics are noted in de-employment: the offer of contracts, the outsourcing of work and false self-employment. In respect of outsourcing, it is not just one layer but multi-layer. Besides, long-term posts are converted into causal jobs. Instead of being paid on monthly basis, workers are paid on daily basis, or piece-rated or hourly-rated. Furthermore, with the cancellation of basic salary, workers do not earn salary and their income totally relies on commission. If such a practice is advocated in the whole society and all enterprises, will there be good entrepreneurship or good entrepreneurs?

For instance, the Kowloon Motor Bus Company, which has monopolized most of the bus routes in Kowloon and the New Territories, is also a fine and famous enterprise. Drivers who were hired on a long-term basis in the past are now gradually offered contracts in recent years, resulting in a worry about loss of jobs whenever their contracts will soon expire. May I ask whether the owner or entrepreneur of the bus company is a good entrepreneur? I think the mover of the original motion should respond to this question, instead of engaging in empty talk. If the enterprises do not implement the Government's family-friendly policy or refuses to respond to it — for instance, few enterprises have responded to the paternity leave proposed by us — can this be regarded as good entrepreneurship? No one can evade these questions.

The second point I wish to raise is the gradual monopolization by large enterprises in Hong Kong. If the monopolization of all businesses by large enterprises is not reversed, how can we have more entrepreneurs as intended by the original motion to encourage people to become entrepreneurs and start their own businesses through university education as there is no room for small businesses and no mechanism for free creation of business? For instance, the shopping malls in housing estates have all been monopolized, leading to no room for small businesses. How can more entrepreneurs be nurtured? There are more oligopolies instead. So, I think the Member who has moved the motion should respond to this question: Should such a distorted market be accepted?

The third point I wish to make is that, apart from development and profit-making, good entrepreneurship and good entrepreneurs should also attach importance to preservation, environmental protection and energy conservation, instead of pursuing high profits in an exhaustive way. It is not necessary to cite too many examples. One simple one will suffice. Regarding property development, should the plot ratio of all prime sites at the waterfront be fully utilized resulting in the construction of screen-like buildings? Is this a good enterprise? Regarding urban renewal, many original communities are often totally uprooted. Is this a good enterprise? In fact, such examples abound. In my opinion, entrepreneurship is not made up of some beautiful names out of imagination, praising something as entrepreneurship and some people as good entrepreneurs. Rather, there should be real substance, concrete and substantial indicators.

So, I support the promotion of entrepreneurship and that there should be good entrepreneurs in society. But regarding the definition of the basic standard, we should express more views and hold more discussions. Otherwise, this is merely an empty motion despite its good intention.

Thank you, President.

MISS CHAN YUEN-HAN (in Cantonese): I was very eager to make amendments when I received Sophie's motion for today, but I failed to make it as I was out of town last week.

Why did I intend to make amendments? On the one hand, I do appreciate Sophie's intention of moving this original motion, and, on the other, the mover

of this motion should have the courage to answer questions to be raised by Members like WONG Kwok-hing later on. What is social entrepreneurship? It is indeed necessary to make a response.

I recall that I took part in the labour movement in the 1970s, but for less than a decade when I subsequently took a post-secondary course on small and medium enterprises which lasted for a very long period of time. I was interested in exploring the mentality of the business sector because, as evident from the prevailing mentality in the 1970s, for instance, the employers greatly emphasized the idea of riding in the same boat with their staff. This is their entrepreneurship. To attach great importance to their staff as an important tool of making money was precisely their entrepreneurship. While sharing the fruits with their staff in good years, they would also inform their staff well in advance of any problem arising from slack business. I am talking about the situation of Hong Kong in the 1970s.

During those years, I handled numerous cases involving companies or enterprises going bankrupt suddenly, on the verge of bankruptcy or developing towards such in a gradual manner. Despite that "bad" employers were found in the course of it — I found them "bad" because they had turned their back on their staff in times of profits, while taking a mean advantage of them when they failed to balance the books — but it could be seen that there was another group of employers (I am not going to disclose the names of the companies concerned) who rode in the same boat with their staff, just as I said earlier, and hence helped foster such an atmosphere among enterprises. This has brought about significant educational impact on the management level, which included the operators, their employees and the surrounding people.

It was indeed a very good approach. Yet, I wonder why Hong Kong had become increasingly influenced by the management philosophy of the United States, where profit is not only the prime concern, but also a decisive factor. This is really too bad. With the prevalence of the philosophy that profit is the prime objective of those so-called large corporations, the enterprises simply turned their back on all else. They only attributed their huge fortune to the talent and enterprising spirit of their decision-makers, rather than their staff. Since the staff had been fully paid, therefore, sorry, they would be fired when such a need arises.

With such a mentality coming into play in the 1980s, I found that things had become increasingly twisted. It was, however, evident that some members of the advisory body, the Labour Advisory Board, who came from the labour and business sectors, had greatly emphasized the philosophy that employers, having injected the capital, should also attach importance to the concepts of humanity values and social benefits, otherwise we may not be able to achieve any result from all the legislative amendments or the labour protection laws. Turning to the pursuit of such welfare benefits as the advance payment fund on insolvency, paid leave on 1 July, maternity leave and long service payment, I had also participated in all these movements and engaged in negotiations with the employers.

I noticed that there was a group of people whom I often praised at that time, and among them was a retired boss who is now over 80 years of age. I find that this kind of boss can hardly be found in Hong Kong nowadays. At present, whenever an incident happens, people simply disregard the role to be played by enterprises in it. The situation had further deteriorated in the 1990s..... It is, however, evident that improvements had been made. After the 1989 incident, I had once participated in discussions at a seminar on entrepreneurship and labour relations organized by the Labour Department. It was a rare occasion because all the participants had explored the importance of human resources and social benefits in the context of a common objective. The atmosphere then was pretty good, and yet it soon vanished.

I have a strong feeling that many people have moved their operation to the Mainland after the implementation of reforms and opening, and that the Mainland has been very accommodative to Hong Kong businessmen. A good friend of mine, who is teaching at The Hong Kong Polytechnic University, has written an article on Hong Kong businessmen. He said that given the Mainland's excessive accommodation, operators who look for cheap land will go to the Mainland, where cheap labour is also available. As a result, Hong Kong entrepreneurs tended to tail after profit opportunities, thereby resulting in the dissemination — though it may sound offensive — of the aforesaid American entrepreneurship.

I certainly understand that it is the prime objective of entrepreneurs to make money, but after studying business administration for eight years, I have learnt that human resource is nonetheless an integral part of enterprises. Without the support of human resources that work with one heart, it would be impossible for enterprises to gain social recognition, thereby giving rise to numerous problems.

