

OFFICIAL RECORD OF PROCEEDINGS

Wednesday, 5 March 2008

The Council met at Eleven o'clock

MEMBERS PRESENT:

THE PRESIDENT

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

THE HONOURABLE ALBERT HO CHUN-YAN

THE HONOURABLE LEE CHEUK-YAN

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

DR THE HONOURABLE DAVID LI KWOK-PO, G.B.M., 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 JAMES TO KUN-SUN

THE HONOURABLE CHEUNG MAN-KWONG

THE HONOURABLE CHAN YUEN-HAN, S.B.S., J.P.

THE HONOURABLE LEUNG YIU-CHUNG

THE HONOURABLE SIN CHUNG-KAI, S.B.S., J.P.

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

THE HONOURABLE WONG YUNG-KAN, S.B.S., J.P.

DR THE HONOURABLE YEUNG SUM, J.P.

THE HONOURABLE LAU CHIN-SHEK, J.P.

THE HONOURABLE LAU KONG-WAH, J.P.

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

THE HONOURABLE ANDREW CHENG KAR-FOO

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

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

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

THE HONOURABLE TOMMY CHEUNG YU-YAN, S.B.S., 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

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

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

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

THE HONOURABLE LEUNG KWOK-HUNG

DR THE HONOURABLE KWOK KA-KI

DR THE HONOURABLE FERNANDO CHEUNG CHIU-HUNG

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

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

THE HONOURABLE RONNY TONG KA-WAH, S.C.

THE HONOURABLE CHIM PUI-CHUNG

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

THE HONOURABLE ALBERT JINGHAN CHENG, J.P.

THE HONOURABLE KWONG CHI-KIN

THE HONOURABLE TAM HEUNG-MAN

THE HONOURABLE MRS ANSON CHAN, G.B.M., J.P.

MEMBERS ABSENT:

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

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

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

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

THE HONOURABLE HOWARD YOUNG, S.B.S., 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 CHOY SO-YUK, J.P.

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

THE HONOURABLE LI KWOK-YING, M.H., J.P.

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

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

PUBLIC OFFICERS ATTENDING:

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

THE CHIEF SECRETARY FOR ADMINISTRATION

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

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT

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 FOOD AND HEALTH

THE HONOURABLE TSANG TAK-SING, J.P.

SECRETARY FOR HOME AFFAIRS

PROF THE HONOURABLE K C CHAN, S.B.S., J.P.

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY

THE HONOURABLE MRS CARRIE LAM CHENG YUET-NGOR, J.P.
SECRETARY FOR DEVELOPMENT

THE HONOURABLE EVA CHENG, J.P.
SECRETARY FOR TRANSPORT AND HOUSING

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

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>
Public Revenue Protection Order 2008	33/2008
Rating (Exemption) Order 2008.....	34/2008
Revenue (Reduction of Business Registration Fees) Order 2008	35/2008
Schedule of Routes (Citybus Limited) Order 2008	36/2008
Schedule of Routes (Citybus Limited) (North Lantau and Chek Lap Kok Airport) Order 2008	37/2008
Schedule of Routes (Kowloon Motor Bus Company (1933) Limited) Order 2008	38/2008
Schedule of Routes (Long Win Bus Company Limited) Order 2008	39/2008
Schedule of Routes (New Lantao Bus Company (1973) Limited) Order 2008	40/2008
Schedule of Routes (New World First Bus Services Limited) Order 2008	41/2008
Trade Descriptions (Definition of Fei Cui and Natural Fei Cui) Regulation	42/2008
Trade Descriptions (Definition of Diamond) Regulation	43/2008
Fugitive Offenders (Terrorist Bombings) Order.....	44/2008

Fugitive Offenders (Maritime Safety) Order.....	45/2008
Tax Reserve Certificates (Rate of Interest) (No. 2) Notice 2008	46/2008
Copyright (Amendment) Ordinance 2007 (Commencement) Notice 2008.....	47/2008
Copyright (Amendment) Ordinance 2007 (Commencement) (No. 2) Notice 2008.....	48/2008

Other Paper

- No. 76 — Consolidated Summary of Estimates and Revenue Analysis
by Head,
General Revenue Account,
Estimates for the year ending 31 March 2009

ORAL ANSWERS TO QUESTIONS

PRESIDENT (in Cantonese): Questions. First question.

Elderly Health Centres Under Department of Health

1. **MRS ANSON CHAN** (in Cantonese): *President, the 18 Elderly Health Centres (EHCs) under the Department of Health (DH) currently provide such services as physical check-up, health education, and so on, for their elderly members. In this connection, will the Government inform this Council:*

- (a) *of the current number of elderly people aged 65 or above, together with a breakdown by districts;*
- (b) *in respect of each EHC, of the number of elderly people serviced and their total attendances last year, the current number of persons waiting for enrolment as members and their average waiting time,*

as well as the resources and manpower allocated to the EHC each year; and

- (c) *given that the population continues to age, whether it will increase or redistribute the resources allocated to EHCs, including manpower and supporting facilities, and increase the quota for the relevant services; if it will, of the details; if not, the reasons for that?*

SECRETARY FOR FOOD AND HEALTH (in Cantonese): Madam President, the Government has attached importance to the health of the elders and has striven to enhance their health and capability for self-care through various health care services, health education and outreaching services.

- (a) According to the statistical data provided by the Census and Statistics Department in 2007, there were about 870 000 elders aged 65 or above in Hong Kong. The numbers of elders by districts are detailed in Annex.
- (b) Since 1999, the DH has established one EHC in each of the 18 districts over the territory to provide comprehensive primary health care services to senior citizens. Each EHC is manned by seven staff members on average, including one doctor and three nurses. About \$4.9 million are allocated to each EHC per year. Services provided by the EHCs include health assessment, physical check-up, counselling, health education and general out-patient service. At present, the 18 EHCs offer a total of some 38 000 membership each year. In 2007, the EHCs handled about 182 000 attendances for health assessments and treatment.

As old members would usually renew their membership, the annual membership turnover of the EHCs is not high and new memberships are limited. Currently, there are about 23 000 elders awaiting enrolment as EHC member. In 2007, the average waiting time was 38.3 months.

- (c) The services of the EHCs are heavily subsidized by the Government and fee waivers are available to recipients of Comprehensive Social Security Assistance and those who have financial hardship. This

and the ageing population lead to an ever increasing demand for primary health care services for elders. It is not possible to meet the health care needs of all the elders through the 18 EHCs alone. The provision of highly subsidized primary health care services by EHCs is also not the most cost-effective and sustainable way to deliver services to elders. Given this, the Government at present has no plan to increase the membership size and manpower of the EHCs.

Indeed, EHCs are not the only providers of primary health care services for elders. The DH, Hospital Authority (HA), community service organizations and private health care providers also provide similar services. As regards out-patient services, the HA provides general medical services for the public, including the elders, through over 70 general out-patient clinics. The elders can also receive health care services offered by non-government organizations (NGOs) which are reasonably priced. As regards health education, free health talks and other health education activities for elders and their carers are organized by the 18 visiting health teams of the DH in collaboration with the elderly centres operated by NGOs. In addition, the DH produces health educational kits for self-learning by elders and for use by other elderly service centres, so as to further promote health education and disease prevention.

To encourage elders to make better use of primary care services close to their homes so that they can have easier access to health care and continuity of care provided by their chosen health care providers, the Government will put in place a pilot scheme to provide health care vouchers for the elderly. The objectives of the scheme are to implement the "money follows patient" concept on a trial basis to increase the choices for patients by providing the elders with partial subsidy for choosing private health care services and to further strengthen public awareness on health maintenance and appropriate use of health care resources through promoting the concept of shared responsibility for health care.

Distribution of the Elderly Population aged 65 or above in Hong Kong

<i>District</i>	<i>Number of elders aged 65 or above</i>
Central and Western	33 081
Wan Chai	23 914
Eastern	87 295
Southern	38 919
Sham Shui Po	62 240
Kowloon City	55 832
Wong Tai Sin	75 450
Kwun Tong	93 705
Yau Tsim Mong	39 630
Kwai Tsing	68 661
Tsuen Wan	34 836
Tuen Mun	40 753
Yuen Long	47 064
North	29 870
Tai Po	28 305
Sha Tin	64 482
Sai Kung	34 477
Islands	12 843
Total	871 357

Source: Census and Statistics Department

MRS ANSON CHAN (in Cantonese): *President, we can see that the waiting time now is too long indeed, as the shortest waiting time is more than three years and in some districts, the elderly people even have to wait for four to five years. From the Annex provided by the Secretary we can see a particularly large elderly population in some districts. For example, there are about 870 000 elderly people in Eastern District, about 93 000 in Kwun Tong and about 68 000 in Kwai Tsing. I would like to ask the Secretary this: Regarding these districts with a larger number of elderly people, will the Government consider providing additional manpower and resources to them to ensure that the Government's objectives of early intervention and disease prevention can be achieved, with a view to promoting the health of the elderly?*

SECRETARY FOR FOOD AND HEALTH (in Cantonese): Madam President, Mrs CHAN, I will present some of our concepts on the health care reform next week, and the opportunity will be taken to point out the direction of the reform of primary care services. Home or community care services for the elderly are also areas of great concern to us. Therefore, holistic consideration is necessary in our examination of how the elderly can access continued care and disease prevention service.

The EHCs that we have mentioned are merely one of the modes of service delivery. We must examine whether there are other more effective options, so that the elderly can access better information in respect of self-care or health awareness. Moreover, when the elderly fall sick, can they be provided with suitable care or even specialist care as soon as possible? I think the EHCs alone cannot solve the problem. Therefore, in respect of planning at the community level, we hope that apart from maintaining the service of EHCs for a period of time, overall planning of primary health care service is all the more necessary in the long run.

Therefore, at this stage, we will, as a provisional arrangement, increase resources in other areas or adopt other options, such as the pilot scheme of health care vouchers I mentioned earlier, and if this proves practicable, we hope that the elderly can be encouraged to use services in the vicinity of their homes. But as we all know, some extra services provided by the EHCs, such as health assessment, counselling service provided by nurses to the elderly, and so on, cannot be provided by general medical practitioners. It is, therefore, a very important issue as to how these services can be integrated. We hope that this can be thoroughly discussed in the context of the health care reform in the future.

MR FRED LI (in Cantonese): *President, from the statistics provided by the Government we can see that in the context of the total elderly population in the 18 districts, the number of elderly people in the two districts of Kwun Tong and Wong Tai Sin accounted for almost 20% of the total number of elderly people but only one EHC is provided in each district. Because of this, I have received complaints from many elderly residents in these two districts. They have waited for far more than 38 months and they very much envy those who have been enrolled. My supplementary question is: In deploying resources, should the Government or will the Government provide as much support as possible to*

districts with a particularly large elderly population, rather than standardizing the deployment of resources in all districts?

SECRETARY FOR FOOD AND HEALTH (in Cantonese): Madam President, I think subject to the consensus on how primary care and preventive services for the elderly should be handled, the provision of resources must be determined by the residence of the elderly. So, concerning the point made by Mr LI in his supplementary question, we will certainly pay attention to it.

DR JOSEPH LEE (in Cantonese): *President, in part (c) of the main reply the Secretary said that it is not possible to meet the health care needs of all the elderly through the 18 EHCs alone. But then he said that these highly subsidized centres are not a cost-effective and sustainable way to deliver services to the elderly. I would like to ask the Secretary this: Policy-wise, does the Government think that the existing EHCs in the 18 districts are too highly subsidized and they are not a cost-effective and sustainable way to deliver services and so, the Government will start not to make commitments for services to promote the health of the elderly? In the main reply the Secretary also mentioned that the services offered by NGOs are reasonably priced, and this gives me the impression that the policy is very ambiguous and so, I would like the Secretary to give me an answer. The Secretary added that the report on health care financing will be submitted next week. My question is simple. As the series of reply given by the Secretary was most unclear, has the Government started paving the way or even taking steps for not to make commitments for health care service for the elderly?*

SECRETARY FOR FOOD AND HEALTH (in Cantonese): Madam President, I think Members have heard from the Chief Executive or the Financial Secretary that the Government will continue to increase resources for health care service and make greater commitments for primary health care and preventive services. Under such circumstances, the major beneficiaries will certainly be those people who are vulnerable to diseases, including the elderly. Therefore, financial commitments will certainly continue in this respect. But in what way will these services be provided? This is a very important question, too. Members have read earlier the statistics on resources provided by me. Insofar as EHCs are concerned, the Government pays about \$2,300 for each elderly person per

annum. Apart from this annual commitment of \$2,300, can the Government do even better? This does warrant our consideration. If we have in place a comprehensive plan for providing primary and community health care services, public money can be utilized in a better way and this will ensure continuity of care for these elderly people while enabling others to have easier access to such care.

Health care vouchers are one of the options implemented on a trial basis, and we are going to implement this in collaboration with NGOs or by granting subsidies. I hope that the most suitable option can be identified from these new initiatives. As we all know, the change from being healthy to falling ill may happen anytime to an elderly person and so, insofar as treatment of patients in the HA is concerned, care services specifically for the elderly are provided, such as geriatrics, outreaching services and even psychiatric services. Given such a diversity of services, efforts of consolidation must be made, so that there will not be too wide a gap between the different types of service. To this end, we must think about a suitable way. If we just look at the services provided by the EHCs, we must consider is how best their articulation with other services can be ensured.

MR ALAN LEONG (in Cantonese): *President, I would like to help the Secretary out by simplifying such a complicated answer from him. Is he saying that according to the assessment of the Government, the EHCs no longer have a role to play in the long-term planning for health care service and serve only as a transitional arrangement and so, the Government will not inject more resources into them? Can the Secretary please explain his position?*

SECRETARY FOR FOOD AND HEALTH (in Cantonese): *Madam President, this is not at all correct, because we think that the EHCs do have certain value. But should more resources be provided to enable them to continuously increase their service volume, rather than trying new options to replace them? This does warrant our consideration.*

MR LEE CHEUK-YAN (in Cantonese): *President, Economist John Maynard KEYNES has this famous line: In the long run, we are all dead. The trouble is, from the Secretary's reply concerning the EHCs today, what we can see is that, to put it simply or in a word, the Secretary considers the EHCs not cost-effective*

and so, their services will not be extended. This is what the Secretary said just now. He hopes to adopt other options; he hopes that in the long run, other measures can be introduced to take care of the elderly and extend the relevant services or to benefit more people. But no one knows when this wish can be realized, and during the transition, many elderly people may not live long enough for the wait. So, in my view, should the Secretary continue to extend the services of the EHCs in the short term and adopt a long-term option only after the Government has reviewed the entire policy? I will not oppose the Government taking this course of action, but I object to it cutting resources for no reason at all. So, can the Secretary tell us

PRESIDENT (in Cantonese): Mr LEE Cheuk-yan, please state your supplementary question direct. You do not have to give him advice.

MR LEE CHEUK-YAN (in Cantonese): *Yes. Can the Government stop cutting resources and continue to extend such services in the short term before proposing a long-term answer and work for the integration of services only then?*

SECRETARY FOR FOOD AND HEALTH (in Cantonese): First of all, I must say that we are very concerned about the elderly. Whether from the medical viewpoint or in society, great importance is now attached to the quality of living, rather than focusing only on the life-and-death question. Therefore, we must increase the provision of suitable services for the elderly. As I said just now, if there is a better mode of delivering service to the elderly, why do we not try it, instead of sticking to the existing *modus operandi* indiscreetly and complacently? I think this is not a position that a responsible government should take. This is why we think that we should identify a better mode of care provision for our elderly.

MR LEE CHEUK-YAN (in Cantonese): *The Secretary has not told us whether the existing services should be extended before such a mode is identified.*

SECRETARY FOR FOOD AND HEALTH (in Cantonese): Madam President, as I said earlier, we are now doing it in other modes. We are trying or going to

introduce as soon as possible elderly health care vouchers. This is also a pilot initiative.

MISS CHAN YUEN-HAN (in Cantonese): *Madam President, although the Secretary has described the EHCs in a way as if they are not indispensable, I do know many elderly people who are waiting for this service. My constituency includes Kwun Tong, the district where this service is lacking most seriously. Wong Tai Sin ranks the third, and I also know many elderly people who live on Hong Kong Island East.*

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

MISS CHAN YUEN-HAN (in Cantonese): *Madam President, the elderly people with whom I have contacts all wish to wait for their turn to be enrolled as EHC members. Disregarding whether or not the Government is happy with the EHCs, there is, in fact, a need for the service of the EHCs. The Secretary mentioned that the waiting time is a few months but, honestly, it basically takes longer than a few months as he said. So, I asked*

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

MISS CHAN YUEN-HAN (in Cantonese): *I do not care about how beautiful the future mode will be. When increasing health care resources for the elderly, can the Government start by providing assistance to the EHCs? The EHCs are providers of very important community health care services. Why has the Government adopted an approach which is neither fish nor fowl and made the elderly wait for a very long time? May I ask the Secretary whether new resources can be provided? The Government has a surplus now.*

SECRETARY FOR FOOD AND HEALTH (in Cantonese): Madam President, let me say once again that in this year's budget, we have not increased the provision for this service but the provision for other elderly services has been increased.

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

MR WONG KWOK-HING (in Cantonese): *President, the elderly have to pay an annual fee for their EHC membership. They have to pay \$110 upon enrolment, and this is not easily affordable to elderly people whose turn for enrolment has come. So, may I ask the Secretary through you, President, whether consideration has been given to changing this fee-charging arrangement by allowing elderly people whose turn for enrolment has come to join the EHCs free and subsequently charge a fee for various items of service? Will the Secretary consider changing the arrangement of charging an annual membership fee of \$110?*

SECRETARY FOR FOOD AND HEALTH (in Cantonese): Madam President, let me provide some statistics to Members. We have made some calculations and in respect of these services, the subsidy for each member is some \$2,300 but they are required to pay \$110 only upon enrolment and \$45 per consultation. Each elderly person visits the EHC for an average of 2.7 times per year. This means that they have to pay some \$200 each year, while the Government is subsidizing them at a rate of 90% which, I think, is a very high and reasonable level. So, I think no adjustment is necessary in respect of the current fee-charging arrangement.

PRESIDENT (in Cantonese): Second question.

Cultivating Cultural Literacy at Schools and in Community

2. **MS EMILY LAU** (in Cantonese): *President, regarding the cultivation of cultural literacy at schools and in the community, will the executive authorities inform this Council:*

- (a) *given that the domestic pay television programme service licence issued to the Hong Kong Cable Television Limited (Cable TV) stipulates that it shall, within six months upon receipt of written notice, make available to the Government not more than three*

channels free of charge and expense, whether the Government will exercise this right in the near future to launch an arts and cultural channel, so as to provide a platform for practitioners in the arts and cultural sectors to perform and to provide more cultural programmes for the enjoyment of the public;

- (b) of the new measures concerning the arrangements for the curricula and extra-curricular activities of primary and secondary schools, to be put in place to encourage students, teachers and parents to attach greater importance to arts and cultural studies in primary and secondary schools; and*
- (c) whether the relevant authorities will review if the number of places of the relevant courses provided by the Hong Kong Academy for Performing Arts (HKAPA) and other publicly-funded tertiary institutions and the resources available to them are sufficient, in the hope that the graduates of these courses can assist primary and secondary schools in enhancing education which aims at promoting performing arts and culture?*

SECRETARY FOR HOME AFFAIRS (in Cantonese): President,

- (a) Through the Hong Kong Arts Development Council (HKADC), the Home Affairs Bureau is vigorously examining how to realize the proposal for an arts and cultural channel. We will take into account the views of the arts and cultural sector and other stakeholders in the process.

In 2003-2004, the HKADC approached carriers, including the Cable TV, on the subject of developing an arts channel. As the HKADC could not find a suitable content provider as partner in the exercise, it postponed the plan for setting up an arts and cultural channel at the time.

In the light of the development of the arts and cultural scene and the development of the free-to-air digital television broadcast last year, the Home Affairs Bureau and the HKADC approached different television broadcasters once again to continue to explore the

feasibility of setting up an arts and cultural channel. We will also contact Cable TV again for discussion on making use of the relevant condition in its licence to provide a free channel for arts and cultural programmes.

- (b) To encourage students, teachers and parents to attach greater importance to arts and cultural studies in primary and secondary schools, the Curriculum Development Council (CDC) recommended in the "Arts Education-Key Learning Area Curriculum Guide (P1 - S3)" drawn up in 2002 that schools should allocate time slots for students to learn the arts: about 10% to 15% of the total lesson time at primary level and 8% to 10% of the total lesson time at junior secondary level. In 2003, the CDC published the "Music Curriculum Guide (P1 - S3)" and the "Visual Arts Curriculum Guide (P1 - S3)" to provide schools with specific directions, teaching and assessment strategies as well as relevant examples.

In the New Senior Secondary (NSS) curriculum to be introduced in 2009, more diversified learning pathways for the arts will be provided. These pathways include:

- (i) Learning Experiences of "Aesthetic Development";
- (ii) Music and Visual Arts as elective subjects;
- (iii) Arts-related "Applied Learning" courses; and
- (iv) Selecting "Art" as a theme for the "Independent Enquiry Study" under Liberal Studies.

With the introduction of the Learning Experiences of "Aesthetic Development", schools will provide no less than 135 hours of learning time for each senior secondary school student to further develop his/her creativity, aesthetic sensitivity and critical thinking skills relating to the arts, and to foster a lifelong interest in the arts.

As regards extra-curricular activities, the Education Bureau supports and encourages schools in providing students with

diversified arts learning experience. For example, students are encouraged to participate in arts-related interest classes, arts performances and competitions, to attend concerts and exhibitions, and schools will also invite artists and arts groups to provide training and to stage performance at the schools so as to enrich students' experience in arts learning.

Moreover, the Education Bureau also encourages schools to participate in international arts and cultural exchange programmes to enable students to understand and respect diversified cultural traditions and to help them broaden their horizons and develop proper values and attitudes.

To cater for primary and secondary schools' need for extra-curricular activities in culture and the arts, apart from the Education Bureau, the Leisure and Cultural Services Department also provides different programmes and activities for schools. These programmes include music training courses provided by the Music Office, programmes under the School Arts Animateur Scheme, the School Culture Day Scheme, Experience the Arts — Pilot Scheme for Senior Secondary School Students, arts education activities organized by the museums as well as activities organized by the public libraries in Hong Kong.

To inspire parents to attach greater importance to arts education, many schools also organize activities such as evening gatherings for parents, variety arts performances and visual arts exhibitions, to showcase students' achievements in arts learning and to encourage parents to support their children's pursuit in the field of the arts.

As regards encouragement for teachers, the Education Bureau has been developing learning and teaching resources for them as well as organizing professional development programmes to support them in the delivery of arts education in schools, such as preparing a series of teaching materials for arts appreciation and criticism, Chinese music and popular music, and conducting training courses designed for secondary and primary school teachers.

- (c) The training provided at the five schools of the HKAPA, namely the Schools of Dance, Drama, Film & TV, Music and Technical Arts,

is to nurture talents for the relevant performing arts sectors with the objective of preservation, succession and development of these performing arts.

Since 1992, the five schools of the HKAPA have included elements of arts education in their bachelor's programmes in line with the Academy's strategy to nurture talents who can "both act and teach". Since 2006, the HKAPA has offered master's programmes in the Schools of Dance, Drama, Music and Theatre & Entertainment Arts. These master's programmes also cover elements of arts education.

Apart from the degree programmes of the five schools, the Home Affairs Bureau granted an additional provision of over \$2 million to the HKAPA in the 2007-2008 academic year to support the establishment of a Performing Arts Education Centre to help meet the Government's objective of cultivating cultural literacy in students and the general public. Over the past year, the Centre has developed a series of arts education programmes which include programmes to assist serving teachers in conducting courses on Learning Experiences of "Aesthetic Development" under the "NSS curriculum" to be launched in 2009. Examples include developing and organizing "Applied Learning Courses" relevant to the NSS curriculum, and staging the "Public Lecture Series in Performing Arts Education".

The HKAPA will carry out a "Review on the Academy's Future Direction and Strategy" in the second half of 2008 to re-confirm its role and overall objective. The review will also cover areas such as the possible role of the HKAPA in arts education, its structure, resource allocation and enrolment capacity.

As regards the other publicly-funded tertiary institutions, all University Grants Committee (UGC)-funded institutions were set up in accordance with their respective ordinances and they enjoy institutional autonomy. Academic plans and curriculum design, including the provision of culture-related programmes, all fall within the scope of institutional autonomy. At present, some

UGC-funded institutions do provide such programmes like music, visual arts and communication studies.

The authorities will, from time to time, reflect to the institutions the manpower needs of the various professions both within the Government and in the community. All along, the Government has exchanged views with different sectors on the arts and cultural subjects.

To tie in with the NSS curriculum, the Education Bureau is organizing arts and cultural courses for serving teachers through the tertiary institutions to meet their needs in teaching the Learning Experiences of "Aesthetic Development" under the NSS curriculum to facilitate the implementation of the new curriculum.

President, as the scope of the main question is broad, I have taken more time to reply.

MS EMILY LAU (in Cantonese): *President, the Secretary indicated in the main reply that the Education Bureau encourages schools to participate in international arts and cultural exchange programmes, so as to help students broaden their horizons and develop proper values and attitudes. President, in view of the recent incidents of carnal photographs purported to be of artistes, which have caused a great fuss in town, I believe the authorities should feel the pressing need to carry out such work.*

President, as regards postponing the launch of a cultural channel, the Secretary indicated that the authorities had originally planned to launch the channel in 2003-2004, but the HKADC charged with this duty could not find a content provider as partner and the launch fell through. President, in reply to Mr Timothy FOK's question on 20 February 2008, the Secretary mentioned that the Panel on Home Affairs of the Legislative Council had discussed in its meeting on 15 February 2008 the strengthening of the software related to culture. At the meeting, the deputations, recognizing the important role of the mass media, urged the authorities to devote more efforts to the mass media. They also urged the authorities to expeditiously establish a cultural channel. Moreover, these organizations also indicated at the time that they are more than willing to provide programmes for this channel and they have a variety of programmes to offer.

Certainly though, this does not mean that all programmes provided by them can be broadcasted over the channel and someone must be charged with planning and production. Thus, may I ask the Secretary, given that so many organizations are available, what he meant by not yet finding the content provider? What are these organizations then? However, are the authorities prepared to put in resources to assist them in production? And does the HKADC have the capacity and credibility to be charged with such an important task?

SECRETARY FOR HOME AFFAIRS (in Cantonese): President, the HKADC has sufficient and full credibility in this regard. The Home Affairs Bureau and the HKADC are actively exploring the feasibility of launching a cultural channel with the broadcasting company concerned.

Of course, the cultural channel provided by Cable TV does not include the cost of programme production and the Government will, in discussion with the broadcasting company concerned, consider providing more resources for the setting up of this cultural channel.

MS EMILY LAU (in Cantonese): *President, in his reply the Secretary said that the HKADC was "yet to find a content provider as partner". This is, in fact, not true. The reason is only that they lack capital for production of these programmes, but the authorities are now prepared to make available the resources for them to produce programmes. President, is this what the Secretary meant to say?*

President, my supplementary question is on this point, that is, I mainly want to ask

PRESIDENT (in Cantonese): Ms Emily LAU, I understand what you meant. This in fact also happens to other Members, that is, the supplementary questions they ask are very long. Please give me some time to think about whether or not you asked this point in your supplementary question just now. I remember you did mention this point. I will thus allow your question. If you can make your supplementary question shorter, it will be useful to us all. Secretary, please.

SECRETARY FOR HOME AFFAIRS (in Cantonese): Her supplementary question is really very long. I have already forgotten what she asked.

PRESIDENT (in Cantonese): I will let Ms Emily LAU repeat her supplementary question.

SECRETARY FOR HOME AFFAIRS (in Cantonese): That will be great. She seemed to have asked something related to the Internet. I

MS EMILY LAU (in Cantonese): *No. My supplementary question is very simple. The Secretary stated that there was no organization available as the content provider, but I know that there are many, just that they need the authorities to provide them with the resources for production. This is my supplementary question.*

SECRETARY FOR HOME AFFAIRS (in Cantonese): The launching of this cultural channel certainly entails making available resources for the production of programmes for this channel to broadcast. Hence, it does involve issues concerning resources.

It is true that the discussion in the past fell through when the HKADC explored the issue with Cable TV.

MR LEUNG YIU-CHUNG (in Cantonese): *President, in reply to Ms Emily LAU's question, the Secretary stated in part (b) of the main reply that the authorities will actively encourage schools to develop curricula on the arts and encourage students to participate in activities such as arts appreciation.*

However, President, it goes without saying that arts are not as simple as cultivating a taste in students for they will not be able to create arts just by developing the taste. The key is, before having a chance to create arts, they need to experience them, participate in them, try out and practise them. Unfortunately, the Secretary only mentioned in the main reply the allocation of lesson time, but the crux of the issue is how to motivate them and how to let them

practise arts. Insofar as I am aware, the biggest difficulty encountered by schools is that they do not have the resources to purchase musical instruments or arts materials for students to practise arts. May I ask the Secretary, after providing lesson time, how he will implement the curricula?

SECRETARY FOR HOME AFFAIRS (in Cantonese): President, the Education Bureau through its annual appropriation organizes school activities, develops teaching materials and provides professional training for in-service teachers, in a bid to assist primary and secondary schools in implementing arts education. Direct education funding includes Operating Expenses Block Grant, Subject Grant and Capacity Enhancement Grant. Schools can make flexible use of these grants as per their individual needs to implement arts education.

MR LEUNG YIU-CHUNG (in Cantonese): *President, the Secretary has not answered my supplementary question. I asked just now whether or not schools have sufficient resources. I repeat, I did not say there is no resource, but not "sufficient" resources to purchase the relevant equipment. But the Secretary only replied that they can make flexible use of these resources and what I said just now was that they simply do not have sufficient resources in the first place and thus they cannot make use of the resources. Therefore, may I ask the Secretary, given the vigorous promotion by the authorities, whether additional resources will be allocated to address the current issue of insufficient resources?*

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

SECRETARY FOR HOME AFFAIRS (in Cantonese): Madam President, according to information provided by the Education Bureau, for the 2005-2010 academic years, the Bureau has earmarked approximately \$5 million for the provision of arts professional development programmes for teachers and the development of related teaching resources.

PRESIDENT (in Cantonese): Secretary, can you relay the content of Mr LEUNG Yiu-chung's supplementary question just now to the Education Bureau?

SECRETARY FOR HOME AFFAIRS (in Cantonese): Certainly, President. (Appendix I)

MR LEUNG KWOK-HUNG (in Cantonese): *The Secretary said, as I heard just now, that the Education Bureau had earmarked as much as \$5 million for teacher training so as to enhance their arts and cultural accomplishment.*

Regarding the Secretary's reply just now, I think the failure of the HKADC in finding a partner is, to a very large extent, attributable to the insufficient resources provided by the Government. May I ask the Secretary, in view of the large amount of capital earmarked for the West Kowloon Cultural District (WKCD) project, whether he personally thinks that some capital should be redeployed from the WKCD project for the setting up of this arts channel, so that Hong Kong can be brought on a par with other international metropolises? Moreover, should teachers be provided with additional resources to pursue further studies so as to strengthen their basic competence in arts and culture?

PRESIDENT (in Cantonese): Mr LEUNG Kwok-hung, you have asked two supplementary questions, which one do you wish the Secretary to answer first?

MR LEUNG KWOK-HUNG (in Cantonese): *I think the Secretary will answer both of them because I know he is fond of answering questions. (Laughter)*

PRESIDENT (in Cantonese): Secretary, it is up to you.

SECRETARY FOR HOME AFFAIRS (in Cantonese): President, the discussion on the setting up of an arts and cultural channel fell through was attributable to the prevailing financial and economic situation then.

Certainly, the setting up of a cultural channel entails consideration of many other factors, for instance, on the part of the television station, the ratings, the availability of appropriate sponsors, and so on. Although we now have the intention to set up this channel with broadcasting companies, we also need to

start addressing a series of issues. This is my reply to the first supplementary question.

As to the second supplementary question, I have already forgotten what it is about.

(Mr LEUNG Kwok-hung intended to repeat the question in his seat)

MR LEUNG KWOK-HUNG (in Cantonese): *It is about*

PRESIDENT (in Cantonese): You cannot do it that way.

SECRETARY FOR HOME AFFAIRS (in Cantonese): Pardon me.

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

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

SECRETARY FOR HOME AFFAIRS (in Cantonese): Okay.

(Mr LEUNG Kwok-hung stood up)

PRESIDENT (in Cantonese): Mr LEUNG, you may speak now.

MR LEUNG KWOK-HUNG (in Cantonese): *Thank you, President. My second question is: \$5 million is in fact a small sum of capital. Does the Secretary agree that some capital should be redeployed from the WKCD project to enable more teachers to attend better training programmes, so as to enhance their basic competence in arts and culture?*

SECRETARY FOR HOME AFFAIRS (in Cantonese): President, regarding education, that is, enhancing teachers' competence in delivering arts education, I have already covered it in my main reply.

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

MR LEUNG KWOK-HUNG (in Cantonese): *The Secretary has not answered it. My question is, in view of the large amount of resources deployed for the WKCD project, whether some capital should be redeployed from the project for this purpose? However, he all along has not answered this part of the question.*

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

SECRETARY FOR HOME AFFAIRS (in Cantonese): President, while we take forward the WKCD project, we will also strengthen on the whole the entire software relating to culture in Hong Kong and this will include the input of resources for the improvement of arts education.

MR LAU KONG-WAH (in Cantonese): *President, I believe Members will agree that the cultivation of arts and culture is a long-term undertaking, and compared to this, the soon-to-be-launched WKCD is a more pressing task.*

Regarding the cultivation of arts and culture, it is paramount that it starts at the stage of schooling. In the past, the Government encouraged students of the Baptist College to appreciate performing arts programmes by giving them full reimbursement of the programme tickets. This initiative has encouraged many students to appreciate performing arts programmes. May I ask the Secretary whether this incentive measure can be restored or even be extended to cover Form Six, Form Seven and all tertiary students? I hold that this kind of cultivation can be regarded as a start. Can the Government provide reimbursement as an incentive for students?

SECRETARY FOR HOME AFFAIRS (in Cantonese): President, having heard Mr LAU's view, we will discuss it with the tertiary institutions and see if they will consider it.

MR LAU KONG-WAH (in Cantonese): *Apart from tertiary institutions, the cultivation should also start at secondary schools, particularly senior secondary students. Can discussions be conducted with the Education Bureau to initiate this programme?*

SECRETARY FOR HOME AFFAIRS (in Cantonese): President, this involves resource considerations that need careful and thorough examination.

DR JOSEPH LEE (in Cantonese): *President, in reply to Ms Emily LAU's main question the Secretary mentioned that the provision of subsidy to students of performing arts disciplines can promote and strengthen arts and cultural education in primary and secondary schools, and the Secretary also mentioned in the main reply that a lot of resources had been committed to this end.*

May I ask the Secretary, after so much work has been done, whether the Education Bureau or his Bureau has statistics to indicate that these students of performing arts disciplines have engaged in arts and cultural education and promotion in primary and secondary schools after graduation? If they have not, Secretary, are such resources expended in vain?

PRESIDENT (in Cantonese): Secretary, this supplementary question seems also to be related to the Education Bureau, see how you reply it.

SECRETARY FOR HOME AFFAIRS (in Cantonese): President, I am afraid I need to give a written reply after the meeting because I do not have the information at hand. (Appendix II)

PRESIDENT (in Cantonese): We have spent more than 21 minutes on this question. I have to apologize to the Secretary as we should not have used so much time. Third oral question.

Compliance by Real Estate Developers with Land Lease Condition on Provision of Public Open Space

3. **MS MARGARET NG** (in Cantonese): *President, the media have recently reported that when the Town Planning Board (TPB) granted planning permission for the development project of Times Square in Causeway Bay (the Square), it had imposed some additional conditions, one of which required that a public open space be set aside at the street level of the Square. However, the area concerned has never been open for public use since the completion of the Square, and the property management company of the Square even charge venue rental for the commercial activities organized by commercial organizations in that area. In this connection, will the Government inform this Council:*

- (a) *of the details of the additional conditions specified in the planning permission granted by the TPB for the development project of the Square;*
- (b) *whether it has assessed the rights and responsibilities of the owner or management company of the Square in respect of the area, and to which party the income derived from the area should belong; and*
- (c) *of the policies or measures in place to ensure that real estate developers will comply with the condition on the provision of public open space as stipulated in the land leases?*

SECRETARY FOR DEVELOPMENT (in Cantonese): Madam President, my reply to the three-part question is as follows:

- (a) The planning application for the development of Times Square in Causeway Bay was approved by the TPB in May 1989. In approving the planning permission, the TPB had imposed the following three conditions:
 - (i) an amount of public open space provision;
 - (ii) the layout and implementation of a landscape scheme for the public open space to the satisfaction of the then Director of Buildings and Lands or of the TPB; and

- (iii) the provision of access, car parking and loading and unloading facilities and the implementation of a traffic improvement proposal in the area to the satisfaction of the Commissioner for Transport or of the TPB.
- (b) The development project of Times Square provides a public open space located on the ground level of the Square at the junction of Russell Street and Matheson Street. The space covers 3 017 sq m and comprises two parts, namely the covered area and the open area. The space dedicated for public use is located on private land. The title of the land belongs to the owner of Times Square who has the obligation to manage the public open space. His rights and obligations are governed by a Deed of Dedication (the Deed). The Deed was signed in 1992 by the then Director of Buildings and Lands on behalf of the Government and the owner of Times Square. The Deed governs the rights and obligations of the owner, the land use of the site and the enforcement actions on the part of the Government. The key terms and conditions are as follows:
- (i) The owner shall at its own expense keep and maintain the dedicated area in a clean and tidy condition and free from any obstruction;
 - (ii) The owner shall employ cleaners and watchmen for ensuring effective management;
 - (iii) The owner should open the dedicated area for pedestrian passage or passive recreation ground for public use;
 - (iv) Subject to the prior approval of the Buildings Department, the owner has the right to place (or permit the placing of) temporary structures on the dedicated area for temporary exhibitions and displays, provided that the same shall not impede the use of pedestrian passage. The owner may charge the organizations for their use of electricity/water or related facilities and other services provided by the owner in respect of such exhibitions or displays;

- (v) If the owner fails to comply with the requirements of the Deed, the Government can take follow-up actions in accordance with the provisions of the Deed, for example, requiring the owner to undertake works for the removal of any obstruction from the dedicated area impeding the use of pedestrian passage.
- (c) Generally, the TPB can impose appropriate conditions on individual merits in approving planning permissions, for example, requiring an applicant to provide public open space. Having regard to the practical considerations, such conditions will be incorporated in the land leases or implemented through the Buildings Ordinance. To ensure that developers have fulfilled the relevant provisions, the Lands Department and the Buildings Department will scrutinize the development projects upon completion to satisfy themselves that all the requirements in the land leases or building plans are complied with, before issuing the certificates of compliance or occupation permits. To ensure that the owners continue to discharge their duties, the two departments will monitor the implementation of the relevant provisions by conducting spot checks and act upon receiving complaints from members of the public.

Finally, I wish to point out that the development project of Times Square has fulfilled the requirements of the Deed mentioned above. Upon completion of Times Square, the public open space on the ground level has been opened for public use as a pedestrian passage and an open space for passive recreation in accordance with the Deed. I have also clarified that in accordance with the provisions of the Deed, the owner of Times Square may charge organizations holding exhibitions or displays on the Area, but only for their use of water/electricity or related facilities and other services provided by the owner in respect of such exhibitions and displays.

MS MARGARET NG (in Cantonese): *President, before media exposure, no one knew that the site was public open space. Instead, everybody knew that the site could be rented for operating cafeterias, holding exhibitions, and so on. Members of the public passing by or using the site might be hindered or stopped. President, do the authorities agree that meeting lease conditions should mean*

more than simply complying with the building plan at the time of construction, that is, simply constructing the required pedestrian passage and public open space? Do the authorities agree that after the completion of the project, they should still ensure that members of the public can fully exercise their right of using the site in question, not only as a means of pedestrian passage but also a passive recreation ground? What follow-up actions have the authorities taken to ensure that members of the public can fully enjoy their legitimate right under the Deed?

SECRETARY FOR DEVELOPMENT (in Cantonese): Madam President, I agree entirely with Ms NG that if the provision of any government or public facilities is required in a private development project, members of the public should be entitled to the continuous enjoyment of such facilities, and the developer must see to it that this is the case as its continued commitment.

I have already mentioned the efforts made by the government departments concerned in my main reply. Actually, our monitoring work does not stop after issuing certificates of compliance and occupation permits. Surprise inspections will be conducted by the Lands Department (LandsD) and the Buildings Department (BD), and investigations will be conducted upon receipt of any complaints from members of the public. The coffee shop mentioned by Ms NG is a case in point. It was in fact discovered during an active inspection of the BD that there was a coffee shop selling beverages in the public open space of some 3 000 sq m. After we had issued a warning letter, the owner swiftly made rectification. In fact, this has been the only violation of the Deed of Dedication over the past decade or so.

We do, however, understand that a lot more may have to be done, if we are to make sure that the public can truly and fully grasp the information about such public facilities, that is, if we are to ensure their right to know. In this connection, please let me offer an explanation to Ms NG and Members. Actually, it is not quite true to think that we started to take actions only after all the media reports on the Square. During a radio interview in late January, we already raised the question of how best to enable the public to better enjoy the public facilities in private development projects. About two months ago, the LandsD instructed all District Lands Officers to review the land leases relating to all the private development projects completed since 1997, so as to ascertain how

many of them contain conditions on the provision of public facilities and find out the current status of these facilities.

To put it simply, from our investigation and review of land leases, we know that of all the private development projects completed since 1997, 156 are required by the relevant land leases to provide various public facilities. However, I must emphasize that not all such public facilities are public open spaces. Of the 156 private development projects, 33 are required to provide public open space like that of the Square. Besides, there are three common types of public facilities, namely, footbridges, pedestrian passages and walkways as well as public right of way. I undertake that before the end of this month, we will compile a list and upload it onto the website of the LandsD for public access. I also undertake to submit detailed information to the 18 District Councils because after the full-scale implementation of the policy on enhancing their role and functions this year, they are also involved in the management of community facilities. Even the public open spaces managed by private developers are in fact a concern of District Councils.

Besides, based on the abovementioned information, the LandsD will also issue letters to all the owners and tenants concerned, demanding them to display notices at all such public facilities, so that the public can know which facilities are available for public use. The owners and tenants concerned will also be required to put up at conspicuous locations placards displaying information about the locations and opening hours of public spaces and the organizations responsible for their management and repairs. In addition, we will also liaise proactively with the Real Estate Developers Association of Hong Kong, in the hope of getting the Association's assistance in requesting its members to discharge their obligations under land leases and Deeds of Dedication.

As for the BD, it must be pointed out that as how in the case of the Square the provision of the required public facilities is governed by Deeds of Dedication in many cases, rather than land leases. The information we have shows that totally 60 such Deeds of Dedication carry requirements on the provision of public facilities such as pedestrian passages and walkways as well as public open spaces. Like the LandsD, the BD will upload all the relevant information onto its website at a later time.

MS MARGARET NG (in Cantonese): *President, the Secretary's reply is indeed very detailed. But she has not answered the part of my supplementary question on the holding of exhibitions, an issue which is well known to all. Very high fees are charged for the holding of such exhibitions and members of the public are forbidden to enter the exhibition venue. Can the Secretary answer this part of my supplementary question?*

SECRETARY FOR DEVELOPMENT (in Cantonese): Madam President, as pointed out in my main reply, according to one provision of the Deed of Dedication signed between the Government and the owner of the Square, the latter may use the public open space for the purpose of holding exhibitions or displays. The owner may require organizers to pay certain charges, but such charges must be for the use of electricity and water or related facilities and other services provided by the owner. Therefore, as far as we know, what we need to clarify now is whether the owner of the Square can provide any proof which can satisfy people that all such charges are for the related services and facilities it provides.

PRESIDENT (in Cantonese): Totally 15 Members are waiting for their turns to ask supplementary questions. Owing to the time constraint, I cannot allow all Members to ask supplementary questions, but those who have a chance to do so are reminded to be as concise as possible. That way, I can allow more Members to ask supplementary questions.

MR LEE WING-TAT (in Cantonese): *When the development project was approved, did the Government set down any provision on granting extra construction or floor area for the provision of the public open space in question?*

SECRETARY FOR DEVELOPMENT (in Cantonese): Madam President, to put it simply, there was such a provision. But this is not unique to the case of the Square. In cases where a private developer agrees to use a private land lot for public uses, the BD may offer the developer certain concessions, such as extra construction area.