This is precisely what was evident in the Commission on Strategic Development half a year ago, when some members from the business sector pointed out that there was disparity between the rich and the poor in Hong Kong, and considered that many poor people had pinpointed at the large enterprises. I refuted such remarks at that time, and held that it was not the wish of anyone to pinpoint businessmen who made huge fortunes. However, some enterprises very often aroused the grievances of Hong Kong people. For instance, a gigantic corporation has almost monopolized the operation of supermarkets, but it still went further to take over other related businesses, which had enraged the operators of the market stalls in the vicinity. Right? Will it share the fruits with us? Will it ride in the same boat with us? And yet, the worst are indeed the property developers.

It is often said that some people seem to have particular views about the business sector. I am not saying that any conclusion has been drawn, but in my opinion, nothing is one-sided and all sides are definitely interrelated. Regarding the motion on entrepreneurship proposed by Sophie today, I think it is very kind of her for we can at least explore what entrepreneurship is. What are the social responsibilities that should come with entrepreneurship in addition to the combatant spirit, the spirit to strive for continuous self-improvement and "make tireless efforts under the Lion Rock"? In respect of labour relations, how should enterprises treat their staff who have made the fortunes with them hand in hand? Of course, nowadays in the 2000s, I can see that there are still good enterprises, but (*the buzzer sounded*).....

PRESIDENT (in Cantonese): Your speaking time is up.

MISS CHAN YUEN-HAN (in Cantonese): Madam President, I so submit.

MISS TAM HEUNG-MAN (in Cantonese): Madam President, when I first read the wordings of Mrs LEUNG's motion, I was really puzzled. What is meant by promoting entrepreneurship? For the preparation of the speech, I have specifically conducted some academic research. However, I was even more puzzled by the meaning of the motion after conducting such research.

According to the academic definition, entrepreneurship refers to the commercial mindset and values gradually established through the long-term operation of a corporation. In other words, different corporations have different entrepreneurship. If the Government is urged to promote entrepreneurship, what sort of entrepreneurship should be promoted? I wonder if there is anything wrong with today's motion.

I began to understand what Mrs LEUNG intended to discuss when I received her faxed information last night. I believe what Mrs LEUNG wishes to discuss is entrepreneurial spirit. Am I right?

However, even if today's discussion is about entrepreneurial spirit, problems still exist. According to the definition, entrepreneurial spirit refers to the spirit of creativity, which strives for improvement of efficiency and effectiveness through innovation. Such a definition reflects that entrepreneurial spirit has long existed in Hong Kong, which is the core values of Hong Kong. And promotion is not necessary.

The entrepreneurial spirit has long taken root in Hong Kong with numerous examples. LI Ka-shing, the richest man in Hong Kong, is an example, not to mention the others. "Superman LI" was only a minor shareholder of a plastic flower factory then. Precisely because of his creativity with an eagerness to make new attempts, he has become the helmsman of Cheung Kong (Holdings) and Hutchison Whampoa. Should we make further efforts to promote entrepreneurial spirit?

Madam President, as it is not necessary to promote entrepreneurial spirit, where should our focus be placed? In my opinion, our focus should be placed on promoting the awareness of corporate social responsibility and improving the business environment of Hong Kong so that Hong Kong people with entrepreneurial spirit can find room to realize their ideals and establish their entrepreneurship.

Dr Fernando CHEUNG has talked about the importance of promoting corporate social responsibilities. Here I would like to add a few points. As a Cantonese saying goes, "One should keep his integrity after making a fortune". In Hong Kong, quite a lot of people have made a fortune. But how many of them have kept their integrity? We can see that many big enterprises place emphasis on shareholder interests at the expense of public interest. Should the bosses of these corporations not learn the meaning of integrity?

I think the so-called integrity means the social responsibility under discussion today. The Government should regard the overall interests of the people and social justice and harmony as its prime administrative objectives. So, the Government should take the initiative and promote social responsibility in a proactive manner. And no approach is more effective than the Government taking the lead. Can the Government take social responsibility into consideration by, for instance, answering the public expectations in the rail merger exercise, to show that its deeds match with its words?

Apart from promoting corporate social responsibility, the Government should also improve the business environment so that budding entrepreneurs can find room for development.

Entrepreneurial spirit places emphasis on innovation which is best expressed by allowing young people to give full play to their creativity, perform research in new products and mode of services so that their concepts can be commercialized before starting up their own businesses. Unfortunately, the business environment in Hong Kong is basically unable to provide such an opportunity to such business starters.

The original motion proposes the promotion of creativity. But I think the young people of Hong Kong are good at creativity. For instance, young inventor CHAN Yik-hei is a typical example. However, it will be terribly difficult to commercialize his invention.

Madam President, to start up a business in Hong Kong nowadays, the first obstacle to tackle is the escalating rentals. Shop rentals in the past few years have increased by several folds. How can those budding entrepreneurs develop their business? I know that a maximum loan of \$100,000 is offered by the Government to the small and medium enterprises. But can \$100,000 make a business get onto the right track? Can the Government offer more support to those who want to start up businesses? When will there be a level playing field without monopolization?

Besides, entrepreneurial spirit places emphasis on the upgrading of efficiency and effectiveness, meaning the enhancement of corporate governance. If the Government really wants to give full play to entrepreneurial spirit in society, it should take the lead to improve the governance of organizations under its wings.

For instance, the Kowloon-Canton Railway Corporation faced a lot of crises including cracks and mutiny last year. However, the management at the top of the hierarchy did not flush at getting the bonus. Can such kind of governance improve efficiency? If the Government places emphasis on entrepreneurship, it should first improve the governance of public organizations and enhance the transparency of management in order to convince Hong Kong people.

Madam President, the spirit of entrepreneurs pursuing creativity and efficiency has long taken root in Hong Kong. What we should do is to provide an environment to enable such a spirit to flourish and pass on so that there will be more entrepreneurs in future who possess more positive values and place emphasis on social responsibility and corporate governance.

I so submit. Thank you, Madam President.

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

MR ALBERT CHAN (in Cantonese): President, I think today's motion is most meaningful given this day in 2007 because the phenomenon and situation referred to in the motion are badly wanted in Hong Kong.