MR LEE WING-TAT (in Cantonese): *President, she has not told me how large the extra area will be.*

SECRETARY FOR DEVELOPMENT (in Cantonese): Madam President, please allow me to give a reply in writing later on. (Annex III)

DR YEUNG-SUM (in Cantonese): *Madam President, every time when I distributed leaflets or raised funds for the Democratic Party in the Square, they would ask me to move to the roadside. As I observed that Because the pedestrian flow was the heaviest over there, we naturally wished to stay there for our activities. But we were only allowed to stay on the roadside. This is no joke, and even school children selling fund-raising flags were not allowed to stay at the site in question. And, even people waiting for others at the site were asked by caretakers to leave.*

Only now do I know that the site is public open space, and a Deed of Dedication was signed with the Government. Madam President, when will the Secretary require the District Lands Officer to upload the information about such development projects for public access? When will she require owners to put up notices at conspicuous locations for public information?

SECRETARY FOR DEVELOPMENT (in Cantonese): Madam President, as I pointed out when replying to the supplementary questions just now, the work concerned has been underway for nearly two months. The first batch of information to be released will be about all the private development projects completed since 1 January 1997. All the detailed information about these projects will be released at the end of this month, that is, the end of March. As for those completed before 1997 and the 60 public land grants of the BD, I will require the relevant departments to complete the task as soon as possible. I hope this can enhance people's right to know and facilitate their use of public spaces.

MR SIN CHUNG-KAI (in Cantonese): *President, part (b) of the Government's main reply does not give any concrete Actually, the reply just now also mentioned the coffee shop, but it was subsequently closed down. My question*

is: Over all these years, the rents received from the coffee shop and the excessive over all these years, disregarding the electricity and water charges relating to the exhibitions held at the site, will the Government seek to recover the excessive rents collected by the owner?

SECRETARY FOR DEVELOPMENT (in Cantonese): Madam President, I hope Mr SIN can understand that we can only act in accordance with the relevant land lease. In this land lease, there is no provision on any penalty or how any excessive proceeds should be handled. And, I also wish to clarify that over the past decade or so, the case mentioned just now has been the one and only violation, and in that particular case, rectification was made very swiftly. When it comes to cases where the owner lends the venue to others for the holding of exhibitions, we do have a better understanding because the Development Bureau held an exhibition on heritage conservation at the public open space of the Square between 14 February and 17 February. We understand that the fees charged did not cover any rents. Therefore, when I answered Ms NG's supplementary questions, I said that when the owner charges any fees for the related services it provides, regardless of the levels of such fees, we must clarify whether it can provide proof which can satisfy people that such fees are purely for the related services provided and are not meant as any commercial rents.

MR SIN CHUNG-KAI (in Cantonese): *President, is the Government's reply My question is My question is: Has it ever tried to recover any excessive rents, that is, the money charged on top of water and electricity charges? She may reply*

PRESIDENT (in Cantonese): It is up to the Secretary to decide how to answer the question. This part of your supplementary question has not been answered, right?

MR SIN CHUNG-KAI (in Cantonese): *Yes. Have they tried to find out whether any excessive fees have been charged because water and electricity charges are allowed under the Deed of Dedication*

PRESIDENT (in Cantonese): Please sit down. If you do not do so, I cannot ask the Secretary to reply and allow another Member to ask his or her supplementary question.

SECRETARY FOR DEVELOPMENT (in Cantonese): Madam President, the fees which the owner is allowed to charge under the Deed of Dedication are not restricted to water and electricity. If Mr SIN has paid any attention to my main reply, he will have noted that fees can be charged for the use of electricity and water or related facilities and other services provided by the owner. In this connection, clarification must be made on a case to case basis. For example, according to the information I have, in the three public venues, the owners may often provide a covered tent. The tent is provided by the owner, so according to the Deeds of Dedication, reasonable fees can be charged.

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

MR ABRAHAM SHEK (in Cantonese): *President, the open area at the Square is basically used as a pedestrian passage, and part of it is also used for holding exhibitions. The Secretary has stated clearly in her reply that such uses are compliant with the requirements in the Deed of Dedication. May I ask the Secretary whether the Town Planning Board rezoned the open area as a garden in its amendment of the Outline Zoning Plan in 2001? Or, is the open area still being used as a recreation ground and pedestrian passage?*

SECRETARY FOR DEVELOPMENT (in Cantonese): Madam President, there have been no changes in the uses of this particular area. I also wish to take this opportunity of answering Mr Abraham SHEK's question to clarify one point. The expression "休憩" in Chinese often leads people to think of the presence of many recreational facilities. But under town planning laws and standards, "休憩用地" as the Chinese version of "open space" is actually defined only as an area with very few architectural structures reserved for satisfying people's passive and active recreation needs. Some actual examples of public open space are promenades, piazzas, arbours, sitting-out areas and even pedestrian precincts. All these are within the definition of public open space.

PRESIDENT (in Cantonese): Fourth question.

Enforcement of Control of Obscene and Indecent Articles Ordinance

4. **MR SIN CHUNG-KAI** (in Cantonese): *President, it has been reported that concerning the recent incidents of photos on the Internet purported to be of artistes, the Commissioner of Police said last month that people in possession of obscene or indecent photos might commit an offence; an Assistant Commissioner of Police, however, said that the transmission of obscene photos among friends was not a contravention of the law, but these explanations of the law were challenged by the legal sector. On the other hand, any person who possesses for the purpose of publication an indecent article under the circumstances as referred to in section 27A of the Control of Obscene and Indecent Articles Ordinance commits an offence. In this connection, will the Government inform this Council:*

- (a) *whether it has examined the accuracy of the above explanations of the law; if it has, of the outcome of the examination; and*
- (b) *of the respective numbers of prosecutions and convictions under the above Ordinance in the past three years; and, among them, the respective numbers of those involving possession of obscene or indecent articles in a computer for publication on the Internet, as well as the prosecution policy and investigation method of the Police Force in those cases?*

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

- (a) According to section 21(1)(b) of the existing Control of Obscene and Indecent Articles Ordinance (the Ordinance) (Cap. 390), possessing for the purpose of publication any obscene article is an offence, irrespective of whether or not the person involved knows that it is an obscene article. According to section 27A of the Ordinance, possessing for the purpose of publication of any indecent article in contravention of the relevant restrictions or conditions under the Ordinance is an offence, irrespective of whether or not the person

involved knows that it is an indecent article. Under section 2(4)(a) of the Ordinance, a person publishes an article if he distributes, circulates, sells, hires, gives or lends the article to the public or a section of the public.

Whether or not the possession of an obscene or indecent article is in breach of the Ordinance mainly depends on whether or not the possession of the article is for the purpose of publication to the public or a section of the public. Generally, whether or not the possession of an article is for the purpose of publication and whether or not "friends" can be excluded from the definition of "the public" or "a section of the public" depends on all the relevant facts of the individual case. The Court makes a decision based on the law and the relevant facts.

In view of technological advancement, with particular regard to the characteristics and popularity of the Internet, as well as public concern about the operation of the Ordinance, we are conducting a comprehensive review of the provisions in the Ordinance. The Government plans to consult the public in the second half of this year on ways to amend the Ordinance, including the development of criteria for assessing the content of an article and the assessment system itself, in order to keep pace with the development of our society.

- (b) Enforcement of the Ordinance rests with the Television and Entertainment Licensing Authority (TELA), Hong Kong Police Force (HKPF) and Customs and Excise Department according to their respective purviews. In the past three years, the enforcement departments instituted a total of 1 876 prosecutions, with 1 829 convictions secured. Among these, a total of 1 198 prosecutions and 1 178 convictions involve possession of obscene or indecent articles for publication.

Given the vast volume and transient nature of information transmitted over the Internet, the TELA and the HKPF adopt a complaint-driven approach in dealing with obscene and indecent Internet content. Enforcement departments will examine the Internet content upon receipt of complaints. Generally speaking, if

the content is likely to be indecent, the TELA will seek co-operation from Internet service providers so that the service providers or webmasters concerned can quickly add a warning or remove the websites or articles involved. If the case is serious (for example, the content is likely to be obscene), the HKPF will take appropriate follow-up and enforcement action. In the past three years, the enforcement departments instituted five prosecutions against publication of obscene or indecent articles over the Internet and all were convicted.

For all cases involving breaches of the Ordinance, whether arising from the Internet or not, all enforcement agencies including the HKPF will take enforcement action in a conscious and fair manner and in strict accordance with the law. Upon receipt of report or complaint, the HKPF will first make a preliminary assessment and collect further information as necessary before deciding whether and how the case should be followed up. In the light of evidence obtained in the follow-up investigation and, if necessary, legal advice sought from the Department of Justice, it will then decide whether prosecution should be instituted. All prosecutions initiated by the Police will be based on sufficient evidence to support the charge. It will also be ensured that the prosecution is in compliance with the statutory requirements and procedures, and is administered in accordance with the principle of equality before the law.

MR SIN CHUNG-KAI (in Cantonese): *President, what I am asking is: Of the 1 178 cases in which convictions were secured, how many cases involved the detection of and the thrust of my main question is, "among them, the respective numbers of those involving possession of obscene or indecent articles in a computer for publication on the Internet". Among these 1 178 cases, in how many cases were the articles concerned found in computers? That is, if the Government finds compact discs or magazines, convictions may subsequently be secured and this I understand. However, in how many cases were obscene and indecent articles found in computers and prosecutions subsequently instituted? In how many cases were convictions secured?*

PRESIDENT (in Cantonese): Which Secretary will reply?

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): Madam President, according to our information first, concerning the question asked by Mr SIN, perhaps let me provide some more figures to Members. Of the 1 178 convicted cases, 195 were handled by the TELA, 56 by the Customs and Excise Department and 927 by the HKPF. In other words, most of the cases were handled by the HKPF. My reply to Mr SIN's supplementary put just now is that there was none.

MR SIN CHUNG-KAI (in Cantonese): *President, may I ask if he means there was no prosecution or no conviction, or both?*

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): Madam President, I mean no prosecution was instituted. Since no prosecution was instituted, there was no conviction.

MISS TAM HEUNG-MAN (in Cantonese): *President, concerning the criteria, I wish to ask about the criteria at present. Of course, the Secretary has said that a review would be conducted. At present, the adjudicators responsible for assessing obscene or indecent articles are different on each occasion, nor is there a transparent roster system. In these circumstances, the results of assessment may depend on the subjective view or the understanding of the law of each officer. In view of this, how can the "accuracy of the above explanations of the law", as mentioned in the main question, be ensured? How does the Government tackle this problem?*

PRESIDENT (in Cantonese): Miss TAM Heung-man, your supplementary is related to the conduct of assessment. Could you explain how your supplementary is related to the main question?

MISS TAM HEUNG-MAN (in Cantonese): *President, the Secretary said in the main reply that the public would be consulted on the criteria and the assessment*

system. At present, the public may have doubts about the criteria adopted in enforcement or the viewpoints on the legal principles taken into account. Under the existing mechanism, on the criteria and the legal mechanism that adjudicators will problems arise due to the fact that a review has not yet been conducted?

PRESIDENT (in Cantonese): I still do not quite understand it. *(Laughter)* Actually, you are saying that in the main reply, the Secretary said that a consultation would be carried out in the second half of this year and you are asking whether or not consideration will be given to the rationality of the existing assessment system when the consultation is carried out. Is this what you mean?

(Miss TAM Heung-man nodded)

PRESIDENT (in Cantonese): Which Secretary will reply?

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): I already pointed out in a meeting of the Legislative Council in October last year that the Government would conduct a review of the Ordinance and the relevant system. On 14 January this year, we tabled a paper on the scope of the review to the relevant panel for Members' reference. Concerning the supplementary put by Miss TAM just now, I will also take this opportunity to give a brief explanation. I believe Miss TAM is asking whether or not the existing legislation is very simple and whether or not the Obscene Articles Tribunal (OAT) has specific guidelines to guide adjudicators in making decisions. I do not know if my interpretation is correct or not, but if it is — and I can see that Miss TAM is also nodding — section 10 of the Ordinance sets out the factors that the OAT has to take into consideration as its guidelines and they are not simply left to make decisions on their own. These guidelines include:

- "(a) standards of morality, decency and propriety that are generally accepted by reasonable members of the community, and in relation thereto may, in the case of an article, have regard to any decision of

- a censor under section 10 of the Film Censorship Ordinance (Cap 392) in respect of a film within the meaning of section 2(1) of that Ordinance;
- (b) the dominant effect of an article or of matter as a whole;
 - (c) in the case of an article, the persons or class of persons, or age groups of persons, to or amongst whom the article is, or is intended or is likely to be, published;
 - (d) in the case of matter publicly displayed, the location where the matter is or is to be publicly displayed and the persons or class of persons, or age groups of persons likely to view such matter; and
 - (e) whether the article or matter has an honest purpose or whether its content is merely camouflage designed to render acceptable any part of it".

I also once made the remark in reply in the Legislative Council that this was because there were cases of "crying up wine and selling vinegar", so it was necessary for us to examine them.

As I said just now, we are conducting a comprehensive review of the Ordinance and the scope includes the development of criteria for assessing the content of an article and the assessment system itself. As regards whether the definitions will be expanded and how to enable the public to gain a better understanding of the definitions in the Ordinance, we will consult the public on this when the review is conducted.

MR RONNY TONG (in Cantonese): *President, towards the end, the Secretary admitted in his main reply that "All prosecutions initiated by the Police will be based on sufficient evidence to support the charge." Since the OAT is given the special power of classification and in accordance with the principles of assumed innocence and the onus of proof being on the prosecution, may I ask the Government if the police should in fact obtain a classification from the OAT and decide whether the photos concerned were obscene or indecent before instituting appropriate prosecution? Does the Government agree with such an interpretation?*

PRESIDENT (in Cantonese): Which Secretary will reply?

SECRETARY FOR SECURITY (in Cantonese): Madam President, in this case, the police followed an established operational procedure and took action in accordance with the law. As Secretary Frederick MA pointed out in the main reply, the existing legislation does not require that enforcement departments submit the articles involved in a case to the OAT for classification before instituting prosecution. When the police institute prosecutions involving obscene and indecent articles, it will make enquiries with the TELA or refer the articles to the OAT for classification in accordance with section 13(2) of the Ordinance if they have doubts about whether or not an article is obscene or indecent. Therefore, throughout this case, the police conducted themselves according to the established procedures and the relevant legislation.

MR RONNY TONG (in Cantonese): *Following the usual practice does not mean that it is correct. What I am asking is whether we should respect the two principles of assumed innocence and the onus of proof being on the prosecution and handle prosecutions according to these two principles. The Secretary only read out the contents of the Ordinance, however, may I ask the Secretary if these two principles are applicable and no one should be above the law?*

SECRETARY FOR SECURITY (in Cantonese): I fully agree with what Mr Ronny TONG said. The two cornerstones of common law at present are to assume the innocence of the defendant unless proven otherwise and to give the defendant an opportunity of defence. However, regarding this case, I fully believe that the police have the *prima facie* to institute prosecution.

MR JAMES TO (in Cantonese): *The public found the explanations given by the Commissioner of Police and Assistant Commissioner of Police earlier on very confusing and repulsive. Now, after the explanation given by Secretary Frederick MA, the situation has become even worse. In the introduction to the main question, it is pointed out that the Assistant Commissioner of Police said that "the transmission of obscene photos among friends was not a contravention of the law". This is what the Assistant Commissioner of Police said.*

However, after the explanation given by Secretary Frederick MA, even in the case of friends, whether or not "friends" can be excluded from the definition of "the public" or "a section of the public" depends on all the relevant facts of an individual case. On that occasion, the Assistant Commissioner of Police pointed out who could be considered friends and who could not be, and if only friends were involved, there would not be any problem, otherwise, there would be problems. However, after Secretary Frederick MA has given an explanation, it turns out that one may get into trouble even if only friends are involved. May I ask Secretary Frederick MA — this is what your main reply apparently says — if what you said (and I hope the main reply has been perused by the Department of Justice) today is reported by the mass media and the public learn about it, they will be all the more confused. I want to give the Secretary one more chance to let him explain to us again.

PRESIDENT (in Cantonese): You want to give him one more chance?

MR JAMES TO (in Cantonese): *I am asking if Secretary Frederick MA can give us an explanation. (Laughter)*

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): Madam President, thank you for giving me a chance to explain again. *(Laughter)*

Members all know clearly that there is no definition of "friends" in law. For this reason, I said in the main reply, "whether or not 'friends' can be excluded from the definition of 'the public' or 'a section of the public' depends on all the relevant facts of the individual case". This is the main point and the Court will make a decision based on the law and the relevant facts. That means if someone disputes whether or not these so-called "friends" is in fact "the public" or "a section of the public", the Court will have the final say.

MR JAMES TO (in Cantonese): *What the Secretary did not reply to is: According to the comments made by the Assistant Commissioner of Police, if the people concerned are friends, no law has been violated. However, Secretary Frederick MA said that friends may be considered members of the public but it*

was also possible that they would not be regarded as such. If this comment by Secretary Frederick MA is considered to be overriding the explanation given by the Assistant Commissioner of Police, we will feel all the more confused. I hope Secretary Frederick MA will say whether his explanation means that friends can also be considered "the public". Is this what he meant? This is the point I asked about just now.

PRESIDENT (in Cantonese): You can sit down. Secretary, do you have anything to add?

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): Madam President, I think I have already explained it very clearly and there is nothing to add.

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

MR ALBERT CHAN (in Cantonese): *I think that the Secretary did not actually reply to the important issue raised by Mr SIN Chung-kai in the introduction to his main question. Mr SIN Chung-kai stated very clearly that "an Assistant Commissioner of Police, however, said that the transmission of obscene photos among friends was not a contravention of the law". What he said was possession, not possession for the purpose of publication, whereas it looks as if the main reply given by the Secretary is somewhat like saying that a white horse is not a horse. Mr SIN Chung-kai did not ask about publication and he simply referred to the Commissioner of Police's comment that possession may violate the law. However, the Secretary did not give any reply to this at all. President, I am not in a position to speculate on the underlying reason for the Secretary's evasiveness. Can the Secretary say categorically — he does not look like an evasive person and in the past, he was very forthright, even though sometimes he was more tactful — that the possession of obscene or indecent articles does not violate the law? The Secretary only has to answer "yes" or "no" and this is as simple as that. I am not discussing publication, which is another matter, with him. Can the Secretary say clearly that possession does*

not violate the law, in which case the comment made by the Commissioner of Police was wrong?

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): In fact, it is stated clearly in the main reply that possession for the purpose of publication any obscene article is an offence and this is stipulated very clearly in the Ordinance. Mr Albert CHAN mentioned the comment of the Commissioner of Police just now. I learnt from various mass media or channels that the Commissioner of Police had already said the possession of obscene articles alone is not an offence unless the articles concerned involve things like child pornography. Therefore, I think that as stated in the main reply, if there is the intent to publish these articles, an offence is committed and this is very clear.

MR ALBERT CHAN (in Cantonese): *The Secretary did not reply to my supplementary. I am asking him about possession because the Commissioner of Police only talked about possession and Mr SIN Chung-kai's main question also asks only about possession. On the question of whether or not it is true that possession alone is not an offence, will the Secretary please simply reply "yes" or "no" and refrain from adding the word "publication" and distorting the original meaning of the main question?*

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

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): I have nothing to add, Madam President. I have already made it very clear in the main reply. Moreover, if there is any doubt, it is necessary to leave it to the Court to make a judgment.

PRESIDENT (in Cantonese): Fifth question.

Prosecution Against Publishing Obscene Articles on Internet

5. **MR JAMES TO** (in Cantonese): *President, it has been reported that in the recent incidents of photos on the Internet purported to be of artistes, a member of the public was charged with the publishing of obscene articles. The Magistrate, at the request of the prosecution, ordered that the member of the public be on remand for eight weeks. Subsequently, after the photos concerned had been classified by the Obscene Articles Tribunal (OAT) as indecent but not obscene articles, the police quashed the indictment against that member of the public, but said that in handling the case, the police did not make any mistake or were not negligent. There have been comments that it is improper for the police to institute prosecution before submitting the photos concerned to the OAT for classification, and there have also been comments that in the above case, the prosecution action taken by the police against publishing obscene articles on the Internet may arouse suspicion of selective law enforcement. In this connection, will the Government inform this Council:*

- (a) *why the above case, in which a member of the public was wrongfully charged and detained, had happened when the police did not make any mistake or were not negligent; and how it ensures that "prosecuting the innocent" will not happen again under similar circumstances in future;*
- (b) *whether an apology and compensation will be made to the above member of the public who has been wrongfully charged and detained; and*
- (c) *whether it will formulate anew the law-enforcement policy in relation to publishing obscene articles on the Internet, in order to ensure that prosecutions are instituted justly?*

SECRETARY FOR SECURITY (in Cantonese): Madam President, regarding parts (a) and (b) of the question, the information paper submitted by the Department of Justice to the Legislative Council Panel on Administration of Justice and Legal Services on 25 February 2008 has already given a detailed explanation on the case mentioned in the question raised by the Member.

As explained in the paper, the police had gathered sufficient evidence before making arrest and taking prosecution action. The way the matter had been handled was not in contravention of the enforcement requirements under the Control of Obscene and Indecent Articles Ordinance (COIAO) (Cap. 390). When the case was brought to the Court, neither the Magistrate nor the defence counsel, after seeing the photograph that was the subject of the charge, disputed the police's assessment that the photo was obscene. The Department of Justice's subsequent withdrawal of the charge was a decision made entirely in response to a new development that arose in the case.

Whether a defendant should be granted bail or how long a defendant should be remanded in custody is not a matter for the law-enforcement agency or the prosecutor to determine. This is an independent decision to be made by the Court, taking into account information provided by the various parties concerned. In this case, it was only after hearing submissions from both the prosecution and the defence that the Magistrate determined that the defendant should not be admitted to bail.

The fact that in a particular case a prosecution does not proceed to trial or result in a conviction does not necessarily point to the conclusion that there has been impropriety on the part of the law-enforcement or prosecution officers in the handling of the case. Such a comment is not fair either. As a matter of fact, the police have handled this case in accordance with the relevant legislation and the established procedures. There is no question of any deliberate bias, unfairness or negligence. I therefore do not agree that there has been dereliction of duty on the part of the police and hence any liability for compensation.