In the '70s and the '80s, Hong Kong could be said to be full of entrepreneurship and vigorous spirits. But in the short span of 30-odd years, Hong Kong has changed from a society with vigor, creativity and the spirit of starting from scratch to one which is full of monopolization by plutocrats, collusion between the Government and business, and transfer of interests. Prof LAU Siu-kai, in his research in the '80s, pointed out that the politics and economy of Hong Kong were enveloped by the so-called utilitarianistic familism. From utilitarianistic familism, we can clearly see that many small circles, through personal relationships, transfer of interests and establishment of connections, lend mutual support and protection to each other. Of course, the so-called mutual protection and transfer of interests in this aspect are permitted by our institutions. However, precisely because of such transfer of interests, protection and the establishment of pure connections or cronyism, the entrepreneurship in Hong Kong has gradually vanished, in particular the creativity and vigor in the '60s and '70s.

So, in order to establish anew the entrepreneurship, the Hong Kong Government should enact a fair competition law as soon as possible because "monopoly" and "venture business" are opposite nouns. We can also see the monopolization by plutocrats in Hong Kong, and such monopolization is not only geographic but cross-sector, covering a wide spectrum from real estate, transport, energy, property management to even all industries, resulting in a situation where all aspects of Hong Kong people's life are controlled by a big plutocrat. In recent years, owing to the dwindling of industries and the booming property market, various investment items and stock market, opportunism with profit-making being given the top priority has flourished in Hong Kong. The people have no longer placed emphasis on entrepreneurship or creativity. Rather, the most important thing is to grasp the opportunity and make money in the stock market and property market. The first bucket of gold may possibly lead to more fortunes. Through cronyism and ties with the right-hand men of some plutocrats, one can ensure an endless stream of wealth.

We can see that some so-called professionals who are specialized in financial skills have established close ties with some very rich and powerful people in Hong Kong and their next generation. They have made huge profits by repeated deployment of their "financial skills" through assisting the second generation of these plutocrats and taking advantage of the market and their connections. As a result, their wealth has doubled to billions of dollars. So, such establishment of connections and deals through the back doors are gradually regarded as the best way of getting rich by the young people in Hong Kong. It is more and more difficult for us to tell Hong Kong people to make a living by performing manual work in factories, not to mention the fact that factories in Hong Kong have dwindled and no more jobs can be offered.

So, if we want to break Hong Kong's opportunism with profit-making being given the top priority and to create the entrepreneurship advocated by Mrs Sophie LEUNG, we have to combat monopolization and transfer of interests through cronyism. We should enact a fair competition law as soon as possible.

Regarding entrepreneurship, President, Chairman of the League of Social Democrats Mr WONG Yuk-man mentioned, in a discussion with us about Hong Kong's economic development earlier, his special admiration for Mr CHIANG Chen. In Hong Kong, I believe it is very rare for those in the industrial sector to stand fast at their posts. Many of them will gradually shift to the property or

financial sector after making the first or second buckets of gold. While some of them have devoted most of their time to industrial operations, their second generation may have shifted to the property sector. So, if Mrs Sophie LEUNG can really set up an enterprise award scheme, I think she should consider giving the award to those who have taken root in Hong Kong, those who really promote industries and will not totally give up their original spirits for instant success and short-term monetary gains.

I hope, through today's discussion, the Government will be awakened early. In most of the time today, Secretary Stephen IP appears to be very tired. He should enact the relevant legislation as soon as possible so that entrepreneurship can be re-established in a level playing field in Hong Kong and our industries can scale new heights. Thank you, President.

MR JEFFREY LAM (in Cantonese): Madam President, I think Mrs Sophie LEUNG's motion today can really din exhortations into our ears regarding the direction of our education. However, the other two Members' amendments seem to have distorted the advocacy of the original motion and I consider them problematic.

For instance, Dr Fernando CHEUNG thinks that Hong Kong's mode of social development is excessively economy-led. I think we will not come to such a conclusion after a careful analysis.

As we all know, we should maintain a vigilance against crisis in order to survive in the highly competitive international community. Otherwise, our situation will be like a boat sailing against the current which must forge ahead, lest will be driven back. No region in the world can feel complacent, thinking that it can be conservative and live on its established advantages without making any progress.

In recent years, instead of being excessively economy-led, Hong Kong has in fact attached too much importance to welfare distribution, resulting in the suppression of the positive and vigorous entrepreneurship and a dwindling of Hong Kong's competitiveness.

In the Global Competitiveness Report (2005-06) announced by the World Economic Forum in 2005, among the 117 economies, Hong Kong's ranking slid

from the second in 1997 to the 28th in 2005. In the latest global competitiveness ranking announced by the Lucerne Institute of Management in Switzerland, Hong Kong, which has securely held the second place in the past couple of years, has lost the position and dropped to the third. The second ranking has been taken by Singapore.

Even compared with the mainland cities, Hong Kong's current advantageous position is also facing severe challenges. According to the Report on the Survey of Competitiveness of Cities in China by the specialists and authorities of the Institute of Finance and Trade Economics, Chinese Academy of Social Sciences and the Hong Kong Institute of Asia-Pacific Studies of The Chinese University of Hong Kong, Hong Kong has dropped from the second in 2006 to the third in this year after Shanghai and Shenzhen in terms of structural competitiveness despite its first ranking in various indexes. Regarding growth competitiveness, it is even a great surprise to many as Hong Kong has ranked 198th in the last couple of years.

Even from the perspective of Hong Kong people, most of them do not agree that Hong Kong is excessively economy-led. According to an opinion poll by the Public Opinion Programme of the University of Hong Kong (HKU) in May 2005, among 1 000 interviewees, 61% of them said that they were most concerned about economic problems. According to a number of previous surveys by the HKU, economic issues have been the prime concern of the people. For instance, in a survey in June 2004, 63% of the people were most concerned about the economy and such a percentage was adjusted to 65% in September the same year, thus showing that the people considered the current economic development far from satisfactory and improvement must be made in a proactive manner.

So, if we say that Hong Kong's mode of social development is excessively economy-led, I am afraid it does not live up to the people's expectations. In fact, as Hong Kong is a pluralistic society, people are also concerned about the quality of life and even other social development problems apart from economic development. To say that Hong Kong's development is excessively economy-led will inevitably become a partial remark.

Madam President, Dr CHEUNG also mentioned that enterprises should pay attention to social benefits apart from emphasis on the adventurous, aggressiveness and vigorous spirits. We agree to that. In recent years, it has

gradually become a consensus in the business sector that enterprises should attach importance to social responsibilities. However, Dr CHEUNG has also emphasized that social benefits are the fundamentals of enterprises. In view of his statement, what are the fundamentals of enterprises, economic benefits or social benefits? I am afraid that even secondary school students clearly know the answer of this question. I would like to reiterate once again that the pursuit for entrepreneurship and social benefits is not contradictory as long as we do not put the cart before the horse.

Regarding Mr Albert HO's amendment, entrepreneurship with emphasis on humanity values is strongly advocated. This should not give cause to criticism and is also the spirit pursued by the modern business community. However, the entrepreneurship mentioned in Mrs Sophie LEUNG's original motion does not serve as a guideline on how to set up an enterprise or what spirits should be upheld when setting up an enterprise. Rather, it urges people to follow the positive, aggressive, innovative and eager-to-change spirits pursued by enterprises in order to meet all the challenges in a new era.

With these remarks, Madam President, I support Mrs Sophie LEUNG's original motion.

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

MR ALAN LEONG (in Cantonese): President, I actually do not see any necessary contradiction between today's motion proposed by Mrs Sophie LEUNG and the amendments proposed by Dr Fernando CHEUNG and Mr Albert HO. On the contrary, they have assured the importance of entrepreneurship with simultaneous emphasis on different aspects.

The term "entrepreneur" can be traced back to as early as the theory of J. B. SAY, a French economist in the early 19th century. It generally refers to those who can transfer low-valued economic resources to higher productivity domains. This is the definition by the economist. Around a century later, the economist J. A. SCHUMPETER further pointed out that innovation was the main element of entrepreneurship and entrepreneur was precisely the driving force for innovation. According to SAY's definition, entrepreneurship is absolutely not the privilege of the business sector. Rather, even in the

governmental or non-government organizations, those who demonstrate creativity and put resources into effective use can be regarded as possessing entrepreneurship.

President, although entrepreneurship can exist in the business sector, the Government and even organizations in the civil society, the shaping of the entrepreneurial concept is closely related to the notion of market economy. As a result, with emphasis being placed on entrepreneurship, resources saving and efficiency enhancement often become the criteria for proving success or failure. Meanwhile, the Government and other public service providers are oriented towards non-profit-making causes and public interests. When there is a need for a market mechanism to allocate private property, there is also a need for the provision of public resources in order to meet the public's basic needs of development. These two should complement each other and neither should be over-emphasized at the expense of the other.

I do not oppose the application of entrepreneurship in the non-economic sphere such as the Government and non-government organizations. On the contrary, I think the introduction of suitable reforms in the public bodies will lead to efficiency enhancement in public services which is a good thing. However, when the non-economic sphere is run as an enterprise, one principle should be strictly adhered to, and that is, the target clients of public services should not be limited to those who can afford the cost but also everyone in the community. The purpose of efficiency enhancement is not only cutting expenses but also better responding to the needs of the community as a whole.

President, in comparison with the entrepreneurial reform in the public sector, entrepreneurship in the economic domain of Hong Kong is more familiar to the people. With innovation and an ability to adapt to changes, Hong Kong became a diversified light industrial centre during the '50s and the '70s. During that period, many small-scale factories running their business with a small capital in Hong Kong were striving for innovation all the time, giving support to the whole economy and feeding most workers. Meanwhile, small stalls and neighbourhood shops were also booming. With full utilization of creativity, they met the needs of all social strata in every aspect of their life, including clothing, food, accommodation and transport.

Conversely, are there sufficient social conditions in Hong Kong for the small and medium entrepreneurs (SMEs) to bring their strengths into full play?

In the past, the SMEs flocked to the shopping malls of the public housing estates, which are now under the management of The Link REIT. Operated in the commercial mode, these shopping malls have also proposed a huge increase in rentals at the same time. According to a survey, even the On Ting Shopping Centre in Tuen Mun or Chung Fu Shopping Centre in Tin Shui Wai which are so remote from the urban area have seen a 20% increase in stall rentals. The survival of the SMEs in these housing estates is under serious threats.

On the other hand, as a result of the unfair competitive environment, the SMEs are now facing higher operating costs or even the crisis of being squeezed out. Take small-scale supermarkets as an example. The number of such operators has dropped by 41% in the past six years while the number of branches of the two big supermarket chains and their commodity prices are on the rise. At present, Hong Kong's economic environment is favourable to large enterprises while the room for the small ones is being suppressed. This can hardly be regarded as the positive development direction for entrepreneurship.

President, if the big enterprises adopt the attitude of killing the goose that lays golden eggs in their efficiency enhancement exercise without regard to their own responsibilities in terms of social justice and environmental protection, their image will eventually be damaged, thus giving rise to much more negative social impacts. As a result, these big enterprises, as members of society, will stand to bear the dire consequences. The enterprises can certainly apply healthy entrepreneurship and shoulder their social responsibilities. On the other hand, the Government should also provide the most powerful public resources, that is, to establish a sound statutory regulatory regime for the public, correct the market failure and uphold the level playing field so that both the large and small entrepreneurs can enjoy the room of freedom, thus enabling them to continue to give full play to their innovative spirits and create more social benefits.

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 no other Member wishes to speak, I will now invite Mrs Sophie LEUNG to speak on the two amendments. The time limit is five minutes.

MRS SOPHIE LEUNG (in Cantonese): President, I cannot remember if it was last year or the year before the last that I moved a motion on promoting social enterprises. At that time, many colleagues indicated that they did not know what I was talking about, and many of them took the opportunity to express their pent-up feelings. However, to date, all Members have pitched in to promote social enterprises. This is good.

Today, our discussion is on entrepreneurship. If again, Members try to take the opportunity to voice their discontents, it may not necessarily be undesirable. I am really glad that I have the opportunity to raise this motion on such a respectful occasion, and I hope that from now on, Members will understand the entrepreneurial spirit mentioned by me. Actually, a lot of books on this topic can be found on bookshelves, so Members may perhaps have a look at these. The theme of these books is not about doing business, but about how we can be more positive and ambitious in our life. I think every adult in this Chamber should read more about this subject, for I think each of us should keep up with lifelong learning and learn more about how to bring entrepreneurship into full play.

My colleagues said that entrepreneurship means the various social responsibilities we have to undertake. They even took this opportunity to unleash a deluge of criticism of the imperfection of certain enterprises at present. I understand their mindset. However, when I talk about entrepreneurship, I actually refer to an entity, the self-enhancement of individuals. Entrepreneurship also includes the recognition of society and the commitment to it. If we do not start promoting this concept to the present generation, the younger generation in particular, but dwell on making endless criticisms, 90 years or even 100 years later, there will only be criticisms. When we arrive at the entrance of Heaven, St. Peter will probably ask us, "What have all of you said? You have only made criticisms but stopped short of making any achievement."