Any complaint lodged by any affected person about the police's handling of a case will be dealt with impartially and will be fully investigated in accordance with the established procedures. In future, the police will continue to take law-enforcement action in a careful manner, having regard to the criminal offences stipulated in, and the enforcement authority conferred by, existing legislation. Where necessary, advice will be sought from the Department of Justice to ensure that every law-enforcement and prosecution action complies with the relevant legislative provisions and the principle of equality before the law.

Regarding the final part of the question, in taking enforcement action against obscene and indecent articles, the police follow the same approach and treat everyone equally and fairly, regardless of the background or identity of the parties involved. On whether the police should have sent the relevant photograph to the Obscene Articles Tribunal (OAT) for classification before laying the charge, as explained to the Panel on Security on 29 February 2008, the COIAO does not require a pre-charge classification by the OAT. On the contrary, section 29(2) of the COIAO makes it clear that in civil or criminal proceedings, articles should only be sent to the OAT for classification when the question of whether the article is indecent or obscene will be a live issue in those proceedings. In this case, the police considered that it was not necessary to send the photograph to the OAT first for classification. This was a professional judgment of the relevant law-enforcement unit, and in so doing, the police acted within the authority conferred by the COIAO. This notwithstanding, the police have undertaken that, in future, in case of doubt as to whether an article falls under the classification of obscene or indecent, they will take the initiative to consult the Television and Entertainment Licensing Authority (TELA) or send the article to the OAT for classification in accordance with section 13(2) of the COIAO before laying charges relating to obscene and indecent articles.

In addition, as the Secretary for Commerce and Economic Development pointed out in his reply to Question No. 4 just now, the Administration is undertaking a comprehensive review of the COIAO. The Department of Justice has indicated that in the process of the review, it will stay vigilant and consider if any review of the related prosecution procedure is necessary.

MR JAMES TO (in Cantonese): *President, if the professional misjudgment of a law-enforcement unit has led to "prosecuting the innocent", should it offer an apology at least?*

The Magistrate ruled that the defendant was not required to pay the legal costs on the ground that the prosecution should not have been brought. In the light of the Magistrate's comment that the prosecution should not have been brought, may I ask the Government whether the innocent can be wronged by merely asserting that this is an established procedure and a right approach which, by the same token, may lead to the prosecution of innocent individuals in the future? Should the Government, through the authorities concerned, offer an

apology for its professional misjudgment and consider making compensation at least?

SECRETARY FOR SECURITY (in Cantonese): Today, Mr TO speaks in such a solemn manner that he mentions time and again that the innocent has been prosecuted and the police have laid charges on the innocent. Perhaps I should clarify the whole matter and point out who is right and who is wrong.

In the whole issue, some individuals have indeed uploaded some obscene or now classified as indecent photos onto the Internet. Such an act is unacceptable in the eyes of the majority public and will poison the people or the youth in Hong Kong. More importantly, it has seriously infringed some Hong Kong people's privacy. Are such acts and such individuals really innocent? Is this a case of prosecuting the innocent? I think this should be judged by Hong Kong people. In fact, Mr James TO also mentioned just now that

MR JAMES TO (in Cantonese): *My question has been misunderstood*

PRESIDENT (in Cantonese): You can raise this later on

MR JAMES TO (in Cantonese): *Can I do so?*

PRESIDENT (in Cantonese): How can you interrupt the Secretary when he is answering your supplementary question?

MR JAMES TO (in Cantonese): *No, President, I do not know whether at this moment or later on I can*

PRESIDENT (in Cantonese): I will give you a chance to ask a supplementary question later on. But no clarification is allowed even if your question has been misunderstood

MR JAMES TO (in Cantonese): *No, I am not going to ask a supplementary question.*

PRESIDENT (in Cantonese): No clarification is allowed, not to mention that you have not been misunderstood. You have been in the Legislative Council for so many years. No Member is allowed to explain any part of his question which has been misunderstood during the Question Time. Do you remember that?

MR JAMES TO (in Cantonese): *No. If my supplementary question has been misunderstood, the Secretary will give us a wrong reply.*

PRESIDENT (in Cantonese): If the Secretary has given you a wrong reply, you can ask a supplementary question again later on. Mr TO, this is very clear in procedure and you have been in the Legislative Council for so many years

MR JAMES TO (in Cantonese): *No, President. May I ask, as far as the procedure is concerned, if my speech and my supplementary question have been misunderstood, can I make clarification at this juncture?*

PRESIDENT (in Cantonese): No.

MR JAMES TO (in Cantonese): *No? When can I do so?*

PRESIDENT (in Cantonese): After the Secretary has answered the question, you can, when a chance is given, rise and say, "President, he has not answered my supplementary question."

MR JAMES TO (in Cantonese): *OK. Instead of not answering my question, the Secretary has simply misunderstood*

PRESIDENT (in Cantonese): You said that the Secretary has not answered your supplementary question because he has misunderstood your point. Please sit down because you have wasted our valuable time.

MR JAMES TO (in Cantonese): *OK. I see.*

PRESIDENT (in Cantonese): Secretary for Security, please continue. Many Members are still in the queue.

SECRETARY FOR SECURITY (in Cantonese): Just now Mr TO also said that the defendant was released in the Court in the light of a new development as mentioned in the Magistrate's ruling, and the defendant was not required to pay the legal cost. But we should not forget the Magistrate's remarks that the defendant's act, in terms of morality, is considered to be extremely Perhaps I should not repeat it verbatim. But any way, he considers that the defendant's behaviour is extremely repulsive and has seriously infringed other people's privacy and trampled on the dignity of those in the photos and adversely affected their images in the eyes of their relatives, friends and even the public. Is this really a case of prosecuting the innocent? Is the defendant really innocent? I think this is up to the public and Members to judge.

PRESIDENT (in Cantonese): Mr James TO, has the Secretary not answered your supplementary question?

MR JAMES TO (in Cantonese): *No, President, the Secretary has misunderstood my point. When I said a case in which the defendant was wronged, I referred to an innocent person. The Government now seems to say that immoral people should be prosecuted and it is therefore not a wrongful case involving the prosecution of the innocent. President, my question which the Government should answer is whether In my supplementary question just now, an innocent person — even the Magistrate said that the prosecution should not have been brought — an innocent person should be wronged and remanded for eight weeks because of his immorality? Does the Secretary mean that? This is the crux of my question. Besides, should the authorities give*

compensation and apologies to this innocent person who has been put behind bars for so long?

PRESIDENT (in Cantonese): You mainly ask whether or not the authorities will offer compensation and apologies.

MR JAMES TO (in Cantonese): *This is what I meant.*

PRESIDENT (in Cantonese): I remember you asked whether the authorities would offer an apology. Please sit down.

(Mr James TO remained standing)

MR JAMES TO (in Cantonese): *But the Government said that an immoral act should should immorality be penalized by imprisonment?*

PRESIDENT (in Cantonese): You cannot debate with the Secretary. I know you are very indignant but you cannot

MR JAMES TO (in Cantonese): *Should immorality be punished by imprisonment? This is the crux of my question*

PRESIDENT (in Cantonese): Please be seated.

MR JAMES TO (in Cantonese): *Immorality should only be denounced.*

(Mr James TO sat down)

PRESIDENT (in Cantonese): You will not rise again, will you? I can ask the Secretary whether he has anything to add. Secretary for Security, do you have anything to add?

SECRETARY FOR SECURITY (in Cantonese): In this case, the police earlier arrested and instituted prosecution against the individual concerned with the support of sufficient evidence. This has neither deviated from the police's approach in dealing with similar cases nor contravened the laws of Hong Kong. The police have dealt with the case according to their case experiences and professional judgment. No negligence has been committed in this case.

As I pointed out in the main reply, the fact that in a particular case a prosecution does not proceed to trial or result in a conviction does not necessarily point to the conclusion that it is a case of wrongful arrest or "prosecuting the innocent". As Mr Ronny TONG has said, this is the value of our laws, meaning that the defendant is assumed to be innocent before conviction, in addition to the fact that the benefit of doubt, if any, will go to the defendant. This has precisely reflected the features of our existing judicial system which should be treasured. President, I think if Hong Kong people are told that the conviction rate of prosecutions instituted by the police is 100%, then they should be worried.

PRESIDENT (in Cantonese): Has your supplementary question not been answered?

MR JAMES TO (in Cantonese): *In the light of the Magistrate's remarks that the prosecution should not have been brought, my supplementary question is about prosecution instead of arrest. President, if the Secretary continues to dodge my question, I am at my wits' end. This is the crux of my question.*

PRESIDENT (in Cantonese): Mr James TO, please sit down first. Even though you have your own viewpoint on this issue, I have to let other Members ask supplementary questions.

MR MARTIN LEE (in Cantonese): *Madam President, the decision of whether or not prosecution should be instituted against a citizen rests with the Department of Justice rather than the police. In the seven paragraphs of the Secretary's main reply, the Department of Justice has been mentioned four times. The last oral question just now concerning the remarks of the Commissioner of Police and Assistant Commissioner of Police and the "accuracy of the above explanations of the law" should in fact be answered by the Secretary for Justice.*

However, the Secretary for Justice is absent today. On the contrary, Secretary TANG is here and I very much appreciate that. As he is here, he may be requested by the President to answer my supplementary question. My question is: It is crystal clear that these questions should be answered by the Secretary for Justice, who, as the responsible official, has not shown up. Can this fulfil the minimum requirement of the Accountability System for Principal Officials?

PRESIDENT (in Cantonese): I would like to point out that it is up to the Government to decide which government official should answer Members' questions in the Legislative Council meeting on its behalf. Should any queries arise on the Government's decision, I believe Members and the mass media will express their views outside this Chamber. Which Secretary will answer the question?

SECRETARY FOR SECURITY (in Cantonese): Madam President, in fact, the Department of Justice submitted detailed information papers explaining the Secretary for Justice's role in the incident in the first instance in response to the request of the Legislative Council Panel on Administration of Justice and Legal Services. As the Panel will hold another meeting on the 19th of this month to discuss the issue, colleagues of the Department of Justice will also attend the meeting and answer Panel members' questions.

MR MARTIN LEE (in Cantonese): *The Secretary has not answered my question. Unlike the tabling of papers on other occasions, this is a supplementary question during Question Time. The Secretary has not answered my supplementary question.*

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

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

MR RONNY TONG (in Cantonese): *President, the police, in their reply here, said that they would enforce the law fairly and impartially. As we all know, if foul language is used in a film, television or radio programme in Hong Kong, it will be regarded as indecent and that part of the programme will be deleted on request. From the chat rooms on the Internet, the police can see that a lot of foul language is used by many people every day. Under the principle of impartial enforcement of the law, have the police taken any action against indecent messages in the chat rooms on the Internet? We should bear in mind that "articles" in the legislation include all oral and written languages, photos and everything.*

PRESIDENT (in Cantonese): Since this question is related to messages on the Internet and the Secretary for Security has also mentioned the principle of equality before the law in his main reply, I will allow your supplementary question even though its scope seems to be rather wide. Which Secretary would like to answer it?

SECRETARY FOR SECURITY (in Cantonese): Madam President, according to our current policy, the police, after receiving a report or complaint about indecent messages on the Internet, will conduct a preliminary assessment and gather background information if necessary before deciding whether and how follow-up action should be taken. The background of the victims or the complainants is irrelevant to the police's decision of whether follow-up action would be taken.

Concerning Mr Ronny TONG's question as to whether Internet police will be assigned frequently to monitor each and every piece of information on the Internet to see whether there is any contravention of the laws, we do not have such manpower to perform such a task for the time being. Besides, we think

the police should not work as if they are the moral judges on the Internet. Neither will Mr James TO think that we should play such a role.

MR RONNY TONG (in Cantonese): *The Secretary has totally misunderstood my supplementary question. President, when we watch the television, a lot of popular foul language can be heard — I cannot repeat the foul language in the Chamber but Members should know what foul language I am referring to — such foul language is spoken by the people in the streets every day but not allowed on the television. On the same basis, if the police say that the law is enforced impartially and fairly, they should enforce the law against foul language used in the chat rooms on the Internet. If the police think that law enforcement is not possible, should the law be amended? Otherwise, President, I think this may lead to a certain degree of discrimination.*

PRESIDENT (in Cantonese): We have all understood your question. But your explanation has exceeded the scope of your previous supplementary question and is a bit too long. Which Secretary will answer the question?

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): Madam President, perhaps I should try to answer Mr Ronny TONG's supplementary question.

As we all know, the television is regulated in accordance with the Broadcasting Ordinance and the Broadcasting Authority will deal with cases concerning foul language used in television programmes. This is the first point. Second, just now we discussed the television and the Internet. Madam President, our world has really changed. Nowadays, information on the Internet is bountiful, rapidly changing and transcends national boundaries. As we all know, apart from the police, if the TELA has received complaints about the contents on the Internet — not only foul language but also other aspects — it will deal with the complaints with the help of the Internet service providers in Hong Kong. So, each situation will be dealt with in a unique way. But they will surely be dealt with in a fair and impartial manner.

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

MS MARGARET NG (in Cantonese): *President, I would like to follow up the question about the individual who has been on remand for eight weeks because personal freedom is our fundamental right. I, of course, do not say that the Court's ruling is correct. But generally speaking, if the prosecution does not oppose the granting of bail, the Court will not issue a custody order.*

May I ask the Secretary whether the police have taken the initiative to oppose bail, thus resulting in the remand in custody of the defendant? As the police say that all are treated equally, have the police also opposed bail in similar prosecutions in the past, meaning prosecutions against the publishing of obscene articles?

SECRETARY FOR SECURITY (in Cantonese): Madam President, as I pointed out in the main reply, it is up to the judicial officer as an independent person to decide whether the defendant is admitted to bail.

Regarding the second part of Ms Margaret NG's supplementary question about whether we have opposed bail in each similar case in the past, I think this depends on the seriousness and uniqueness of each case. I do not have such information at the moment.

MS MARGARET NG (in Cantonese): *President, the Secretary has not answered my supplementary question. My question is not about the prosecutor. I asked whether the police had taken the initiative to request the prosecutor to oppose bail. Besides, have the police opposed bail in the prosecution of individuals concerning the publishing of obscene articles in the past? First of all, I hope the Secretary can answer my question; secondly, if the Secretary cannot answer the second part of my question, please give us supplementary information.*

SECRETARY FOR SECURITY (in Cantonese): Madam President, in this case, the police have opposed bail. Regarding past cases, I do not have any information and cannot answer the second part of Ms NG's supplementary question.

MS MARGARET NG (in Cantonese): *President, why is the Secretary unable to answer my question? I only asked whether the police had opposed bail in the past as there were also many cases concerning the publishing of obscene articles and the press being prosecuted.*

PRESIDENT (in Cantonese): Ms NG, you can ask the Secretary whether he can give a reply in writing.

MS MARGARET NG (in Cantonese): *Yes, President, I request a written reply from the Secretary.*

PRESIDENT (in Cantonese): Secretary for Security, can you give a reply in writing?

SECRETARY FOR SECURITY (in Cantonese): I will go back and look for such information. (Annex IV)

PRESIDENT (in Cantonese): Last oral question.

Assistance for Discharged Offenders

6. **DR FERNANDO CHEUNG** (in Cantonese): *President, it has been reported that earlier, a newly discharged offender, allegedly because he was unable to contact over the weekend the charity organization which assisted discharged offenders, and had lost contact with his family, and in a state of being*

homeless, cold and hungry, stole a meal pack in a convenience store to satisfy his hunger and was caught on the spot. The surveys conducted by some organizations also show that such persons often face immediate financial and housing problems after discharge. In this connection, will the Government inform this Council:

- (a) whether it has drawn up any rehabilitation programme for individual inmates due to be discharged, including persons serving short-term or long-term imprisonment, and whether it will assign social workers to continue to follow up, in a case management approach, their lives after discharge; and*
- (b) whether it has drawn up any special measure to help offenders discharged at weekends or on public holidays solve their immediate financial and housing problems; if it has, how the authorities ensure that such persons are aware of the channels for seeking assistance; if not, of the reasons for that?*

SECRETARY FOR SECURITY (in Cantonese): Madam President,

- (a) The Correctional Services Department (CSD) is committed to providing a safe and humane environment for the detention of prisoners and facilitating their return to the community after they have served their sentence through the provision of suitable rehabilitative services. Programme Officers of the Rehabilitation Division of CSD would start providing counselling to prisoners on a case management basis immediately upon their admission to penal institutions. Regular counselling services are provided to all prisoners at least once a month to help them deal with any personal adaptation problems or family difficulties that may arise from their imprisonment. Prisoners are also encouraged to join suitable rehabilitative programmes to prepare for their lives after discharge.

All prisoners are arranged to take part in a Pre-release Reintegration Orientation Course before discharge. The course covers general information on social services and organizations which are of particular relevance to rehabilitated offenders. It includes, for

example, a brief introduction on social welfare services and community service facilities, information on government and voluntary agencies which offer assistance to rehabilitated offenders in finding jobs, job interview skills, and labour legislation.

Programme Officers would also take the initiative to identify the needs and possible difficulties prisoners may have after their discharge. With the consent of the prisoners, their cases would be referred to relevant government departments and voluntary agencies prior to their release for early follow-up actions. For instance, Programme Officers would help prisoners with potential financial or housing difficulties to apply to the Social Welfare Department (SWD) for Comprehensive Social Security Assistance, or the Housing Department for public housing before discharge.

In addition to government departments, there are a number of voluntary agencies which provide services for prisoners and rehabilitated offenders. For instance, social workers from the Society for Rehabilitation and Crime Prevention, Hong Kong (SRACP) will introduce their services to prisoners during their regular visits to penal institutions, and assist them in planning their lives after release through interviews, seminars and distribution of information leaflets. Apart from general counselling services, the SRACP would help rehabilitated offenders with immediate financial or housing needs by granting them short-term cash assistance, or arranging accommodation for them in hostels provided by the SRACP or other organizations. The Employment Development Unit of the SRACP would also assist rehabilitated offenders in finding jobs to help them become self-reliant as early as possible.

To cater for the needs of newly-discharged rehabilitated offenders, the SWD has subsidized the SRACP to run a two-year trial scheme since March 2007. Under the scheme, newly-discharged rehabilitated offenders with genuine needs could be granted a short-term rent allowance for a maximum period of two months.

- (b) In accordance with Rule 22A of the Prison Rules (Cap. 234A), if a prisoner is due for discharge on a general holiday, he or she shall be discharged on the day next preceding that day which is not a general

holiday. In other words, prisoners who have finished serving their sentence would leave a penal institution only on a non-public holiday during Monday to Saturday. They would not be discharged on a public holiday or a Sunday.

Discharged prisoners may call the 24-hour service hotline of the SWD or SRACP for assistance if they need urgent financial or housing assistance outside office hours or during public holidays. Staff of the SWD and SRACP would do their best to help the discharged prisoners solve their problems.

All in all, in order to make sure that rehabilitated offenders are aware of the channels for seeking assistance, social workers from the SRACP would, under the existing arrangements, pay regular visits to penal institutions to brief prisoners on their services. The CSD would also hand out a "Rehabilitation Hotlines" pamphlet, which contains telephone numbers and service hotlines of relevant government departments and voluntary agencies, to local prisoners on the day of their discharge. This serves as handy reference for rehabilitated offenders in enquiring and obtaining the services and support they need.

DR FERNANDO CHEUNG (in Cantonese): *President, the Secretary's reply is so perfect that it is like a leak-proof bucket — not a single drop of water can leak from it. It seems there is no reason that the case mentioned in my question should have happened at all. But even to this day, many organizations still tell us that many discharged offenders in fact still face financial and housing difficulties.*

President, my question is: Has the Government drawn up rehabilitation programmes for each and every prisoner due to be discharged, and has it assigned social workers to follow up their lives after discharge? The Secretary's answer is, when the inmates are in prison, there are social workers following up their cases, and they are encouraged to participate in suitable rehabilitation programmes. May I ask the Secretary why the Government does not prepare a rehabilitation programme for every discharged offender after discharge? Since it is about rehabilitation, it should refer to planned arrangements for them after discharge. If such arrangements are in place, the

difficulties could be anticipated well in advance, and the case mentioned in my question can be prevented.

SECRETARY FOR SECURITY (in Cantonese): Madam President, before a prisoner is discharged from a penal institution, we have already made arrangements for him. We hope that, through the provision of some courses, we can facilitate their reintegration into society. I believe what Dr Fernando CHEUNG means is, after a prisoner is discharged, he should be followed up by our officers until he has found a job and an accommodation. Is this what he means? But I believe there is something we must cherish in Hong Kong. A prisoner, once discharged, is a free person. If he does encounter difficulties in his life, he has access to certain channels to raise the difficulties with us. In that case, it could be followed up by the SWD or we could refer it to certain non-governmental organizations for follow-up.

In fact, it is stipulated in our legislation that, unless under specific circumstances, our colleagues in penal institutions are not allowed to follow up discharged prisoners. This has been spelt out in law. It may have something to do with the so-called "anti-corruption practices" in the past. Since our colleagues in penal institutions are responsible for supervising them in prisons, so upon their discharge, they are free persons and our colleagues in penal institutions should not have any contact, official or otherwise, with them. Otherwise, it may give rise to many problems. This explains why we have to ask the SWD or non-governmental organizations, instead of our colleagues in penal institutions, to follow up their cases.

DR FERNANDO CHEUNG (in Cantonese): *President, he has not answered my supplementary question. The supplementary question raised by me just now is very explicit, that is, if rehabilitation programmes have been arranged before discharge, we shall be able to find out how discharged offenders intend to arrange their accommodation and meals upon discharge, and then we can have a plan for them. But now, no plan is in place. They are only encouraged to participate in such programmes. The Secretary has not answered this part.*

SECRETARY FOR SECURITY (in Cantonese): Madam President, we are not a country practising socialism, so we cannot supervise what a prisoner will do after discharge. As I have said, once such a person is discharged from our prisons, he is a free person, and he can lead his own life. Of course, if they really have some difficulties, there are channels for them to raise their problems with our colleagues in penal institutions. When they have raised their problems, we will render assistance to them accordingly. But it is not possible to draw up a specific plan for each discharged prisoner. This is not our practice.

DR FERNANDO CHEUNG (in Cantonese): *I did not mean socialism. A rehabilitation programme has nothing to do with socialism*

PRESIDENT (in Cantonese): Dr CHEUNG, I understand your point. You need not clarify it, for everyone understands it very well.