President, I remember a footage I have seen on a flight. It said that in case of an incident where passengers were required to put on the oxygen masks,

parents should remember — should remember — to put on their own oxygen masks first instead of helping their children with their masks. For one must first put on his or her own oxygen mask before he or she can help others in need. I think the same case applies here. We have to first see or examine whether we ourselves have entrepreneurship.

After hearing the speeches from Dr Fernando CHEUNG and a number of other Members, I nearly think the subject of today's motion is economics. But we are not talking about economics indeed. I hope, after today's debate, Members will study in detail the meaning of entrepreneurship. We should not be sidetracked by the word "entrepreneur" and focus our discussion blindly on other aspects.

Equality or mutual respect is the prerequisite of a humanistic society. According to entrepreneurship, these qualities are crucial to the self-enhancement of individuals.

Earlier on, some Members said that families had focused only on their second generation. However, if this is put in a broader perspective, will not the nurturing of the second generation in society — the second generation of the public — actually bring the merits of enterprises and institutes into the fullest play? This is a point we may have to consider. I myself have my second generation and I am said to be the entrepreneur of the first generation. Sometimes, I feel the need for a broader shoulder to help shoulder the responsibilities, but we are facing a really acute shortage of talents.

The kind of entrepreneurship we are now talking about is in fact the sustainability of self-development. We encourage individuals to maintain sustainable of self-development. Not only those at the age of 80 can continue to develop, society as a whole will be able to sustain its development. President, I would like to make use of the limited time remains to draw an analogy. We say that *Mikania micrantha* is a harmful species that impedes the continual growth of trees. Should we only encourage enterprises and society to plant more trees but ignore the existence of *Mikania micrantha*? The entrepreneurship now under discussion precisely requires the elimination of *Mikania micrantha* in our human nature, and the elimination of *Mikania micrantha* found in society, with a view to bringing about sustainability in the development of mankind.

Thank you, President.

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese):
Madam President, I am very grateful to Mrs Sophie LEUNG for proposing the motion today.

Entrepreneurship can be interpreted in many ways. In the broad sense, people with entrepreneurship are innovators, full of creativity, enterprising, adventurous and concerned about society. Entrepreneurship can be manifested in practically all fine aspects of one's life.

The Global Entrepreneurship Monitor recommends the following 10 entrepreneurial framework conditions:

1. cultural and social norms;
2. government policies and programmes;
3. financial support;
4. education and training;
5. characteristics of labour force;
6. research and development transfers;
7. commercial and professional infrastructure;
8. political system, institutions and social context;
9. market openness; and
10. economic climate.

Hong Kong is a pluralistic and open society with all the conditions conducive to the nurturing of entrepreneurship. We accommodate different cultures, religions, beliefs, languages, lifestyles and ideologies. Ours is a society with a tightly-knit family structure and positive values. Without any conscious efforts of nurturing, all these characteristics already exist naturally in our society. However, the Government may still strive to nurture and consolidate these features through its policies and the provision of education.

In my discussion today, I wish to concentrate on how government policies and support measures have contributed to the promotion of entrepreneurship and how such a spirit is integrated into our education and training.

Many people perceive entrepreneurship as the ability to grasp business opportunities. In Hong Kong, many entrepreneurs with ideals and visions make a start by first setting up small and medium enterprises (SMEs). Currently, there are roughly 276 000 SMEs, accounting for more than 98% of all local enterprises. SMEs play a very significant role in promoting Hong Kong's economic development.

The SAR Government attaches importance to SMEs and provides them with various forms of assistance. The Support and Consultation Centre for SMEs (SUCCESS) under the Trade and Industry Department, for example, provides free business information and consultation services to SMEs.

Regarding the provision of business information, SUCCESS operates the Business Start-up Information Service for potential business start-ups. As more and more people want to start their own business in recent years, SUCCESS has started to enhance its services since September 2005, for the purposes of giving guidance on those issues which potential business start-ups must pay attention to, such as the drafting of business start-up plans, market analysis, financing, costs/expenditure estimates, tenancy matters and manpower resources, and providing them with comprehensive information. As for consultation services, SUCCESS operates the SME Mentorship Scheme and the "Meet-the-Advisors" Business Advisory Service, whereby experienced business operators and experts from various trades and industries are assigned to provide one-to-one guidance and counselling to SMEs and assist them in solving their operation problems.

Mrs Sophie LEUNG has raised the point that to promote entrepreneurship, we must encourage creativity and innovative thinking. The Innovation and Technology Fund established by the Government aims precisely to upgrade the value-adding capacity, productivity and competitiveness of local economic activities and assist enterprises in upgrading their technological levels, so that they can introduce more innovativeness to their business. So far, the Fund has granted a total of \$2.8 billion for financing more than 900 projects.

With a view to encouraging the wider adoption of innovative designs and high-value adding approaches among various industries, the SAR Government

also finances the establishment of the Design Support Programme (DPS) and the InnoCentre. Under the DPS, there is a total of \$180 million for the provision of funding support under four separate schemes. One of these schemes, the Design-Business Collaboration Scheme, encourages SMEs to make investment in design and application. Funding support is normally given as a grant up to 50% of the approved project cost or \$100,000, whichever is the lower. So far, funding approval has been granted to 50 projects, involving a total sum of \$4.7 million.

The InnoCentre, which formally commenced operation in November last year, is a "one-stop" shop and also a centre of high value-added design activities among design professionals, design companies and user industries. The InnoCentre can induce people to explore innovative and practical designs and transform them into tradable deliverables or even establish their own brand names. As at April this year, 33 design companies had already joined the InnoCentre either as tenants or incubation companies.

Mrs Sophie LEUNG's motion also raises the point that enterprises must be encouraged to discharge their social responsibilities. I very much agree to this point. Apart from corporate development and profits, entrepreneurship must also attach importance to social responsibilities. As society matures, the public have turned increasingly concerned about the corporate social responsibilities of enterprises. A concern about society and employees will not only upgrade the corporate image of an enterprise, but also help attract and retain quality employees and increase public acceptance of its products and services. For this reason, more and more Hong Kong enterprises are now willing to repay society.

In order to further increase the commercial sector's recognition of its social responsibilities, the SAR Government has set up the \$300 million Community Investment and Inclusion Fund and the \$200 million Partnership Fund for the Disadvantaged. The former is a seed fund for supporting the cross-sector co-operation of the business community, professional bodies and community organizations. By joining hands to organize various activities, these organizations aim to encourage mutual concern and aid among people, promote community participation at the local level and develop social capital. The Partnership Fund for the Disadvantaged, on the other hand, provides matching grants to encourage the business and welfare sectors to establish a partnership relationship for assisting the disadvantaged.

As a matter of fact, many enterprises have been striving to discharge their social responsibilities in recent years. A very good example is the Caring Company Scheme administered by the Hong Kong Council of Social Service with funding from the Social Welfare Department. At the very beginning, only some 200 enterprises participated in the scheme, but over a short span of just a few years, the number of participants has risen to 1 000. It is especially encouraging that not only large enterprises with huge resources but also an increasing number of SMEs have joined the scheme. This is indeed very commendable.

Education is very important to one's personal growth. The cultivation of entrepreneurship can start in early childhood. We have accorded top priority to whole-person development in our school education precisely because we aim to make students grow up in a balanced manner and nurture their ability of lifelong learning, so that they can upgrade themselves continuously and contribute to society.

Consequently, since 2001, we have been introducing various curriculum reforms in our primary schools. Apart from providing students with broad and balanced education in languages, mathematics, general studies, arts and physical education, we have also enhanced the training on students' communication competency, critical thinking and creativity. Such a direction of reform is conducive to cultivating entrepreneurship among our children.

Since we have reduced the number of school subjects and overlapping subject contents, students now have more time for participating in extra-curricular activities, such as those pertaining to ethics, civic education and social services. The related learning experiences can encourage students to care for society and develop their ability of independent thinking and problem solving. All these are the indispensable elements of entrepreneurship.

When the new academic structure for senior secondary education commences in 2009, all Hong Kong students will receive 12 years of school education. The three-year curriculum for senior secondary education will provide students with a wide range of courses, including the very practical subject of applied studies. Such courses will be designed to tie in with the local socio-economic development. In the process of knowledge and skills acquisition, students will also come to form the correct work attitude and methodology of thinking, including the concepts and practices of entrepreneurship.

In regard to higher education, some institutions have already incorporated entrepreneurship into their general studies programmes as one of the electives for all students. Apart from deepening students' understanding of the principles of commerce, such courses can also increase students' interest in starting their own business. What is more, many institutions also provide opportunities of local and overseas practical training, with a view to enabling students to gain a deeper understanding of the business world and paving the way for them to start their own business or work in the commercial sector in the future.

In regard to vocational education and training, starting from the 2007-2008 academic year, the Vocational Training Council will offer whole-person development courses to its full-time students. Four of the core values covered by these courses, namely, creative thinking, action, social dedication and moral responsibility, are precisely the ingredients of entrepreneurship.

Furthermore, the Education and Manpower Bureau has been implementing the Business-School Partnership Programme since the 2005-2006 academic year. Through the various activities organized jointly by commercial organizations and schools in Hong Kong, students can get to know the industrial and commercial development of Hong Kong and the requirements of different posts. More importantly, these activities can help students form the correct work attitude and values required for coping with our economic and social changes. The BSPP offers a rich variety of activities, including education forums, seminars of special topics, workplace visits, business inspections and work attachments. This academic year, more than 150 industrial and commercial organizations have joined the BSPP. They have organized 150 activities so far, attracting the participation of more than 9 000 teachers and students.

I very much agree with Mrs Sophie LEUNG that it is necessary to promote lifelong learning and self-enhancement in a systematic manner. It is our conviction that in this age of rapid changes, lifelong learning is the only means through which we can keep abreast of the times and fully prepare for the future. In order to create an environment conducive to life-long learning, the Government is currently striving to develop a Qualifications Framework (QF) that cuts across the academic, vocational training and continuing education sectors. The QF will serve as a platform defining the levels of different educational and vocational qualifications and indicating the articulation ladders between different levels of qualifications, thus enabling people intending to

pursue further studies to set down their objectives clearly, enrol in courses with quality assurance and eventually obtain higher qualifications. Current employees with the relevant experience, knowledge and skills may on the other hand receive formal recognition of their qualifications under the Recognition of Prior Learning mechanism. In the long run, the QF can help promote continuing education and upgrade the competency and competitiveness of local manpower.

In addition, the Government will continue to invest huge resources in the encouragement of continuing education. In 2002, we already set aside \$5 billion for the establishment of the Continuing Education Fund, with the aim of encouraging and financing people's continuing education and coping with the development of the knowledge-based economy. So far, subsidy has been approved for more than 330 000 applicants. We will report to the Legislative Council Panel on Manpower tomorrow on the findings of the review concerning the Fund. One of our improvement recommendations is on expanding the scope of the Fund. It is proposed that all courses designed in accordance with the Specification of Competency Standards formulated for individual trades and industries under the QF should be covered by the Fund. We believe that the proposal will be conducive to the development of the QF, in the sense that courses recognized by the Fund can thus be better able to meet manpower needs and more people intending to further their studies will be able to receive subsidy.

Madam President, Hong Kong is a knowledge-based world city, so it must nurture talents with entrepreneurship if it is to develop on a sustainable basis.

The Government's role in the promotion of entrepreneurship is not so much about directing the development of enterprises but the creation of a favourable environment and the provision of appropriate assistance. We must forge a consensus in society and all social sectors must strive to build a pluralistic society that tolerates differences, so that entrepreneurship can flourish.

With these remarks, Madam President, I support Mrs Sophie's LEUNG motion.

PRESIDENT (in Cantonese): I now call upon Dr Fernando CHEUNG to move his amendment to the motion.

DR FERNANDO CHEUNG (in Cantonese): President, I move that Mrs Sophie LEUNG's motion be amended.

Dr Fernando CHEUNG moved the following amendment: (Translation)

"To add ", as Hong Kong's mode of social development is excessively economy-led," after "That"; to add "which attach importance to social inclusion and humanity values and, while emphasizing the adventurous, aggressive and vigorous spirits in the creation of wealth, it should also take into account social benefits in addition to the pursuit of economic benefits, and fully understand that social benefits are the fundamentals of enterprises" after "entrepreneurial qualities"; to delete "the" after "become a city with" and substitute with "comprehensive"; to add "to balance the prevailing trend of marketization and commercialization in non-economic areas, in order" after "culture of entrepreneurship"; to add "oriented to social benefits" after "establishing the importance of entrepreneurship"; to add "oriented to social benefits" after "elements of entrepreneurship"; to add "oriented to social benefits" after "participate in promoting entrepreneurship"; to delete "a society with" after "laying a solid foundation for the development of"; and to add "oriented to social benefits" before ", which includes"."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Dr Fernando CHEUNG to Mrs Sophie LEUNG's motion, be passed.