MR LEUNG YIU-CHUNG (in Cantonese): *President, it is rather accurate for Dr Fernando CHEUNG to compare the Secretary's reply to "a leak-proof bucket — not a single drop of water can leak from it". I think the Secretary's reply is really perfect. But, as a matter of fact, from the complaints I have received, this is not true. Even if this is what the Secretary can read from the documents, what actually happens in reality is not like that. Because the notices are just posted on walls, such information is not mentioned at all during their interviews. Therefore, many prisoners do not know the existence of such channels. Or even if they do know, they do not realize that they can obtain assistance through such channels. Therefore, with regard to this aspect, I hope, on his return to the Bureau, the Secretary would not just engage himself in some empty talk. Instead, he should act pragmatically to reduce such complaints. However, this is not my supplementary question. The supplementary question I wish to ask the Secretary is*

PRESIDENT (in Cantonese): You had better ask your question now. *(Laughter)* Members are not allowed to express opinions in Question Time. I have already dealt with this in a very loose and lenient manner, and I have let you say a lot.

MR LEUNG YIU-CHUNG (in Cantonese): *I know. I just said these in passing.*

Secretary, I wish to tell you, for discharged prisoners, especially those who have served long prison terms, the most difficult problems they face are housing and finance. However, even if the Bureau really renders assistance, it would tell them that they have to wait according to the order in a waiting registry, and the order cannot be disrupted. The Secretary must understand that discharged prisoners who have served long terms could have completely lost contact with their families and friends, and they would face the very difficult problem of finding a dwelling place after discharge. Can the Secretary discuss with the Housing Department, as in the case of the SWD, to provide a certain number of rooms for discharged prisoners who have served long jail terms, especially those needy people, so that they can have a stable shelter after discharge and that they would not feel at a loss as to what to do? Regarding the financial aspect, likewise, can the SWD discuss with the authorities concerned on the expeditious granting of Comprehensive Social Security Assistance (CSSA) to them, so that they would not do silly things just because they may feel they have nowhere to turn to for assistance when encountering financial and housing problems after discharge from prison?

SECRETARY FOR SECURITY (in Cantonese): Thanks for your suggestion, Mr LEUNG. In fact, as you have said just now, at present, there are really some regulations in respect of the waiting time. But as far as I understand it, in dealing with cases involving genuine difficulties, the departments concerned would still exercise discretion. For example, in terms of public housing, there is temporary housing to rehouse them. Usually, discharged prisoners do not have the problem of having no accommodation after discharge. They have families, so they can go home. However, those persons who have served long terms, as mentioned by Mr LEUNG Yiu-chung just now, may not be able to get in touch with their families after discharge. Under such circumstances, they may inform our colleagues in penal institutions of their situations. We shall contact the departments concerned or the relevant non-governmental organizations before their discharge. For example, the SRACP has set up a fund which can provide them with subsidies for a short period of time to assist them in renting accommodation. Of course, as Mr LEUNG has said just now,

if such cases have really emerged, we shall bring them to the attention of the Housing Department and the relevant government departments.

MR LEUNG YIU-CHUNG (in Cantonese): *President,*

PRESIDENT (in Cantonese): Has your supplementary question not been answered?

MR LEUNG YIU-CHUNG (in Cantonese): *The Secretary has not answered it. President, the supplementary question I have just raised is: In this aspect, can the Secretary hold discussions with the Housing Department and SWD immediately, with a view to allocating a fixed number of rooms for discharged long-term prisoners, so as to solve their housing and financial problems after discharge? Is it possible to formulate policies in such a specific manner?*

SECRETARY FOR SECURITY (in Cantonese): Madam President, I believe we can only handle such cases on a case-by-case basis. At the moment, this is still not our policy.

MS EMILY LAU (in Cantonese): *President, even with the Secretary's perfect and "leak-proof" arrangements, many problems have still emerged. May I ask the Secretary, for example, during the past couple of years, how many such complaints the authorities have received? These cases must have "secretly leaked through" your "leak-proof" perfect arrangements. Do you have such information? Did you conduct reviews after receiving such complaints to see if such arrangements are really so perfect and "leak-proof" that not a single drop of water can leak from it, or in fact a lot of "water" has in fact "leaked" from it? Besides, President, when inmates are discharged, will they be given leaflets detailing all kinds of information such as the telephone numbers of various organizations? If so, definitely such information can be helpful to them.*

SECRETARY FOR SECURITY (in Cantonese): I am also aware of a recent case in which a freshly discharged prisoner found that he did not have any accommodation. This case was reported by the media. With regard to how many such cases there are during the past three years in which such persons intended to seek assistance but eventually could not get any, I do not have such information at hand. Maybe I can check such information on my return to our Bureau to see whether the CSD or the SWD had received such cases.

However, we have been able to provide assistance to them in certain cases. Social service centres have offered assistance to 3 708 cases in 2004-2005, 3 480 cases in 2005-2006 and 3 601 cases in 2006-2007. We have also helped some of the discharged offenders to find shelter in hostels — there were 420 such cases in 2004-2005, 466 such cases in 2005-2006 and 411 such cases in 2006-2007. These were cases to which we had rendered assistance. For example, if they do not have accommodation, we can help them find hostels. For those cases in which no hostels could be found for such persons, or we could not help them or they have not made requests and eventually they have to sleep on the streets, I do not have such information at hand. Perhaps I should give a reply in writing. (Appendix V)

MS EMILY LAU (in Cantonese): *President, the Secretary has not answered my question. When they are discharged, can you distribute leaflets to them so as to provide them with emergency telephone numbers for seeking assistance? Is each and every discharged offender provided with such information?*

SECRETARY FOR SECURITY (in Cantonese): To answer Ms Emily LAU's supplementary question, yes, when they are discharged, we do provide them with such information.

DR FERNANDO CHEUNG (in Cantonese): *The Secretary mentioned in the main reply that a Programme Officer — should be a social worker — of the Rehabilitation Division would be responsible for providing counselling to every prisoner on a case management basis. May I ask how many cases are concurrently handled by a Programme Officer on average?*

SECRETARY FOR SECURITY (in Cantonese): Madam President, I do not have such information at hand. Perhaps I can provide a written reply later on to answer Dr Fernando CHEUNG's supplementary question. (Appendix VI)

MR JAMES TO (in Cantonese): *President, I can recall that, two decades ago, when Martin LEE was a member of the Central Fight Crime Committee, and later on when I had also served on that committee for more than a decade, I had been worrying about the problems of discharged offenders committing crimes again. So when we read about this case, we were really saddened. The Secretary said that they did distribute leaflets to discharged prisoners. But can Members imagine their situation: That they have to adapt to the environment at that time, and that they also feel lonely and helpless when they are discharged. So they deserve the extra care and concern from the authorities — to see if there is anything that we can take the initiative to help them.*

After Dr Fernando CHEUNG has raised this question, has the Secretary really conducted any investigation to see if such an incident has really happened? Regarding the causes of the incident, was it because the hotlines were — his reply was perfect, so all the Members said that it is so "leak-proof" that "not a single drop of water is allowed to leak from it" — was it because he could not get through to the hotlines mentioned in paragraph (b) of the main reply? Or was it because the discharged prisoner could not find the hotline numbers, or no one cared about him after he had successfully called up the hotlines? We must know that if he called up those hotlines by using the telephone of someone, he would not be able to get any return calls because the operators of a bistro cafe might not tell him the telephone number there. He might even do not have a dollar with him. So, had such an incident ever happened? If so, what were the reasons? Is there anything we can do to improve the situation, so that we can prevent the occurrence of one additional theft? Was it a very unfortunate and saddening incident?

SECRETARY FOR SECURITY (in Cantonese): Madam President, earlier on, I did not wish to discuss this case. In fact, before the discharge of that person, our colleagues had provided him with counselling, and given him the relevant information, and in case there was anything he needed, he could always call up certain hotlines, and so on. I do not know whether he had called up those hotlines. However, after the media's coverage of the case, the CSD took the

initiative to contact that person and provided him with the necessary assistance, including the job identified for him by the SRACP.

MR JAMES TO (in Cantonese): *President, what I meant just now was, for example, at the moment of discharge from the prison, he might not even be able to use the telephones of others to make telephone calls. Since the telephone numbers of some hotlines are provided to them, is it at least reasonable to let him have one or two 10-dollar notes in his wallet, so that at least he can survive the first few hours after discharge, so that he can seek help from those organizations. Otherwise, none of the services can serve their purpose.*

PRESIDENT (in Cantonese): Your present explanation has exceeded the scope of your earlier supplementary question because you did not mention the provision of some money to him to help him tide over several hours. You mainly wish to ask the Secretary what kinds of protection are in place, right?

MR JAMES TO (in Cantonese): *Yes, that is right.*

PRESIDENT (in Cantonese): All you have to do is to raise this point again in your question. Secretary, do you have anything to add?

SECRETARY FOR SECURITY (in Cantonese): First of all, the situation was like this. Actually it was not necessary for him to use the telephone of others because our colleagues had already told him before his discharge that if he had any housing or financial needs, he could tell our colleagues at that time, and then we could refer him to the Housing Department, the SWD or non-governmental organizations such as the SRACP, to follow up his case. Besides, usually discharged prisoners would have some savings with them because they do work in the prisons, and that would enable them to earn some money. So it is not true that they would end up not having even a dollar with them.

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

WRITTEN ANSWERS TO QUESTIONS**Use of Paper by Government**

7. **MR LEE CHEUK-YAN** (in Chinese): *President, regarding the use of paper by the Government, will the Government inform this Council:*

- (a) *since 2000, of the respective quantity and weight of paper consumed annually by the Printing Division (the former Printing Department) of the Government Logistics Department (GLD) for printing the policy address, the Budget and the Hong Kong Yearbook for the relevant year, as well as publications, government forms, paper stationery and other printed matters for various government departments, broken down by the type and the recovered fibre content percentage of the paper used;*
- (b) *whether the Government has defined the meaning of "renewable forests" when procuring paper made from woodpulp derived from renewable forests from its suppliers; if so, of the details; if not, the reasons for that;*
- (c) *of the names of the suppliers which had supplied paper made from woodpulp derived from renewable forests to the Government since 2000, as well as the places of origin of their woodpulp;*
- (d) *whether it has any plan to revise the post-consumer waste (PCW) content requirement of the recycled photocopying paper procured by the Government by increasing from the current minimum levels of 80% recovered fibre content or 40% post-consumer fibre to 100% of such materials; if it has such a plan, of the estimated implementation time; if not, the reasons for that;*
- (e) *whether it has any plan to require all government departments to accord priority to the use of recycled paper with a PCW content containing 100% recovered fibre for the printing of printed matters; if it has such a plan, of the estimated implementation time; if not, the reasons for that; and*

- (f) *whether the Printing Division of the GLD has any plan to seek the Chain of Custody certification issued by the Forest Stewardship Council (FSC) to facilitate the Government in using the FSC certified paper for the printing of printed matters; if it has such a plan, of the details; if not, the reasons for that?*

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

- (a) Given a wide variety and large quantity (about 18 000 orders per year on average) of printed matters (including books, publications, government forms, paper stationery and other printed matters) printed by the Printing Division of the GLD (and the former Printing Department) (hereafter referred to as the GLD) for various departments and Policy Bureaux, the GLD does not maintain statistics on the type, weight and recovered fibre content percentage of the paper used for each printed matter. Moreover, to standardize the assessment of the cost-effectiveness of printed matters, the GLD calculates paper consumption by weight instead of number of sheets. In addition, in view of the wide variety of printing paper and the different sizes (for example, reel paper can only be quantified by weight and not by number of sheets), the GLD does not keep statistics on the number of sheets of printing paper used. Therefore we can only provide information on the weight of each type of printing paper used by the GLD for printed matters since 2000. For details, please see Table A.

All the printing paper currently used by the GLD is environmentally-friendly paper (including printing paper with recovered fibre content and printing paper made from woodpulp derived from renewable forests). For the types of environmentally-friendly printing paper used by the GLD since 2000 as a percentage of the total weight of paper consumed, please see Table B.

- (b) Currently, there is no internationally recognized definition of "renewable forests". The general definition of "renewable forests"

is trees produced from forests properly managed by forestry operators through a forestry management system. While supplying the raw materials for manufacturing paper, forestry operators are required to safeguard their biological diversity and renewability and ensure that other ecological systems are not harmed. Since 1997, the GLD, in procuring paper derived from renewable forests, has specified in the relevant tender documents that suppliers must provide a letter of confirmation from the paper mill if they wish to tender for the supply of paper to various government departments, so as to ensure that the raw materials for manufacturing their paper are derived from renewable forests.

- (c) Over the past eight years, the GLD has procured paper derived from renewable forests from the following major suppliers:

APP (Hong Kong) Ltd.

Burotech Limited

Che San Stationery Co. Ltd.

Fullest (HK) Limited

Hop Cheong Paper Co. Ltd.

Man Wui Stationery Office Supplies Co. Ltd.

On Hing Paper Company Limited

Pacific State Paper Ltd.

Samson Paper Co. Ltd.

Stanley Shao & Co. Ltd.

Tin Kung Paper Company Limited

According to our records, the places of origin of the woodpulp used by these suppliers include Indonesia, the United States, Canada, the European Union, New Zealand, Australia, China, and so on.

- (d) The Environmental Protection Department (EPD) commissioned two studies in 2000 and 2003 to develop the green specifications of common user items, which include recycled photocopying paper. The GLD has adopted the recommendations by the consultants of the EPD, and developed the minimum level of PCW content requirement for recycled photocopying paper, that is, 80%

recovered fibre or 40% post-consumer fibre. Besides, through a marking scheme, the GLD has been encouraging tenderers to supply paper with a higher percentage of recycled content. The EPD is planning to conduct another study to keep abreast of the latest green specifications for products, and to consider whether there is a need to update the existing PCW content requirement for recycled photocopying paper.

- (e) The Government has been encouraging all departments to use recycled paper as far as possible for daily printing and publishing purposes. The Government's procurement guidelines require all departments to use as far as practicable recyclable products with higher recycled content, including recycled paper, subject to the principle of cost-effectiveness. Recycled printing paper with a PCW content of 100% recovered fibre, however, has limited varieties, less strength, more impurities and limited sources of supply, and its price is also higher. At present, we have no plans to require all government departments to accord priority to the use of this type of paper for the printing of printed matters.

- (f) As mentioned in (b) above, the GLD, in procuring paper derived from renewable forests, has specified in the relevant tender documents that suppliers must provide a letter of confirmation from the paper mill if they wish to tender for the supply of paper to various government departments, so as to ensure that the raw materials for manufacturing their paper are derived from renewable forests. To encourage suppliers to provide paper which is made from woodpulp derived from renewable forests and certified by the FSC or equivalent forestry certification organizations (at present, there are a number of international forestry certification organizations — including the FSC mentioned in the question), the GLD will give extra marks to these products in tender evaluation. Some of the paper currently used for our printed matters is already FSC certified products. At present, the GLD has no plans to apply for the Chain of Custody Certification issued by the FSC.

Table A

Total Weight of Printed Matters Printed Annually (Metric tonnes)

Year	Type of Paper							Total Weight (Metric tonnes)
	Woodfree Paper	Reel Paper	Card Paper	Paperboard	Coated Paper	Carbonless Copying Paper	Others	
2000-2001	4 691	1 143	495	25	1 473	263	1 043	9 133
2001-2002	4 115	786	441	5	1 819	323	661	8 150
2002-2003	3 646	426	290	3	1 954	284	601	7 204
2003-2004	4 043	387	336	2	1 777	260	291	7 096
2004-2005	3 823	336	393	3	1 690	191	217	6 653
2005-2006	3 186	412	409	5	1 841	219	529	6 601
2006-2007	3 027	326	260	7	1 633	201	608	6 062

Table B

Types of Environmentally-friendly Printing Paper Used Annually as a Percentage of Total Weight of Paper Consumed

Year (Note 1)	Printing Paper with Recovered Fibre Content (Note 2) (as a percentage of total weight of paper consumed) (%)	Printing Paper Made from Woodpulp Derived from Renewable Forests (as a percentage of total weight of paper consumed) (%)	Total (%)
2000	Not available	Not available	Not available
2001	6.30	93.70	100
2002	5.51	94.49	100
2003	7.87	92.13	100
2004	10.65	89.35	100
2005	10.46	89.54	100
2006	7.27	92.73	100
2007	10.94	89.06	100

Note 1: The data were collected for the purpose of compiling departmental environmental reports issued on a calendar year basis.

Note 2: Excluding paper which is made from woodpulp derived from renewable forests and which may have recovered fibre content.

Use of Medical Services by Non-residents of Hong Kong

8. **MR ANDREW CHENG** (in Chinese): *President, will the Government inform this Council whether:*

- (a) *it knows, in the past three years, the respective numbers of non-residents of Hong Kong using the in-patient services of the private hospitals and public hospitals in Hong Kong as well as their total bed-days; whether it has assessed if the use of the medical services in Hong Kong by such people has affected the demand for health care manpower in both the private and public sectors in Hong Kong and the use of such services (including the waiting time and charges) by Hong Kong residents; if it has, of the detailed figures concerned; and whether it will consider commissioning academic institutions to conduct an in-depth study and assessment on the issue; and*
- (b) *it has assessed the trend in the use of medical services in Hong Kong by non-residents of Hong Kong in the next five years and its impact on the demand for health care manpower, and whether it will therefore be necessary to train more health care personnel?*

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

- (a) and (b)

The number of discharges and deaths of Non-Eligible Persons (NEPs) in-patients and day patients and the number of bed-days utilized by NEPs in public hospitals, as well as the number of admissions and bed-days for in-patient services utilized by non-Hong Kong residents in some private hospitals in the past three years are set out in the Annex.

Our public health care system is established primarily for the benefits of Hong Kong residents. At present, eligibility for heavily subsidized health care services is restricted to holders of Hong Kong Identity Card or children under 11 years of age who are Hong Kong residents. NEPs who wish to use public health care services are required to pay charges applicable to NEPs. In each of the past three years (that is, 2004-2005, 2005-2006 and 2006-2007), the total number of bed-days utilized by NEPs in public hospitals only accounts for about 0.6% of the total number of bed-days utilized by all patients.

Among the bed-days utilized by NEPs in public hospitals, about two third of them were for obstetric services. On utilization of public obstetric services by NEPs, the Hospital Authority (HA) has implemented new obstetric services arrangements for NEPs since 1 February 2007. The new arrangements include the setting up of a booking system in public hospitals for the use of obstetric services and the increase of the obstetric service package charge for NEPs. The HA has also strengthened the manpower and facilities for obstetric services in public hospitals. Since the implementation of the new arrangements, for the period from February to December 2007, the number of deliveries by non-local women in public hospitals has dropped by 29.4% when compared with the same period in 2006; whereas the number of deliveries by local women in public hospitals has increased by 8.6% with reference to the same period. The statistics indicate that the new arrangements can effectively ensure that local pregnant women will be given priority in receiving services in public hospitals and have limited the number of births by non-local women in Hong Kong to a level that can be supported by our health care system.

Private hospitals serve both Hong Kong residents and non-Hong Kong residents and they provide services mainly according to

market demand and supply. In general, private hospitals will provide services to Hong Kong residents and non-Hong Kong residents on a first-come-first-served basis. According to the information provided by some private hospitals, in the past three years, the vast majority of in-patient services of private hospitals are utilized by Hong Kong residents.

As regards the manpower demand on health care manpower, the Government has all along closely monitored the trend of supply and demand for health care professionals and conducted corresponding manpower planning to maintain the quality of health care services and facilitate the healthy development of our health care system. We will make projections on the future manpower demand on a regular basis in the light of changes in demographic profiles, service demand and medical technologies as well as development of our health care system, and so on. The Government will from time to time collect information on manpower demand from various government departments or organizations, including the Department of Health, HA, Social Welfare Department and private hospitals, for assessment of the future demand for health care personnel and formulation of corresponding planning.

Annex

Number of Discharges and Deaths of NEP In-patients and Day Patients
and Number of Bed-days Utilized by NEPs in Public Hospitals

	2004-2005	2005-2006	2006-2007
Number of discharges and deaths of NEP in-patients and day patients ¹	Data not available	18 599	16 528
Number of bed-days utilized by NEP in-patients in public hospitals ¹	45 470	45 890	43 120

Note 1: For public wards only

Numbers of Admissions and Bed-Days for In-patient services utilized by
Non-Hong Kong Residents in some Private Hospitals²

	2005	2006	2007
Total number of in-patient admissions	167 407	184 892	203 491
Number of in-patient admissions by non-Hong Kong residents	20 571	28 080	28 233
Percentage of in-patient admissions by non-Hong Kong residents	12.3%	15.2%	13.9%
Total number of hospital bed-days	484 466	526 794	577 785
Number of hospital bed-days by non-Hong Kong residents	64 018	86 049	90 914
Percentage of hospital bed-days by non-Hong Kong residents	13.2%	16.3%	15.7%

Note 2: The above table only includes data of some private hospitals in Hong Kong. Some of the private hospitals were unable to provide data of in-patient services utilized by non-Hong Kong residents.

Services for Street Sleepers

9. **MR MARTIN LEE** (in Chinese): *President, regarding the services provided for street sleepers, will the Government inform this Council:*

- (a) *of the estimated current number of street sleepers;*
- (b) *whether it knows the number of street sleepers who had, in the past three years, taken refuge in the shelters run by non-governmental organizations (NGOs) and their average length of stay; and during the period when the cold weather warning issued by the Hong Kong Observatory was in effect for 25 consecutive days early this year,*
 - (i) *the respective person-times of street sleepers who had taken refuge in the above shelters and the temporary cold shelters run by the Home Affairs Department (HAD);*
 - (ii) *the average daily occupancy rate of such shelters during that period;*

- (iii) the measures in place to encourage the street sleepers to take refuge in such shelters, and whether it has taken the initiative to provide assistance to those who remain on the street; and*
- (c) of the burial arrangements provided by the relevant departments for the street sleepers who died on the street?*

SECRETARY FOR LABOUR AND WELFARE (in Chinese): President,

- (a) According to information collected by the Social Welfare Department (SWD) in various districts, the number of known street sleepers in Hong Kong as at the end of December 2007 was 327.
- (b) At present, NGOs subvented by the SWD together operate five urban hostels and one temporary shelter with a total capacity of 192 places. These centres provide short-term accommodation and counselling service for street sleepers and other persons in need. The number of lodgers in these hostels and shelter as at 31 December in the last three years is at Annex 1.

In addition to staying at the hostels and shelter subvented by the SWD, street sleepers and other persons in need may also make use of the non-subvented short-term accommodation service provided by NGOs.