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

(Members raised their hands)

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

(No hands raised)

Mrs Sophie LEUNG rose to claim a division.

PRESIDENT (in Cantonese): Mrs Sophie LEUNG 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): Miss CHOY So-yuk, are you not going to vote?

(Miss CHOY So-yuk pressed the button 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:

Mr CHEUNG Man-kwong, Mr SIN Chung-kai, Mr WONG Kwok-hing, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Mr KWONG Chi-kin and Miss TAM Heung-man voted for the amendment.

Dr Raymond HO, Mr Bernard CHAN, Mrs Sophie LEUNG, Dr Philip WONG, Mr Howard YOUNG, Mr LAU Wong-fat, Ms Miriam LAU, Mr Abraham SHEK, Ms LI Fung-ying, Mr Tommy CHEUNG, Mr Vincent FANG, Dr Joseph LEE, Mr Daniel LAM, Mr Jeffrey LAM and Mr Andrew LEUNG abstained.

Geographical Constituencies:

Mr Albert HO, Mr Martin LEE, Mr James TO, Mr CHAN Kam-lam, Mr LEUNG Yiu-chung, Dr YEUNG Sum, Mr LAU Kong-wah, Miss CHOY So-yuk, Mr Albert CHAN, Mr Frederick FUNG, Ms Audrey EU, Mr LEE Wing-tat, Mr LI Kwok-ying, Mr Alan LEONG, Mr CHEUNG Hok-ming and Mr Ronny TONG voted for the amendment.

Mr James TIEN and Mrs Selina CHOW abstained.

THE PRESIDENT, Mrs Rita FAN, did not cast any vote.

THE PRESIDENT announced that among the Members returned by functional constituencies, 22 were present, seven were in favour of the amendment and 15 abstained; while among the Members returned by geographical constituencies through direct elections, 19 were present, 16 were in favour of the amendment and two abstained. Since the question was not agreed by a majority of each of the two groups of Members present, she therefore declared that the amendment was negated.

PRESIDENT (in Cantonese): Mr Albert HO, you may move your amendment.

MR ALBERT HO (in Cantonese): President, I move that Mrs Sophie LEUNG's motion be amended.

Mr Albert HO moved the following amendment: (Translation)

"To delete ", and nurture on all fronts the public's understanding and development of entrepreneurial qualities" after "develop and promote entrepreneurship" and substitute with "with humanity values"; to delete "and culture" after "the spirit"; to add "with humanity values" before "to meet the challenges"; to add "with humanity values" after "the importance of entrepreneurship"; to add "people-oriented" after "(b) developing"; to delete "on entrepreneurship by" before "incorporating" and substitute with "and", and delete "the elements of entrepreneurship" thereafter and substitute with "it"; to add "with humanity values" after "making entrepreneurship"; to delete "a platform of co-operation" after "promoting and establishing" and substitute with "co-operative relationship"; to delete "education sectors" after "between the business and" and substitute with "various sectors of the community"; to delete "entrepreneurship" after "participate in promoting" and substitute with "corporate social responsibilities"; to delete "a society with entrepreneurship" after "laying a solid foundation for the development of" and substitute with "corporate social responsibilities"; to delete "and modes" after "the direction"; and to delete "to promote self-enhancement in a systematic manner" after "lifelong learning" and substitute with ", and promoting in the community an atmosphere of respecting knowledge and culture of individuals"."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mr Albert HO to Mrs Sophie LEUNG's motion, be passed.

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

(Members raised their hands)

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

(No hands raised)

Mrs Sophie LEUNG rose to claim a division.

PRESIDENT (in Cantonese): Mrs Sophie LEUNG 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:

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.

Dr Raymond HO, Mr Bernard CHAN, Mrs Sophie LEUNG, Dr Philip WONG, Mr Howard YOUNG, Mr LAU Wong-fat, Ms Miriam LAU, Mr Abraham

SHEK, Mr Tommy CHEUNG, Mr Vincent FANG, Dr Joseph LEE, Mr Daniel LAM, Mr Jeffrey LAM and Mr Andrew LEUNG abstained.

Geographical Constituencies:

Mr Albert HO, Mr Martin LEE, Mr James TO, Mr CHAN Kam-lam, Mr LEUNG Yiu-chung, Dr YEUNG Sum, Mr LAU Kong-wah, Miss CHOY So-yuk, Mr Albert CHAN, Mr Frederick FUNG, Ms Audrey EU, Mr LEE Wing-tat, Mr LI Kwok-ying, Mr Alan LEONG, Mr CHEUNG Hok-ming and Mr Ronny TONG voted for the amendment.

Mr James TIEN and Mrs Selina CHOW abstained.

THE PRESIDENT, Mrs Rita FAN, did not cast any vote.

THE PRESIDENT announced that among the Members returned by functional constituencies, 22 were present, eight were in favour of the amendment and 14 abstained; while among the Members returned by geographical constituencies through direct elections, 19 were present, 16 were in favour of the amendment and two abstained. Since the question was not agreed by a majority of each of the two groups of Members present, she therefore declared that the amendment was negatived.

PRESIDENT (in Cantonese): Mrs Sophie LEUNG, you may now reply and you have two minutes 47 seconds.

MRS SOPHIE LEUNG (in Cantonese): President, it is rare that we can go off work so early this Wednesday. The theme of my motion today is not about cost-effectiveness in money terms. Members should rather focus on the cost-effectiveness in terms of time. Though the proposal in today's motion seems to sail against the current, I hope Members will take a different perspective in future, considering everything from the angle of entrepreneurial

spirit but not in terms of money. Since this motion seeks to enhance the cost-effectiveness in terms of time, President, I should better stop here. I implore Members to support my motion.

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

(Members raised their hands)

Mr SIN Chung-kai rose to claim a division.

PRESIDENT (in Cantonese): Mr SIN Chung-kai has already claimed a division before I finish. 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 Raymond HO, Mr Bernard CHAN, Mrs Sophie LEUNG, Dr Philip WONG, Mr Howard YOUNG, Mr LAU Wong-fat, Ms Miriam LAU, Mr Abraham SHEK, Ms LI Fung-ying, Mr Tommy CHEUNG, Mr Vincent FANG, Mr WONG Kwok-hing, Dr Joseph LEE, Mr Daniel LAM, Mr Jeffrey LAM, Mr Andrew LEUNG and Mr KWONG Chi-kin voted for the motion.