Lodgers in these hostels and shelter subvented by the SWD are not limited to street sleepers, and as the SWD does not keep separate statistics in accordance with the background of the lodgers, information such as the number of street sleepers at these hostels and shelter and their average length of stay is not available.

- (i) The Hong Kong Observatory issued cold weather warning from 24 January to 18 February 2008. During this period, the total person-times who stayed in the urban hostels and temporary shelter was 4 344 (this figure includes both street sleeper and other persons in need). The total person-times who took refuge in the temporary cold shelters run by the HAD in the same period is at Annex 2.

- (ii) During this period, the average daily occupancy rate of the urban hostels and temporary shelter was 87%. The daily average person-times who took refuge in the temporary cold shelters in the same period is at Annex 2. As temporary cold shelters do not have a fixed capacity, there is no basis for calculating the occupancy rate.
- (iii) Since the winter of 2003, the SWD has adopted a new service approach to help street sleepers and other persons in need to cope with the cold weather. The new approach focuses on prevention and early intervention.

Before the arrival of cold spells, District Social Welfare Offices will, in collaboration with the three NGO-operated Integrated Services Teams for Street Sleepers (ISTs), visit the street sleepers and other persons in need in their districts, so as to identify their needs and provide them with warm clothing in advance to help them prepare for the cold weather.

During the period of cold weather warning, the three ISTs will step up their outreaching visits (including midnight outreaching) and provide needy street sleepers with warm items (including blankets and warm clothing) and arrange for them to stay in the temporary cold shelters managed by the HAD.

The Information Services Department will issue a press release to announce the opening of the temporary cold shelters. Staff of relevant District Offices will also hang banners outside the temporary cold shelters to notify the public that the shelters are open. Besides, the HAD will start running a 24-hour hotline within one and a half hours after the Hong Kong Observatory has issued the cold weather warning to provide the public with information on the temporary cold shelters. Information on temporary cold shelters is also available on the website of the HAD.

- (c) If a street sleeper is found dead on the street, the police will inform the Food and Environmental Hygiene Department (FEHD), and the

FEHD will remove the dead body to a public mortuary. If the body remains unclaimed after a period of time, the officer in charge of the mortuary will ask the FEHD to remove the body from the mortuary. The body will then be taken to a public cemetery or government crematorium for burial or cremation according to the instructions of the forensic pathologist.

If the forensic pathologist advises burial, the body will be buried in the Sandy Ridge Cemetery and exhumed after six years, and the cremated human ashes will be placed in the communal grave of the Sandy Ridge Cemetery. In the case of cremation, the cremated human ashes will be put into a bag marked with the words "unclaimed body" and the name, age and sex of the deceased, as well as the cremation date and the number of the cremation permit. After being kept in the government crematorium for six months, the unclaimed ashes will be placed in the communal grave of the Sandy Ridge Cemetery.

If a deceased street sleeper was a recipient of Comprehensive Social Security Assistance (CSSA), his relatives and friends responsible for the funeral arrangements can approach the SWD's Social Security Field Unit to apply for a burial grant. If the deceased street sleeper was not a CCSA recipient, and his relatives and friends have financial difficulty in arranging for his funeral, they can approach the Integrated Family Service Centres for assistance. The social workers will assess their welfare needs and render appropriate assistance, such as advising them to apply for charitable trust fund to settle the funeral expenses.

Annex 1

Total number of lodgers staying at NGO-operated urban hostels and temporary shelter subvented by the SWD on 31 December in 2005, 2006 and 2007

<i>Date</i>	<i>Number of lodgers</i>
31 December 2005	169
31 December 2006	176
31 December 2007	176

Annex 2

Total and daily average number of occupants (person-times)
in the temporary cold shelters from 24 January 2008 to 18 February 2008
(when the Hong Kong Observatory issued the cold weather warning)

<i>Date</i>	<i>Total no. of occupants (person-times)^(Note 1)</i>	<i>Average no. of occupants per day (person-times)</i>	<i>Average no. of occupants per day per centre (person-times)^(Note 2)</i>
24 January 2008 to 18 February 2008 (total 25 days)	13 907	556	54

Note 1

The figure indicates the total number of shelter-seekers and the HAD does not maintain separate statistics on how many of them are street sleepers.

Note 2

The HAD normally opens nine temporary cold shelters across the territory and it will open more shelters if necessary. When the Hong Kong Observatory issued cold weather warning for 25 consecutive days early this year, the maximum number of temporary cold shelters opened at any one time was 12.

Prevention and Control of Communicable Diseases Spreading in Residential Homes for Elderly

10. **DR JOSEPH LEE** (in Chinese): *President, in connection with the prevention and control of communicable diseases spreading in residential care homes for the elderly (RCHEs), will the Government inform this Council:*

- (a) *of the number of RCHE staff who were provided, in the past three years, with training and guidance on the prevention and control of communicable diseases spreading in RCHEs by the Visiting Health Teams of the Elderly Health Service under the Department of Health (DH), with a breakdown by the ranks of these staff;*
- (b) *whether it has carried out any study to see if the number of cases of elderly RCHE residents contracting communicable diseases has*

dropped after the staff of the RCHEs concerned have received the aforesaid training and guidance; if it has, of the results; and

- (c) *given that Infection Control Nurses (ICNs) are currently appointed in public hospitals, whether the DH will appoint ICNs in each district to co-ordinate and monitor the work of the RCHEs within the district in the prevention and control of communicable diseases spreading in RCHEs; if it will, of the details; if not, the reasons for that?*

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

- (a) The Visiting Health Teams of the DH's Elderly Health Service visit RCHEs and assess their infection control measures on a regular basis. RCHEs' staff, including supervisors, nurses, health workers, care workers and ancillary workers, are provided with in-service training and guidance on infection control as well as knowledge of infectious diseases and skills in infection control. The Visiting Health Teams will also arrange relevant training for the staff of individual RCHEs upon referral by the Licensing Office of Residential Care Homes for the Elderly (the Licensing Office) under the Social Welfare Department (SWD). In addition, the Elderly Health Service and Centre for Health Protection (CHP) organize refresher courses for Infection Control Officers (who are usually nurses or health workers) of RCHEs every year to enhance their skills and knowledge of infection control. Over the past three years, there were over 80 000 attendances at these training courses. Details are as follows:

	2005 (No. of attendances)	2006 (No. of attendances)	2007 (No. of attendances)
Training on infection control for RCHE staff	22 814	31 705	22 468
Refresher courses on infection control in RCHEs	1 200	1 509	1 501
Total	24 014	33 214	23 969

- (b) Before commencement of business, RCHEs must comply with the requirements on health, sanitation and infection control facilities as stipulated in the Code of Practice for Residential Care Homes (Elderly Persons). The DH will constantly arrange training on infection control for RCHE staff. It is therefore not possible for the DH to draw a comparison on the number of cases of infectious diseases before and after the RCHE staff have received the relevant training. In fact, apart from staff training, the number of cases of infectious diseases occurring in RCHEs may also be affected by other factors such as the infectivity of pathogens.
- (c) The Government attaches great importance to the measures undertaken by RCHEs in the control of infectious diseases. Since November 2003, the SWD has required the operator or manager of each RCHE to appoint a nurse or health worker to be its Infection Control Officer. For self-care hostels without nurses or health workers, the hostel manager should be the Infection Control Officer.

The duties of Infection Control Officers include assessing the risk of outbreak of infectious disease in RCHEs, devising strategies to prevent outbreaks, overseeing the implementation of infection control guidelines by staff and arranging training on infection control for staff. They are also required to watch out for signs and symptoms of infectious diseases in residents and staff as well as reporting cases or suspected cases of infectious diseases to the Licensing Office of the SWD and the CHP of the DH. In addition, Infection Control Officers are required to offer assistance in tracking the source of infectious disease and collaborate with the CHP to contain its spread.

Apart from the work of the Infection Control Officers, RCHE staff who have adequate knowledge on infection control are of much importance to ensuring the preparedness of RCHEs for the prevention and control of infectious diseases. In addition to the training mentioned in part (a) above, the CHP also issues guidelines for RCHEs on infection control. The latest guidelines were issued to all RCHEs in 2007 to enable their staff to have a clear understanding of the issues and procedures in infection control.

Licence Requirement for Provision of Amusement Game Machines in Clubhouses

11. **MISS CHOY SO-YUK** (in Chinese): *President, a property management company has pointed out that the police had earlier conducted inspections at video game rooms in clubhouses of private housing estates in various districts, and said that such clubhouses must apply for a licence for amusement game centre (AGC) from the Television and Entertainment Licensing Authority (TELA), and could continue to use video game machines only after they had been granted the licence. The company has also pointed out that the approval criteria adopted by the authorities for AGC licence applications are very stringent. For example, AGCs can only be located in commercial buildings and properties for commercial purposes, and cannot be established within a radius of 100 m from an educational institution. Therefore, most of the video game rooms in clubhouses of housing estates can hardly meet the licensing conditions. In this connection, will the Government inform this Council:*

- (a) *whether it knows the current total number of housing estates in Hong Kong the clubhouses of which are provided with video game rooms, and the number of video game machines involved; and among such housing estates, the number of those the clubhouses of which are granted with an AGC licence;*
- (b) *given that the facilities in clubhouses of housing estates are provided exclusively for use by resident card holders as well as their relatives and friends, and are not open to the public, and the video game machines in the clubhouses are provided for use free of charge, why the video game rooms in such clubhouses are subject to the same set of licensing conditions as other commercial AGCs; and*
- (c) *given that the video game rooms in the above clubhouses are clearly shown in the building plans and deeds of mutual covenant (DMCs) of the housing estates concerned, why the various relevant government departments, knowing that the surrounding land usage and the geographical context of such facilities do not comply with the relevant licensing conditions, still approved the relevant plans and legal documents?*

SECRETARY FOR HOME AFFAIRS (in Chinese): President, the Administration's reply to the respective parts of the question is set out below:

- (a) As at 31 January 2008, among the licensed AGCs, one is located in the clubhouse of a residential estate involving five amusement games machine. The TELA do not have statistical data on the number of residential estates the clubhouses of which are provided with video game rooms.
- (b) Under the Amusement Game Centres Ordinance (Cap. 435), an AGC means any place in which any machine or device is installed or placed for use or operation for the purpose, in whole or in part, of amusement, recreation or entertainment on payment directly or indirectly of any consideration in money or money's worth. The person-in-charge of the AGC concerned shall apply for a valid licence for the purpose of operating, keeping, managing or controlling the AGC. The Ordinance does not differentiate or make special provisions for different types of AGC (for example, AGC operating on a commercial basis for use by the public on payment and AGC in clubhouses of private residential estates for use by residents free of charge).

The Government has noted that clubhouses of residential estates providing amusement games machine become more and more common in recent years and the mode of operation of such AGC, as well as the number of amusement games machine installed therein, are quite different from ordinary AGC operating on a commercial basis for use by the public on payment. The Government has reviewed the situation and decided that, if the facilities in clubhouses of residential estates are provided exclusively for use by resident card holders as well as their relatives and friends, and are not open to the public, and the amusement game machines in the clubhouses are provided for use free of charge, the owners' corporation or owners' committee of the residential estate may apply to the Government for a licence exemption for the concerned premises. If the residential estate concerned does not have an owners'

corporation or an owners' committee, the management company concerned may also apply. When considering the application, the Government would ensure that the provision of amusement game machines in the clubhouses of the residential estates concerned would not cause nuisance or public safety problems. If the application is approved, the applicant is required to take appropriate measures to ensure that the concerned amusement game facilities comply with the conditions of exemption, including that the concerned facilities do not cause nuisance or public safety problems, and that no amusement game machines containing games in breach of the Gambling Ordinance (Cap. 148) or the Control of Obscene and Indecent Articles Ordinance (Cap. 390) are to be installed.

- (c) The Buildings Ordinance (Cap. 123) provides for the planning, design and construction of buildings and building works, in particular structural and fire safety and health standards, provided for in its allied regulations. For plans submitted for approval under the Buildings Ordinance, the Buildings Department will process such plans in accordance with the provisions of the Buildings Ordinance and to ensure that the proposed building complies with these standards. The Buildings Department cannot and would not take into account any matters not relating to the planning, design and construction of the proposed building itself, when processing application for approval of building plans under the Buildings Ordinance. It should be noted that by virtue of section 14(2) of the Buildings Ordinance, neither the approval of any plans nor the consent to the commencement of any building works shall be deemed to act as a waiver of any term in any lease or licence, or to grant any exemption from or to permit any contravention of any of the provisions of any other enactment. Similarly, in processing a proposed DMC, the Legal Advisory and Conveyancing Office (LACO) will check that it complies with the Building Management Ordinance (Cap. 344), the land grant conditions governing the development and the LACO's DMC Guidelines. The approval of a DMC should not be considered as a warrant that any other approvals required by statute or otherwise will be given by the Government or other relevant authorities.

Public Light Bus Drivers Being Extorted Money by Triad Members

12. **MR ALBERT CHAN** (in Chinese): *President, in recent years, quite a number of drivers of public light buses (PLBs) complained to me that they were often harassed by triad members, who extorted money from them in the name of "terminal fees", intimidated them to join associations connected with triad societies and claimed that only members of these associations were permitted to drive their PLBs into certain PLB terminals. Drivers refusing to give in were often assaulted and their PLBs were often vandalized. In this connection, will the Government inform this Council:*

- (a) *of the number of cases reported in each of the past three years by PLB drivers who alleged that they were harassed by triad members and, among such cases, the respective numbers of cases involving extorting "terminal fees" and intimidating drivers to join certain organizations;*
- (b) *of the number of prosecutions instituted in each of the past three years against persons who claimed to be triad members and harassed PLB drivers; and*
- (c) *whether it will consider stepping up patrol of PLB terminals and detection of the crimes concerned, so as to prevent PLB drivers from being harassed and extorted by triad members; if so, of the details; if not, the reasons for that?*

SECRETARY FOR SECURITY (in Chinese): President,

- (a) and (b)

According to police records, the numbers of cases in which drivers of PLBs were harassed by suspected members of triad societies in 2005 to 2007 were 19, four and 15 respectively. None of these cases was confirmed to be related to extortion of "terminal fees" or drivers being intimidated to join unlawful organizations.

In the past three years, a total of five people were prosecuted for being members of triad societies and harassing PLB drivers.

- (c) Combating triad activities has always been a priority task of the Hong Kong Police Force. The police will continue to enhance their criminal intelligence network and take enforcement actions in a prompt and professional manner in handling intelligence and reports concerning triad activities and other crimes. Police officers of the Anti-Triad Squads in different Police Districts will step up patrol of PLB terminals in their respective districts and meet with operators of PLB routes and PLB drivers directly to gather intelligence. In addition, the police will meet with PLB drivers' associations from time to time to exchange information on measures to prevent crimes and to protect personal safety.

Control on Materials Containing Asbestos

13. **DR KWOK KA-KI** (in Chinese): *President, following an increasing number of occupational medical studies on different types of asbestos carried out in the international community, quite a number of countries have banned the import, export and use of various kinds of asbestos to protect the health of their workers and people. Yet, Hong Kong still allows the import of some asbestos products and their sale in the territory. In this connection, will the Government inform this Council:*

- (a) *whether it knows, in each of the past five years, details (including the types and quantities) of the import into Hong Kong, re-export from Hong Kong, sale, usage and storage in Hong Kong of various kinds of asbestos materials and wastes, as well as materials and wastes containing asbestos;*
- (b) *whether it has conducted any territory-wide survey to find out if buildings in Hong Kong contain asbestos and inform their users of the survey results;*
- (c) *of the average number of inspections conducted by the authorities in the past five years on the projects undertaken by individual registered asbestos contractors, and whether any case of non-compliance was found during the inspections; if so, what follow-up actions had been taken;*

- (d) *whether it has educated property owners about how to distinguish if their properties, which are to be demolished, contain asbestos, so that they can take suitable precautionary measures; and how the authorities ensure that after demolition of the buildings, the wastes which may contain asbestos will be properly disposed of; and*
- (e) *whether it has any plan to impose a total ban on the use of products containing asbestos and the trading of such products in Hong Kong?*

SECRETARY FOR THE ENVIRONMENT (in Chinese): President, the Air Pollution Control Ordinance (the Ordinance) stipulates in detail the controls on asbestos works and the use of asbestos containing materials to protect public health.

According to the interpretation of the Ordinance, "asbestos" includes the minerals, and substances containing amosite, crocidolite, chrysotile, fibrous actinolite, fibrous anthophyllite and fibrous tremolite. The import and sale of amosite and crocidolite have been banned in Hong Kong since the commencement of the Ordinance in 1996. The Environmental Protection Department (EPD) will enforce the Hazardous Chemicals Control Ordinance in April this year through a permit system to step up controls on the import, export, manufacturing and use of the raw materials of asbestos (except chrysotile). With the exception of some countries and regions, the international communities are generally cautious about asbestos and allow the import and export of materials containing the less hazardous chrysotile.

My reply to the question raised by Dr the Honourable KWOK Ka-ki is as follows:

- (a) According to the EPD's survey, asbestos, except chrysotile, were not used in the past five years. The record on the import and export of chrysotile is as follows:

<i>Year</i>	2003	2004	2005	2006	2007
Import of chrysotile and chrysotile containing materials (tonne)	121	107	165	101	47

<i>Year</i>	2003	2004	2005	2006	2007
Export of chrysotile and chrysotile containing materials (tonne)	111	59	101	14	8

- (b) Construction materials used in Hong Kong in recent years have mostly been asbestos-free. Under normal circumstances, asbestos containing materials found in buildings will not pose a hazard as long as they are in good condition and are not tampered with. Regarding the demolition of unauthorized structures and buildings, the Buildings Department will refer the target buildings to the EPD for follow-up action. Therefore the EPD has not conducted any territory-wide survey on buildings. The EPD has published a concise pamphlet on asbestos controls to inform the public on the controls and disposal requirements of asbestos containing materials.
- (c) The number of inspections conducted by the EPD on registered asbestos contractors in the past five years is tabulated below:

<i>Year</i>	2003	2004	2005	2006	2007
Number of inspections	796	788	745	760	682
Average number of inspections on each registered asbestos contractor	49	43	45	40	35

If any registered person is found to have contravened the code of practice in carrying out asbestos works during an inspection, the EPD will issue a warning letter and refer to the Asbestos Administration Committee for disciplinary inquiry. In the past five years, the EPD issued reprimands or suspension orders to seven registered persons after the inquiries and published the findings of the inquiries in the Gazette. Among these registered persons, one registered asbestos supervisor was prosecuted and convicted by Court.

- (d) The EPD has published a concise pamphlet on asbestos controls and uploaded it onto its website for the purpose of public education.

Moreover, the EPD has set up a hotline for public enquiries on asbestos controls. Works involving asbestos in recent years were mostly related to the demolition of unauthorized structures and the maintenance, addition works or demolition of buildings. In the past five years, the EPD issued a total of 38 000 written notices with copies of the above concise pamphlet enclosed to help property or premises owners find out if the unauthorized structures to be demolished contain asbestos, the measures to be taken and the proper ways of disposing asbestos wastes. Moreover, EPD staff will attend meetings arranged by the owners' corporations or building management of the buildings affected by the demolition orders to explain the provisions of the Ordinance so as to enhance public awareness of asbestos controls. EPD staff will inspect asbestos works regularly to ensure proper disposal of asbestos wastes.

- (e) The import and use of the two more hazardous asbestos, that is, amosite and crocidolite, are banned in Hong Kong. In the past five years, the quantity of chrysotile or materials containing chrysotile imported into Hong Kong showed a significant downward trend. With the implementation of the Hazardous Chemicals Control Ordinance, controls on the raw materials of asbestos will be stepped up. Therefore, the EPD considers that there is no urgent need to impose a total ban on the trading and use of all products with asbestos containing materials in Hong Kong. However, we will continue to keep a close watch on international trends in asbestos controls with a view to reviewing the existing controls where appropriate.

Classification System for Electronic Toy Products

14. **MR LAU KONG-WAH** (in Chinese): *President, it has been reported that some countries have implemented classification systems for electronic toy products whereby manufacturers classify products according to their contents and affix classification labels on them to indicate the age groups for which the products are suitable. However, a similar classification system is not implemented in Hong Kong. In this connection, will the Government inform this Council whether:*

- (a) *it will require sellers to retain the classification labels on electronic toy products imported from foreign countries and assist them in providing Chinese explanations of such labels; if so, of the details; if not, the reasons for that; and*
- (b) *it will make reference to overseas experience and set up a classification system for electronic toy products that suits the circumstances in Hong Kong; if so, of the details; if not, the reasons for that?*

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Chinese): President, the Control of Obscene and Indecent Articles Ordinance (COIAO) (Cap. 390) is applicable to all articles distributed in Hong Kong, including computer or video electronic game products. According to the COIAO, "obscenity" and "indecent" are defined to include violence, depravity and repulsiveness. If an electronic game product is classified by the Obscene Articles Tribunal as a Class II (Indecent) article, it must not be published to persons under the age of 18. When published to persons aged 18 or above, certain statutory requirements have to be complied with, including the sealing of the article in wrappers and displaying a statutory warning notice on the front and back covers of the article. Electronic game products classified as Class III (Obscene) are strictly prohibited from publication under the COIAO. Any electronic game product suspected to be in breach of the law may be submitted by the Television and Entertainment Licensing Authority to the Tribunal for classification. On top of that, retailers may also submit any electronic game products to the Tribunal for classification, ensuring such products can be distributed in accordance with the statute.

My reply to the Honourable LAU Kong-wah's question is as follows:

- (a) Classification or labelling systems for electronic game products are voluntary in nature, rather than statutorily required.

Although Hong Kong does not have any existing legislation requiring retailers to provide such labels, our observation is that most electronic game products imported into Hong Kong and some locally produced for export have the classification labels retained or affixed when being sold in Hong Kong. Our local industry also intends to publicize popular electronic game products and their classifications online for reference by the public.

- (b) With the COIAO in place, the Government has no plan to introduce a separate classification system for electronic game products. We will liaise with the industry to strengthen the publicity and public education on the COIAO.