Mr CHEUNG Man-kwong, Mr SIN Chung-kai, Dr KWOK Ka-ki, Dr Fernando CHEUNG and Miss TAM Heung-man abstained.

Geographical Constituencies:

Mr James TIEN, Mrs Selina CHOW, Mr CHAN Kam-lam, Mr LAU Kong-wah, Miss CHOY So-yuk, Mr Albert CHAN, Mr LI Kwok-ying and Mr CHEUNG Hok-ming voted for the motion.

Mr Albert HO, Mr Martin LEE, Mr James TO, Mr LEUNG Yiu-chung, Dr YEUNG Sum, Mr Frederick FUNG, Ms Audrey EU, Mr LEE Wing-tat, Mr Alan LEONG and Mr Ronny TONG abstained.

THE PRESIDENT, Mrs Rita FAN, did not cast any vote.

THE PRESIDENT announced that among the Members returned by functional constituencies, 22 were present, 17 were in favour of the motion and five abstained; while among the Members returned by geographical constituencies through direct elections, 19 were present, eight were in favour of the motion and 10 abstained. Since the question was not agreed by a majority of each of the two groups of Members present, she therefore declared that the motion was negatived.

NEXT MEETING

PRESIDENT (in Cantonese): I now adjourn the Council until 11.00 am on Wednesday, 23 May 2007.

Adjourned accordingly at twenty-two minutes to Six o'clock.

Appendix I

WRITTEN ANSWER

Written answer by the Secretary for Security to Ms Emily LAU's supplementary question to Question 5

As regards the two warning letters issued to Hau Tak Market by the Fire Services Department (FSD) on 30 March, after the fire of Hau Tak Market had been extinguished, the Fire Service Installation Task Force (FSITF) of the FSD inspected the scene on 30 March 2007 in accordance with the prescribed procedures. The FSITF found that some of the sprinkler heads in the Market were obstructed, and that the fire hydrant/hose reel system, sprinkler system, fire alarm system, fire detection system, exit signs and the emergency lighting were not operational. Therefore, the FSD issued two warning letters to the owner of Hau Tak Market, "The Link Management Limited" (the Link), one of which was to require the Link to clear all goods or buildings that obstructed the operation of the sprinkler system, and the other to require the Link to check and repair the fire service installations (FSIs) that were not operational. Both letters stated that any failure in complying with the above requirements might attract legal action against the Link pursuant to the Fire Service (Installations and Equipment) Regulations (Cap. 95B).

Regarding the shut-down of the FSIs in Hau Tak Market, on 29 December 2006, the FSD received a "Notification to FSD on the occasion building FSI is shut down for works" submitted by Shun Cheong Electrical Engineering Company Limited (the Contractor), the registered FSI contractor of Hau Tak Market, and was informed that the FSIs of Hau Tak Market had to be shut down for the renovation works of the market and the shopping centre expected to complete on 31 January 2007. Subsequently, the Contractor sent another notice to the FSD on 30 January 2007 by fax to inform them of the extension of the completion date to 31 March 2007. When the fire broke out on 29 March 2007, the fire service systems inside the market were temporarily shut down for renovation works, and the sprinkler system was not in operation during the fire.

Appendix II**WRITTEN ANSWER****Written answer by the Secretary for Security to Ms Emily LAU's supplementary question to Question 5**

As regards the warning letters/fire hazard abatement notices (FHANs) issued to King Lam Estate Market, Choi Ming Court Shopping Centre and Cheung Fat Estate Shopping Centre by the Fire Services Department (FSD), personnel of the Fire Service Installation Task Force (FSITF) inspected the King Lam Estate Market on 26 April 2007 and found that the sprinkler heads in 34 stalls were obstructed by wooden planks, merchandises, wire meshes, and so on. Accordingly, the FSD issued a total of 34 warning letters to the occupiers of the above stalls, requiring them to clear all objects that had been obstructing the operation of the sprinkler system, and warning them of possible legal action in accordance with the Fire Service (Installations and Equipment) Regulations (Cap. 95B), for any failure in complying with the above requirement. The FSITF re-inspected the above stalls in mid-June 2007, and found that 15 stalls had complied with the requirements of the warning letters by removing all obstructions to the sprinkler system. The FSITF would re-inspect two of the stalls, which were locked up and could not be inspected, in due course. For the remaining 17 stalls, their sprinklers were still obstructed by false ceilings and therefore they had yet to comply with the requirements of the warning letters. The FSD would issue FHANs to these stalls.

As regards the FHAN issued to Choi Ming Court Shopping Centre, the FSITF of the FSD carried out an inspection of that shopping centre on 29 June 2005, and found that the sprinkler heads at one of the stalls were obstructed by the cockloft. As a warning letter had already been issued to the stall in question and the requirements had not been complied with by the day of inspection, a FHAN was served on the occupier of the stall on 4 July 2005, requiring the occupier to either demolish the cockloft, or install a sprinkler head beneath the cockloft. In September 2005, a follow-up inspection revealed that the occupier had already complied with the requirements of the FHAN by installing a sprinkler head beneath the cockloft. Therefore, no further action was taken by the FSD.

WRITTEN ANSWER — *Continued*

Separately, the Cheung On Estate Market stated in our reply to the Legislative Council on 16 May should be the Cheung Fat Estate Shopping Centre. The FSITF of the FSD inspected the Cheung Fat Estate Shopping Centre in July 2005 and discovered that one of the stalls had received a warning letter from the FSD because its sprinkler heads were obstructed by a cockloft. As the stall occupier had not yet complied with the requirements by the day of inspection, a FHAN was served on him in the same month, requiring him to either demolish the cockloft or install a sprinkler head beneath the cockloft. A follow-up inspection was subsequently conducted and revealed that the requirements in the FHAN had already been complied with. Therefore, the FSD did not take any further action.

Appendix III**WRITTEN ANSWER****Written answer by the Secretary for Security to Mr LAU Kong-wah's supplementary question to Question 5**

Upon receipt of a notification on the shut-down of the building fire service installations (FSIs) in Hau Tak Market for maintenance last year, the Fire Services Department (FSD) followed its established practice to despatch personnel of the Operational Command to conduct on-site inspections. The key objective of the inspections was to carry out a risk assessment on the affected building, to check the neighbouring water sources and emergency vehicular access, and to consider if there was a need to formulate a contingency plan. The inspections conducted by the Operational Command were mainly concerned with the operational arrangement under emergency situations, unlike the checkings of the FSIs after the fire, which was conducted by members of the Fire Service Installation Task Force with specific professional knowledge, and was concerned with the status of the FSIs in the market stalls.