Child Care Services

15. **MR FREDERICK FUNG** (in Chinese): *President, accidents of children being left at home alone are not uncommon in Hong Kong. The United Kingdom formulated a 10-year child care strategy as early as 2004 to enable all families with children under the age of 14 to have access to an affordable, flexible and high quality child care service by establishing children's centres in all local communities, and at the same time enabling parents to balance work and family life, in order to raise the quality of life. In this connection, will the Government inform this Council:*

- (a) *given that in reply to a question raised by a Member of this Council at the Legislative Council meeting on 7 November last year, the Secretary for Labour and Welfare said that the overall utilization rates of child care centres subvented by the Social Welfare Department (SWD) and of those operated by kindergartens under the purview of the Education Bureau in 2006-2007 were 91% and 62% respectively, whether the authorities have conducted studies to find out the reasons why those child care centres still have spare capacity, whether the provision of and the publicity for child care services are adequate in districts with more accidents of children being left at home alone, and whether the existing child care services can satisfy the needs of parents; if they have, of the outcome of the study;*
- (b) *whether it has assessed the social and economic benefits to be brought by the enhancement of child care services (especially the impact on women and children, such as whether it will increase the motivation for women to participate in the labour market, whether the percentage of poor children can be reduced because parents are able to go to work, and how quality child care services will affect the growth of children, and so on);*

- (c) *apart from providing financial support for mutual help child care centres, foster homes and some small group homes so as to increase child care services, whether it will consider further enhancing the existing child care services (for example, allocating additional resources to mutual help child care centres to recruit more staff and improve the quality of services, substantially increasing the number of child care places with fee assistance, providing 24-hour child care services and increasing child care services for children aged between zero and two) ; and*
- (d) *whether it will consider making reference to the United Kingdom's successful experience and according priority to providing comprehensive, affordable, flexible and high quality child care services in districts with more poor children or the districts mentioned in (a)?*

SECRETARY FOR LABOUR AND WELFARE (in Chinese): President, parents have the primary responsibility to look after their young children. To assist parents who cannot take care of their children temporarily because of work or other reasons, the Administration subsidizes non-governmental organizations (NGOs) to provide a wide range of day child care services. These services include standalone child care centres, kindergarten-cum-child care centres and the more flexible Mutual Help Child Care Centre (MHCCC) services. To support parents who are unable to take care of their young children because of unforeseen circumstances or long working hours, the SWD also subsidizes some of the above centres to operate extended hours service and occasional child care service.

At the same time, parents can also choose to make use of the After School Care Programme for children aged six to 12 which is operated by NGOs on a self-financing and fee charging basis. Families in financial difficulty may apply for different service subsidies or fee waiver.

Our response to the four parts of the question is as follows:

- (a) According to the latest information, the average utilization rate of standalone child care centres subsidized by the SWD from April to December 2007 was 94%, while that of child care centres co-located

in kindergartens in September 2007 was 70%. Both are slightly higher than the figures in 2006-2007, indicating that there is a continuous need for these services and that the supply and demand are fairly stable.

Details of the various day child care services are set out in the service pamphlets produced by the SWD's district offices, which are distributed at service units such as the 61 Integrated Family Service Centres across the territory. Parents may also obtain such information through the SWD's telephone hotline or from the Department's website.

The SWD will continue to monitor closely the demand and supply of different child care services, so that they may meet the practical needs of parents while ensuring the proper use of public money.

- (b) Government-subsidized child care services seek mainly to meet the practical needs of parents. Before using such services, parents should have assessed the implications on their families. As the needs and circumstances of each family vary, we cannot quantify the social and economic benefits brought about by child care services.
- (c) The SWD has been subsidizing MHCCCs to strengthen their operation in the evenings, at weekends and on holidays since January 2008. The SWD has also started subsidizing foster homes and some small group homes to provide non-residential day care service since October and December 2007 respectively.

In the 2008-2009 Budget, the Financial Secretary has further proposed to provide funding totalling \$45 million in the next three years to strengthen day foster care services and promote various types of child care services that offer greater flexibility.

In this regard, we will promote more flexible neighbourhood mutual-help day child care services, including supervised child minding service, in districts with greater demand for such services. The services will be provided in phases through NGOs or district organizations. We will also make use of their premises to provide the services. The operating hours of these services will be more

flexible than our regular ones, and can cover evenings, weekends and holidays. Fees can be waived for families in financial difficulty.

Moreover, the Administration also assists the community in establishing neighbourhood mutual help networks through the Community Investment and Inclusion Fund (CIIF). In the past five years, the CIIF has provided over \$110 million to fund more than 140 projects. About one third of these projects have an element of child care or after-school care services on a neighbourhood mutual aid basis.

At present, the more flexible child care services, including day foster care service and some MHCCCs, already provide extended service up to 10.00 pm. The extended operating hours should be able to meet the needs of most parents who require child care services due to work commitments. As regards the proposal to provide 24-hour child care services, we consider that parents are the best carers for their children. From the perspective of child welfare, leaving children to excessively long hours of child care services may not be in their best interest. For those parents who are unable to take care of their children for an extended period of time, we suggest that they should approach social workers to work out a comprehensive child care plan, including different types of residential child care services.

Regarding crèche services for children aged under two, more than 1 510 subsidized or private full-day and half-day places are available across the territory. These places are not yet fully utilized. In planning its services, the SWD will consider introducing different forms of child care services targeting children of different age groups.

- (d) At present, a wide range of day child care services are available throughout Hong Kong. In planning these services, the SWD and NGOs will make reference to the supply and demand of the services in different districts. They will also pay particular attention to the needs of districts with more children in poverty. Apart from using the child care services in their local districts, parents may also make use of services in the neighbouring districts in accordance with their needs.

Telephone Booking Service Provided by General Out-patient Clinics of Hospital Authority

16. **DR FERNANDO CHEUNG** (in Chinese): *President, the Hospital Authority (HA) has fully implemented the telephone booking service in general out-patient clinics (GOPCs) since October 2006. In a paper provided for the meeting of the Panel on Health Services of this Council on 11 December 2006, the former Health, Welfare and Food Bureau pointed out that the HA would offer appropriate assistance on a case-by-case basis to those who faced genuine difficulty in using the telephone booking service, including individual patients with a disability or elderly patients with hearing impairment, and so on, such as arranging medical consultations for them directly without the need to use the Telephone Booking Service. In this connection, will the Government inform this Council whether it knows:*

- (a) *if the HA has any specific publicity plan to publicize the above assistance which may be offered to the above persons; if there is such a plan, of the types of location, time and means for the publicity concerned (and the number of leaflets distributed if publicity is done through distribution of leaflets);*
- (b) *given that I have learned that there were patients with hearing impairment seeking treatment in person at the HA's GOPCs, and among them, some were neither given assistance by the staff in booking consultation slots nor arranged to receive treatment on the same day, while others could receive treatment on the same day because the staff concerned had arranged to increase the consultation quotas for the day for them, whether the HA has drawn up clear guidelines to specify, when the GOPC consultation quota for a particular session is full but patients with a disability or the elderly have sought immediate medical treatment in person at the clinics concerned, under what circumstances front-line staff should increase consultation quotas or assist patients in booking out-patient service for the following day; if such guidelines have been drawn up, of the details; if not, the reasons for that;*
- (c) *given that the authorities indicated in January this year that at this stage, the HA had no plan to add a manually-operated telephone booking system, because such an arrangement would exert further*

pressure on the resources and manpower of the existing general out-patient service and was not cost-effective, whether the HA has calculated the exact additional manpower and resources required for such an arrangement; if it has, of the details; if not, how the HA assesses the cost-effectiveness of the arrangement; and

- (d) *the number of complaints received by the HA since October 2006 about the telephone booking service and the reasons for such complaints?*

SECRETARY FOR FOOD AND HEALTH (in Chinese): President, the implementation of the telephone booking service is mainly to improve the crowded queuing conditions in GOPCs and make optimal use of the resources of the public general out-patient service. After its implementation for over a year, the crowded queuing conditions in GOPCs have been significantly improved and long waiting queues outside the clinics are rarely seen. We understand that some individuals may have difficulties in using the telephone booking service. In this connection, the HA has progressively launched a number of measures to improve the telephone booking service and offer appropriate assistance to those who have difficulties in using the telephone booking service, including arranging medical consultations for these people without requiring them to use telephone booking as necessary.

My reply to the question is as follows:

- (a) According to the statistical data of the HA, most of the patients with episodic illnesses who sought medical consultation at GOPCs used the telephone booking service. For patients who need time to adapt to the telephone booking service, the HA has been helping them familiarize with the telephone booking system through publicity and education. The HA is also aware that some elderly people and persons with disabilities (including those with visual or hearing impairment) may encounter difficulties in using the telephone booking service, and has written to all District Councils' offices/non-governmental elderly service agencies and organizations concerned, appealing for their assistance to advise and remind elderly people and those who are not able to use the telephone booking service that they can approach clinics in their districts in

person to seek assistance from clinic staff. With this arrangement, these persons can continue to use the public general out-patient service when necessary. Besides, the HA has put in place measures to deal with the medical consultation needs of individuals seeking assistance from clinics through clinic staff.

- (b) To enable front-line staff to render appropriate assistance to people with genuine difficulties in using the telephone booking service, the HA issued guidelines to each GOPC in February 2007 on how to deal with elderly people and patients with disabilities who have difficulties in using the telephone booking service. A help desk has been set up in each GOPC to render assistance to these people and allow them to seek medical consultations directly at the registration counter during consultation hours without the need to use telephone booking. In the light of the patients' conditions and preferences, clinic staff (mostly nurses) can exercise discretion to assist them in using or teach them to use the telephone booking service, make telephone booking on their behalf, or arrange medical consultations for them directly. If all consultation slots for the current session have been allocated, clinic staff will, having regard to the actual situation, exercise discretion to consider making use of the consultation slots allocated to patients who fail to turn up or providing additional consultation slots, or arranging bookings for patients in other consultation sessions. It is stated in the guidelines that clinics should render assistance to elderly people with genuine difficulties so that they are not denied medical services they need. After the issuance of the guidelines, the HA has from time to time reminded the clinic staff to observe the guidelines.
- (c) The HA estimates that the introduction of a manually-operated telephone booking system requires an additional annual recurrent expenditure of about \$21 million. The accuracy of a manually-operated booking service may not necessarily be better, and the processing time required for each booking may be longer, making it more difficult for out-patients (including elderly people) to be put through. Therefore, the Administration has no plan at present to set up a manually-operated telephone booking system. We will continue to explore with the HA on how to arrange general out-patient service for those elderly people with specific difficulties in using the telephone booking service.

- (d) Between October 2006 and 2007, the HA has received a total of 72 complaints concerning the telephone booking service as classified below:

	<i>October to December 2006</i>	<i>2007</i>
Problems encountered by elderly people in using the service		3
Problems encountered by people with hearing impairment in using the service		4
Others:		
Line busy	24	2
Message unclear		1
Bookings are full		7
Not allowed to choose consultation timeslots		3
No telephone booking for new patients	1	3
No arrangement for queuing for consultation slots		2
System design yet to be improved	11	
Difficult to use	4	
Others (for example the techniques of staff in handling problems)	4	3
Total:	44	28

New Measures to Safeguard Rights and Interests of Consumers

17. **MR JAMES TO** (in Chinese): *President, concerning new measures to safeguard the rights and interests of consumers, will the Government inform this Council:*

- (a) *given that in January last year, the former Director-General of Telecommunications advised that discussions were underway with various major telecommunications operators on the establishment of*

a voluntary Consumer Dispute Adjudication Scheme, which was expected to start piloting in the second quarter of last year, and it has been reported that the Chief Executive of Consumer Council mentioned in July last year that the Consumer Council was drafting a standard contract for the provision of services, including the introduction of provisions on cooling-off period, of the progress of the aforesaid scheme and drafting work, as well as the estimated time for implementation of the scheme and completion of the drafting work; and

- (b) *whether there are other new measures to safeguard the rights and interests of consumers?*

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Chinese): President, my reply to the questions raised by the Honourable James TO is as follows:

- (a) The Telecommunications Ordinance offers protection to consumers in respect of the services provided by licensed telecommunications operators. Under section 7M of the Telecommunications Ordinance, telecommunications services providers are prohibited from engaging in conduct which is misleading or deceptive in promoting, marketing or advertising their service. The Office of the Telecommunications Authority (OFTA) has also drawn up detailed guidelines in this relation. For example, the Telecommunications Authority (TA) identified in 2005 and 2008 a number of best practice indicators for the selling of services, aiming to help improve industry practices on the selling of fixed-line and broadband services, and safeguard the rights and interests of consumers. To further enhance the protection of consumers, the OFTA is now actively studying with telecommunications services operators the details of their engagement in a pilot scheme to address customer complaints, including the procedures for handling complaint cases. We will make an announcement once it is ready.

Separately, the Consumer Council is examining some standard consumer contracts used in the provision of services. It will also consider whether there is a need to include clauses on cooling-off periods in such contracts.

- (b) The Government attaches great importance to safeguarding the rights and interests of consumers. Recently, we have introduced the Trade Descriptions (Amendment) Bill to the Legislative Council with a view to enhancing our legislation against false or misleading trade descriptions. The Bill is now being scrutinized by the Legislative Council. In addition, last year, we invited the Consumer Council to conduct a comprehensive review of the consumer protection regime in Hong Kong. The Consumer Council has just released the review report. We will study carefully the recommendations in the report and will consult the public on the way forward before the end of this year.

As regards telecommunications services, in order to reinforce consumer protection, the OFTA recommends to include a condition in the future unified carrier licence to require unified carrier licensees to comply with any codes of practice or guidelines the TA may issue for the purpose of protecting and promoting the interests of consumers of telecommunications goods and services. Apart from this, unified carrier licensees should also comply with the codes of practice to be issued by the TA in respect of contractual requirements on telecommunications services, including preparation of contract documentation, entering into or terminating service contract, and settlement of disputes. The above new conditions can provide a regulatory framework to deal with contractual disputes over telecommunications services.

In sum, government departments concerned will continue to monitor the market situation and consider different measures to safeguard the rights and interests of consumers.

Hiring Consultant for Public Consultation on Health Care Reforms

18. **MS EMILY LAU** (in Chinese): *President, the Stores and Procurement Regulations (SPR) 280 stipulates that for procuring consultancy and other services with a value above \$50,000 but not exceeding \$1.3 million, departments must obtain written quotations from not less than five contractors. In cases where it is not possible to identify a sufficient number of contractors to obtain the minimum number of written quotations required, approval should be obtained*

from an officer of rank not lower than Chief Executive Officer or equivalent before inviting written quotations from contractors. He should write a brief explanatory note on the decision in the file and record on file the particulars such as the names of the contractors contacted. In cases where less than five written quotations are received, the acceptance of the offer concerned should be approved by an officer of rank not lower than Directorate Pay Scale Point 1 or equivalent. I wrote a letter to the Secretary for Food and Health on 28 January to enquire why, with only one written quotation received, the Food and Health Bureau (the Bureau) had appointed the consulting firm set up by the Press Secretary for the former Chief Secretary for Administration to take up work relating to public consultation on health care reforms. The Bureau stated in its reply that the procurement had been made in full compliance with the above provision. In this connection, will the executive authorities inform this Council:

- (a) when and on what basis the above provision was made, and of the number of occasions on which the Government invoked the provision to appoint consulting firms in the past two years and the relevant details;*
- (b) of the justifications for the Bureau's decision to invite a written quotation from only one contractor, and whether the Bureau can provide a copy of the brief explanatory note and particulars relevant to this decision as recorded on file;*
- (c) whether, prior to the submission of a plan by the contractor, the Bureau had provided it with a work outline; if so, whether it can provide a copy of the relevant document, its date of issue and the date when the contractor submitted its plan;*
- (d) of the rank of the officer who approved the acceptance of the offer concerned and when he gave the approval, and how long the entire procurement procedure lasted; and*
- (e) whether the Bureau has followed the provisions set out in SPR Chapter IA (Avoiding Conflict of Interest in Government Procurement), and how it will, when conducting procurement activities in the future, avoid giving rise to allegations that the Government differentiates between close and distant relationships in handling matters or transfers interests to certain persons?*

SECRETARY FOR FOOD AND HEALTH (in Chinese): President, the Bureau earlier appointed a consulting firm to help arrange for public communication and publicity in connection with the public consultation to be initiated shortly on health care reform. The appointment procedures are in full compliance with the SPR.

My replies to the question raised by the Honourable Emily LAU are as follows:

- (a) The existing SPR have been in effect since 2 December 1997. SPR 280, which was modelled on section 218 of the already-revoked Store Regulations on procurement of services, sets out in greater details the procedures to be followed by bureaux and departments in the procurement of services so as to ensure that government procurement is conducted in a fair and just manner.

In concrete terms, SPR 280 provides that bureaux and departments should invite written quotations from not less than five contractors for procuring services with a value exceeding \$50,000 but not exceeding \$1.3 million. If bureaux and departments find that due to limited supply in the market or other full justifications, it is not possible to invite the minimum number of quotations required or an invitation of less than the minimum number of quotations required has to be made, prior approval must be sought from an authorized officer before inviting quotations. After obtaining the quotation(s), approval from another authorized officer is needed for the acceptance of an offer. This requirement aims to ensure that the officer who selects contractors and/or approves the invitation of quotations from contractors is not the officer authorizing the acceptance of the offer for that procurement.

Under the existing procurement procedures, Controlling Officers can, in accordance with the SPR, decide on their own to appoint a consulting firm for consultancy services with a value not exceeding \$1.3 million and make a record of the relevant information. Hence, the Financial Services and the Treasury Bureau does not have readily available information on the number of occasions and details relating to the appointment of consulting firms by Controlling Officers on their own.

(b) to (e)

Health care reform is a complicated issue with far-reaching implications. Members of the public must have a thorough understanding of the subject matter before the community could proceed to rational discussions with a view to reaching consensus. The appointment of a consulting firm could help the Government to plan its works on public communication and publicity for the public consultation exercise. It could deepen people's understanding on the subject matter, encourage them to engage in rational discussions and provide positive effects to build community consensus.

Given that this exercise is a complicated one, a consulting firm had to first understand the strategies and details of the public consultation on health care reform before it could submit a proposal and a quotation. Meanwhile, we must ensure that the details of the public consultation were kept confidential before publication and the service had to be commenced and completed within a very short period of time. Under these considerations and restraints, we therefore decided to invite and appoint a service supplier to provide consulting service by way of a single tender. This had been approved by an authorized officer.

Prior to the appointment of the consulting firm, the Bureau gave a briefing to the firm on the content of the consultation document and the rationale behind in December 2007. The Bureau also indicated its requirements and required the firm to submit a proposal shortly. Later that month, we received a proposal submitted by the consulting firm. After considering the proposal, another authorized officer of the Bureau considered that the consulting firm's proposal and quoted price met the Bureau's requirements. Hence, approval was given in January this year for the proposal to be accepted and for the consulting firm to be appointed as the service provider. Consultancy service by the consulting firm started right afterwards and is still ongoing. As the documents, work outline and proposal involved touch upon the strategy and content of the public consultation, as well as commercial information of the consulting firm, we are therefore unable to provide here a copy of these documents.

Organ Donation

19. **MR SIN CHUNG-KAI** (in Chinese): *President, regarding the donation of organs from deceased persons for transplant, will the Government inform this Council:*

- (a) *whether it knows the criteria used by the Hospital Authority (HA) to determine if the above persons are suitable for donating organs;*
- (b) *whether it knows the number of cases relating to the donation of organs last year in which Transplant Co-ordinators took the initiative to follow up and, among them, the respective numbers of cases in which the deceased persons had, while they were alive, expressed clearly their wish to donate their organs, and those in which the deceased persons involved were suitable for donating organs but their family members refused to donate the organs concerned; the number of cases last year in which the family members of deceased persons took the initiative to offer the donation of organs, and the procedures adopted by HA staff to follow up such cases;*
- (c) *given that the authorities indicated in February last year that it was tentatively planned to complete by the end of last year the development of a centralized organ donation register (CODR) for the registration, storage and retrieval, through a computer system, of the information on people who wish to donate their organs after death, whether the register has been established and in operation; if so, of the number of prospective organ donors whose information has already been stored in the system; if not, the reasons for that; and*
- (d) *given that in Singapore and some European countries, people are presumed to consent to their organs being used for transplant after their death unless they have objected before their death to donating their organs, whether the authorities have conducted any study to see if such practice is acceptable to Hong Kong residents; if they have, of the outcome of the study; if such a study has not been conducted, whether the study will be conducted?*

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

- (a) To ensure the safety of patients receiving organ transplant and a considerable chance of success for transplant operations, Transplant Co-ordinators of the HA will assess each case referred to them (including those in which family members of the deceased take the initiative to offer the donation of organs) based on established medical protocols to ascertain that the organs are suitable for transplant. The assessment aims to exclude organs of patients suffering from malignant neoplasm (except primary brain cancer) or active infectious diseases, and to ensure that the organs for transplant functions properly.
- (b) In 2007, Transplant Co-ordinators followed up a total of 224 cases referred to them, with 114 cases confirmed to be unsuitable for organ donation after medical assessment; 50 cases found suitable for organ donation but the donation could not be proceeded due to refusal by family members of the deceased; and 60 cases of successful organ donation. In 10 of these successful cases, the donors had expressed clearly their wish to donate their organs while they were alive and consent was successfully obtained from their family members.

Transplant Co-ordinators are on call round-the-clock. Upon receipt of a case referred to them in which family members of the deceased took the initiative to offer the donation of the deceased's organs, Transplant Co-ordinators will immediately seek information on the medical history of the deceased from the medical officers and assess whether the organs of the deceased are suitable for transplant. If the organs are found not suitable for donation, Transplant Co-ordinators will explain the reasons to the family members together with an expression of gratitude. If the organs are found suitable for transplant upon assessment, they will explain the transplant procedures to the family members and ask them to sign a consent letter to donate the organs of the deceased. At the same time, they will also contact specialist doctors for conducting further examination on various organs of the deceased. If the organs are confirmed to be suitable for transplant, Transplant Co-ordinators and doctors from various transplantation units will co-ordinate to remove the organs from the deceased for transplant operation.

- (c) The system development of the CODR was completed in January 2008. The Hong Kong Medical Association is now seeking consent from some 40 000 registered donors in its existing organ donation register for their data in the register to be transferred to the CODR. The Department of Health is carrying out an assessment on the personal privacy implications before the CODR comes into operation. Upon completion of this assessment, the CODR will be launched officially in the second quarter of 2008.

Establishing the CODR for facilitating the public to register as organ donors is part of our promotional efforts on organ donation. In general, our working priorities are to promote broader public awareness of the importance of organ donation, and nurture a social culture which embraces the notion of voluntary organ donation. With the setting up of the CODR, we have plans to step up the promotional efforts for organ donation.

- (d) In view of the traditional social value in Hong Kong which respects the will of the deceased and their families, mandatory organ donation may not be widely accepted by the general public. As organ donation should be a voluntary act, we believe that a more effective way to encourage organ donation is to nurture a positive understanding and attitude towards organ donation through continuous publicity and education, thereby enhancing people's willingness to donate organs. We hope that Honourable Members of the Legislative Council can register as organ donors in support of organ donation upon the implementation of the CODR.

Use of Radar Detectors by Motorists

20. **MR LAU KONG-WAH** (in Chinese): *President, it has been reported that certain radar detectors available on the market claim to be capable of detecting the presence of speed enforcement laser guns and cameras used by the police as well as the locations of red-light cameras. In this connection, will the Government inform this Council whether:*

- (a) *it has conducted tests on such devices to determine the validity of their claims;*

- (b) *it has investigated if the use of such devices by motorists has been on the rise in recent years; and*
- (c) *there is currently legislation regulating the sale and the installation of such devices on motor vehicles, and whether it will tighten up the regulation in this regard; if it will, of the details?*

SECRETARY FOR TRANSPORT AND HOUSING (in Chinese): President,

- (a) The police have conducted tests on radar or laser receivers available in the market, and found that some of these devices do receive signals generated by radar or laser speed enforcement equipment used by the police for detecting the speed of vehicles, and emit sounds to alert motorists. However, test results also reveal that the performance of these devices varies. Some are more sensitive in receiving signals and emit alerts at a distance from the police's speed enforcement locations, while others emit alert even upon receipt of other signals. Some can only pick up signals and emit alerts after the police's speed enforcement equipment has been activated. As for red-light cameras, since they do not use radar or laser signals to detect vehicles, their operations cannot be detected by these receivers.
- (b) The police observe that radar or laser receivers are not widely used among motorists. As such, we have not conducted any survey on the use of these devices by motorists.
- (c) Radar or laser receivers available in the market are radiolocation receivers. Under the Telecommunications Ordinance (Cap. 106) and Telecommunications (Radio Receivers) (Exemption From Licensing) Order (Cap. 106P), a person is not required to hold a licence in respect of a receiver for radio location. Possession, use or sale of radar or laser receivers with specifications in compliance with the exemption order is not an offence under the Telecommunications Ordinance.

Much of the speed enforcement equipment is installed at locations with relatively more traffic accidents involving speeding and

red-light jumping. Besides penalizing drivers for speeding offences, the main objective of the police in conducting speed enforcement operations is to remind motorists and enhance the deterrent effect, so that motorists would observe the safety regulations while driving. Currently, motorists may obtain information of the speed enforcement cameras and red-light cameras installed at fixed locations on the website of the Hong Kong Police Force. The purpose of this arrangement is to remind drivers of the need to drive safely.

We must point out that even if motorists use these radar or laser receivers, they may not be able to avoid the police's speed enforcement operations. Motorists complying with traffic regulations at all times is of the utmost importance in safeguarding road safety.

The police will continue to pay attention to the use of the radar and laser receivers by motorists and will, in conjunction with the Office of the Telecommunications Authority, examine the need to put these devices under control if necessary.

MOTIONS

PRESIDENT (in Cantonese): Motion. Proposed resolution under the Public Finance Ordinance.

I now call upon the Secretary for Financial Services and the Treasury to speak and move his motion.

PROPOSED RESOLUTION UNDER THE PUBLIC FINANCE ORDINANCE

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): Madam President, I move the Vote on Account Resolution under section 7(1) of the Public Finance Ordinance (Cap. 2) (the Resolution).

At its meeting on 22 February, the House Committee of the Legislative Council decided to set up a Subcommittee to scrutinize the Resolution. The

Committee also agreed that the Government needed not follow the normal practice to withdraw its notice of the Resolution, and to issue a fresh notice after the Subcommittee had studied the Resolution and reported its findings to the Legislative Council. I would like to thank the Committee for the decision, which has enabled me to move the Resolution today as scheduled.

I am also very grateful to Mr James TO, Chairman of the Subcommittee, and other members. The Subcommittee held two meetings in a space of just more than one week to examine urgently the Resolution and made some suggestions.

The purpose of the Resolution is to seek funds on account amounting to \$90,989,010,000 to enable the Government to carry on existing services between the start of the financial year on 1 April 2008 and the enactment of the Appropriation Ordinance 2008. The initial amount of funds on account for each head of expenditure as shown in the draft Estimates of Expenditure was provided to Members in the form of a footnote to my earlier draft speech.

In accordance with section 7(2) of the Public Finance Ordinance, the amount of funds on account was worked out on the basis of the provision sought for each head and subhead of expenditure as shown in the 2008-2009 draft Estimates of Expenditure. As stipulated in the fourth paragraph of the Resolution, the proportion of the funds on account sought in general is 20% of the provisions of Operating Account Recurrent subheads of expenditure and 100% of the provisions of Operating Account Non-recurrent subheads or Capital Account subheads.

This calculation basis for funds on account applies also to subheads for Additional Commitments under Head 106 Miscellaneous Services. We understand that Members are concerned about the substantial provisions made under subheads 251 and 789. We have explained at the meetings of the Subcommittee that as set out in the Controlling Officer's Report for Head 106, provisions under these subheads for Additional Commitments are for meeting unavoidable expenditure in 2008-2009 in excess of the amounts provided under other heads, for instance, the expenditure for implementing certain measures proposed in the 2008 Budget. The Government will later transfer the required funding from Head 106 to the respective heads and subheads in accordance with the established procedures to meet the actual expenditure. According to the

existing limits of the authority delegated by the Finance Committee, any commitment in excess of \$10 million requires the approval of the Committee.

The fourth paragraph of the Resolution also empowers the Financial Secretary to vary the funds on account in respect of any subhead to enable the Government to meet any unforeseen or contingent expenditure prior to the enactment of the Appropriation Ordinance 2008. However, the variations should not cause an excess over the amount of provisions entered for that subhead in the Estimates of Expenditure 2008-09.

We would like to thank members of the Subcommittee for their suggestions, including the following:

- (i) The Government should only seek funds on account for those essential or urgent items under the Non-recurrent expenditure subheads, instead of uniformly seeking funds on account equivalent to 100% of the provisions shown in the Estimates.
- (ii) The notice to move the motion for the funds on account should be given after the Estimates for Expenditures for the coming year has been laid before the Legislative Council. The Legislative Council should also be provided with sufficient notification period for moving the motion so that Members will have enough time to scrutinize the Resolution.
- (iii) The Government should review whether there is any practical need to empower the Financial Secretary to vary the funds on account approved in respect of any subhead in accordance with the fourth paragraph of the Resolution.

Before the drafting of the next Vote on Account Resolution, we will carefully consider the views of the Subcommittee and consult the relevant Panel.

The arrangement for the Resolution is long established. It can ensure that, prior to the enactment of the Appropriation Ordinance each year, the funding requirements for maintaining government services can be appropriately

met. I hope that the Legislative Council will pass the Resolution today. The vote on account will be subsumed upon the enactment of the Appropriation Ordinance 2008.

Madam President, I beg to move.

The Secretary for Financial Services and the Treasury moved the following motion:

"RESOLVED that –

1. Authority is hereby given for a sum not exceeding \$90,989,010,000 to be charged on the general revenue for expenditure on the services of the Government in respect of the financial year commencing on 1 April 2008.
2. Subject to this Resolution, the sum so charged may be expended against the heads of expenditure as shown in the Estimates of Expenditure 2008-09 laid before the Legislative Council on 27 February 2008 or, where the Estimates are changed under the provisions of the Public Finance Ordinance (Cap 2) as applied by section 7(2) of that Ordinance, as shown in the Estimates as so changed.
3. Expenditure in respect of any head of expenditure shall not exceed the aggregate of the amounts authorized by paragraph 4 to be expended in respect of the subheads in that head of expenditure.
4. Expenditure in respect of each subhead in a head of expenditure shall not exceed –
 - (a) in the case of an Operating Account Recurrent subhead of expenditure, an amount equivalent to –
 - (i) except where the subhead is listed in the Schedule to this Resolution, 20% of the

provision shown in the Estimates in respect of that subhead;

(ii) where the subhead is listed in the Schedule to this Resolution, the percentage of the provision shown in the Estimates in respect of that subhead that is specified in the Schedule in relation to that subhead; and

(b) in the case of an Operating Account Non-Recurrent subhead of expenditure or Capital Account subhead of expenditure, an amount equivalent to 100% of the provision shown in the Estimates in respect of that subhead,

or such other amount, not exceeding an amount equivalent to 100% of the provision shown in the Estimates in respect of that subhead, as may in any case be approved by the Financial Secretary.

SCHEDULE

[para. 4]

<i>Head of Expenditure</i>			<i>Subhead</i>	<i>Percentage of provision shown in Estimates</i>
46	General Expenses of the Civil Service	013	Personal allowances	40
59	Government Logistics Department	225	Traffic Accident Victims Assistance Scheme — levies	100
90	Labour Department	280	Contribution to the Occupational Safety and Health Council	30
		295	Contribution to the Occupational Deafness Compensation Board	30

<i>Head of Expenditure</i>			<i>Subhead</i>	<i>Percentage of provision shown in Estimates</i>
106	Miscellaneous Services	284	Compensation	40
120	Pensions	021	Ex gratia pensions, awards and allowances	50
		026	Employees' compensation, injury, incapacity and death related payments and expenses	50
136	Public Service Commission	000	Operational expenses	25
152	Government Secretariat: Commerce and Economic Development Bureau (Commerce, Industry and Tourism Branch)	000	Operational expenses	25
155	Government Secretariat: Innovation and Technology Commission	000	Operational expenses	25
170	Social Welfare Department	157	Assistance for patients and their families	100
		176	Criminal and law enforcement injuries compensation	25
		177	Emergency relief	100
		179	Comprehensive social security assistance scheme	30
		180	Social security allowance scheme	45"

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by the Secretary for Financial Services and the Treasury be passed.

MR JAMES TO (in Cantonese): President, in my capacity as Chairman of the Subcommittee, I will first report on the highlights of the deliberations made by the Subcommittee.

The Subcommittee has held two meetings altogether. Members do not oppose the moving of this resolution to enable the Government to carry on existing services between 1 April and the enactment of the Appropriation Bill 2008. During the deliberations, members had actually examined a number of issues in relation to policies and laws.

According to the established practice, the funds on account sought under each subhead are calculated in percentage terms with reference to the provision shown in the Estimates of Expenditure 2008-09. However, when the Administration gave notice to this Council on 13 February to move the resolution concerned, the Financial Secretary had yet to release the relevant Estimates of Expenditure. Therefore, the Subcommittee actually had no knowledge of the part on expenditure as mentioned in the Estimates of Expenditure, and the details were not available to members on receipt of the proposed resolution. In fact, the Estimates of Expenditure 2008-09 was not laid before this Council until 27 February, only seven days before this motion is moved today. The scrutiny work of the Subcommittee was therefore subject to an extremely tight timeframe. Members has made reference to the systems of four overseas countries and compared them with Hong Kong's past practices. It was discovered that while different approaches are adopted, different countries would have to ensure that their legislatures are informed of the details of the funding requirements in most cases when funds on account are sought. Hong Kong's existing practice is actually different from that of other countries, which does not follow this principle. So members suggested that the Administration should actively pursue improvements in the existing arrangement, and decided that the notice to move a resolution in relation to the calculation of the funds on account sought in percentage terms should be given after the Estimates of Expenditure for the coming financial year has been laid before the Council, so as to allow more time for members and inform them of the details on receipt of the Estimates of Expenditure. Furthermore, in the proposed resolution seeking funds on account, the Administration should also provide information of the funding required under each subhead. The Government undertook to consider members' suggestions and give notice after the Estimates of Expenditure has been laid before the Council having regard to the need to provide sufficient notification period for moving the motion.

Members noticed that the amount of funds on account of this year is some \$90 billion, representing a significant increase as compared to \$55 billion last year. As explained by the Administration, it was mainly attributable to a rise in expenditure in non-recurrent subheads for the implementation of, *inter alia*, a number of new initiatives put forward by the Financial Secretary as announced in the Budget, where the majority were non-recurrent expenditures. A member pointed out that while not all the new initiatives would be implemented in the first two months of the new financial year, the funds on account sought covered 100% funding for all non-recurrent expenditure subheads. Members considered that a review should be conducted to consider seeking funds on account for only those urgent or essential non-recurrent expenditure items that must be approved within a few months. Members also noticed that the criteria for seeking funds on account in respect of non-recurrent expenditure subheads has changed from merely covering approved commitments in the past to covering all non-recurrent expenditure subheads now. Members therefore queried if a lower funding proportion but not 100% should be adopted. The Administration agreed to take into account members' suggestion when determining the future funds on account, including whether or not the funds sought are urgent or essential, funds on account would only be sought for non-recurrent expenditure subheads that must be approved within a few months, or whether or not the funding proportion should be lowered to, say 50%, instead of 100%.

The Subcommittee had also exchanged views with the Administration on a legal issue. In brief, members were concerned if the Financial Secretary could utilize the funding direct from Subheads 251 and 789 of Head 106 after the passing of the Vote on Account resolution without going through the Finance Committee or seeking the approval of the Legislative Council. The Administration confirmed that the sums under Subheads 251 and 789 could be used provided that they were charged to the relevant subheads under the specific policy areas with the approval of the Finance Committee. It also reiterated that the actual expenditure for the new initiatives to be implemented in the coming year would not be charged to the subhead identified as "Additional commitments" under Head 106 direct. The Subcommittee considered that the Administration should confirm and further elaborate the legal basis for this arrangement.

Members were also concerned about paragraph 4 of the proposed resolution relating to the Financial Secretary's power to vary the funds on

account in respect of any subhead, and requested the Administration to provide the background, purpose and effect of that clause. Members also suggested that the Administration should consider the need or otherwise to include the clause in future.

The Subcommittee requested the Administration to respond and follow up the concerns raised by members when moving the motion on the Vote on Account resolution, and report the results to the relevant Panel in time for implementing the necessary improvements before the next financial year.

President, the abovementioned points are the main deliberations of the Subcommittee. Next, I will perhaps briefly highlight my personal views and that of the Democratic Party.

Firstly, insofar as the time is concerned, we only have seven days for detailed deliberations this year. After studying the research findings prepared by the staff of the Legislative Council Secretariat (to whom we are very grateful) regarding the past practices in more than 20 years, we noticed that there was once when 19 days were available. While 14 days were available for many years, zero day had been recorded for one year, which means that the legislation was enacted on the day of gazettal. This is indeed a very exceptional case. In fact, very often some 10-odd days were available in the past, especially when Mr Antony LEUNG was the Financial Secretary.

I consider that it is only fair to Honourable colleagues that at least some time was given. I certainly understand that the Government has to consider the confidentiality of the budget while giving Members some time for consideration. So, what can be done about it? I believe it can be resolved, only it requires some thinking. As evident in some overseas experiences, one of the approaches is to work out a certain percentage of funds on account which can be deemed sufficient on the basis of a known percentage of last year (it would be a different case when a lot of "candies" were distributed unexpectedly like this year), such that adjustments can at least be made within a certain range. After all, this is better than the existing practice where Members have to hastily go through the procedures without knowing the details. Certainly, for countries or places seeking approval only after the Estimates have been released for thorough examination by the public, there should not be any problem of confidentiality and the elapse time prior to the necessary passage may also be shorter. But since the public was informed, the case is different.

The second point I wish to talk about is that some legal issues warrant care. I wish to remind the Secretary in particular, who is present at the meeting, that without a sound legal basis, many legal challenges may arise as nowadays Hong Kong people are very concerned about their rights. Hence, judicial review is absolutely possible. If any person or Member expresses doubts about a particular funding, which includes the funds on account, it is possible that the overall constitutional framework of the Government would also be challenged. This is the last thing I wish to see, as these unexpected cases may take a long waiting time and will probably drag on beyond the passage of the budget. If not, should an uncertain event takes place during that period of time, just a single resolution can paralyze the Government and lead to default payment of salary. In fact, though not because of any case undergoing judicial review, the United States Government had once defaulted payment of salary for a period of time, which had resulted in the closure of its consulates for one week.

Therefore, I hope that the Government will look carefully at the legal basis of the relevant clauses, especially after the Legal Adviser of the Legislative Council has given so many opinions, and revise it when necessary, so as to put beyond doubt that consideration is made purely on the need for funding or the required percentage, but not the power of implementation, which may create uncertainties for the work of this Council. To me, this would just be most unfortunate.

I wish to put on record today that such cases should be avoided in the future. In case they really happen, the Government should at least bear the greatest responsibility because though the matter has not been carefully studied for many years, we have examined it in great detail in two meetings this year. I really hope that the Government can do better in the future.

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

MS EMILY LAU (in Cantonese): President, the Secretary expressed sincere gratitude to us in his speech for holding two meetings with him within a few days. I am not only very grateful to ourselves, but also to the Secretariat, President and the Secretary General in particular, who is present at the meeting. I must say that the Legislative Council Secretariat has really done a very good job this time. Be it the Council Business Division, the Legal Service Division

or the Research and Library Services Division, high level of professionalism has been displayed in retrieving information of some two decades ago. I wonder if the record of the Administration is as comprehensive as this. Therefore, I am very grateful to the Secretariat.

In fact, I have no intention to obstruct the Secretary. Just as I said at a Subcommittee meeting, while we appreciated the need for funding, many problems were identified in this course. President, just now Mr TO also said that the issue should have been addressed earlier. And yet, it is better late than never.

I also wish to thank the Secretary for giving us his draft speech, President, along with the notice given (just as what he told our Assistant Secretary General yesterday). Since I found that draft speech outdated and I wondered if he would replace it with another one, so I asked the Assistant Secretary General to request another draft speech for us. The Secretary heeded our request and honoured his promise earlier at 12.00 noon. Why is that draft speech so important? Although we can write down what he said like doing dictation, just as Mr James TO said earlier, we made some requests at that time and were looking forward to hearing some responses from the Secretary in his speech. If he can do so, we will then render our support and set our minds at ease. Though I can see that responses have been made by the Secretary, I still wish to briefly state my views.

First of all, it is the issue of time. Just now Mr James TO also mentioned that a draft speech was provided when Secretary gave the notice on 13 February. It is this piece of paper, which is so thin that it can be blown away easily. However, in order to examine the content, it must be read together with the budget, which was only released on the 27th, that is, two weeks later. President, it is the rule of this Council that once the Administration gives notice of a proposed resolution, we can suggest the establishment of a subcommittee for examination when the matter is dealt with at the House Committee. This is entirely possible. It has been the practice of the Administration to withdraw the notice. Since the notice was given on the 13 February and a House Committee meeting was scheduled on the 22nd for examination, no one would oppose it, especially because it involves the provision of funding which amounts to more than \$90 billion. However, the matter was still not ready for examination on the 22nd as the budget was not released until the 27th. The Secretary said that the proposed resolution would be forthcoming today (5 March), so what was he

going to do on 5 March if a withdrawal was necessary? We advised him to postpone it to a later date, but he said that only two Council meetings were scheduled in March, either today or next week, which would be followed by the Easter holidays.

President, here comes another problem. While previous budgets were released in March, the time was later changed to February so as to tie in with the schedule of meetings of the National People's Congress and the People's Political Consultative Conference. This is why I do not envy the Secretary at all. Notwithstanding such a change of time, it does not mean that all the procedures will become invalid or we are all turned into rubber-stamps. Hence, I am very grateful to see the Secretary indicating in his reply that he would look into the matter. I have no idea what he has found out. I just find the existing arrangement unacceptable, hoping that the Secretary can prove so. Regarding the abovementioned report, President, please take a look at Table 2 of Appendix IV of the excellent report prepared by the Secretariat, which sets out the available time since 1975 — 21 days were available in 1975, President, which was gradually shortened to 14, 12 and seven days. The time available became shorter and shorter. Whose fault is it? The Administration certainly did not do very well, but we have allowed this to happen. We have no choice but to rectify the present situation. President, I believe the Secretary should expeditiously look into the matter and refer it to this Council for discussion, which is something that must be done.

Mr TO also mentioned earlier that we had referred to the experiences of four countries. However, the Administration had forcibly grouped them as a single experience, which actually includes two types of experiences. One of them was derived from the United Kingdom and Australia, where funding is the approved expenditure of last year. People already have knowledge of it when released as the sum of last year has been made public, so there should be no problem working out a percentage. Canada and New Zealand, on the other hand, work out the amount on the basis of the draft estimates which would be released beforehand. Therefore, computation was again made basing on some known figures. Hong Kong is the most brilliant in that it has adopted 50% of each approach. While estimates would be made, a percentage would be derived beforehand, which is indeed impossible, President. I can see that they are just working according to the Ordinance. The Ordinance stipulates that computation should be made basing on the current year, so it is therefore logical for the Secretary to seek funds on account after the budget has been released,

which is clear enough. The Administration should not seek funds on account before the budget is released, allowing only a few days for Members' scrutiny. I think that the Secretary can address this issue very easily. The schedule of next year will, however, depend on the situation. And yet, time cannot stop us from doing our job.

Furthermore, President, Mr TO mentioned the computation of the monetary amount earlier. We can see that recurrent items account for 20%, whereas non-recurrent items account for 100%, which is impossible. There are only two months, but the Administration said that there were some very effective proposals which took less than two months. President, what effective proposals are they? There are the \$18 billion so-called Research Endowment Fund, the \$4.3 billion Electricity Charge Subsidy and some \$8.5 billion to be injected into the employees' Mandatory Provident Fund accounts. I do not believe these proposals can be completed within the first two months, which is impossible. Furthermore, the funding concerned must be essential and urgent, and the Secretary has responded to this point in his draft speech. I hope that the tight control imposed by these measures would prevent reckless requests for funding. Even if it involves recurrent expenditure, I think we still have to be very cautious because 120% is indeed a large sum of money. I have examined the past practices. Sometimes, it is really not fair to accuse us of cherishing the memory of the colonial times. President, if you take a look at that table, you will find that the requirements used to be very stringent, but then they were gradually relaxed. I think that we may also overlook something. To me, money should be spent where necessary, but what is the reason for securing such a large sum of money within two months?

Furthermore, the Secretary also mentioned that the fourth paragraph of the proposed resolution empowers the Financial Secretary to use an amount not exceeding the funding. In fact, the presence of this paragraph has rendered all other restrictions totally meaningless. President, I am talking about the fourth paragraph. During the meeting, our Legal Adviser also asked about the purpose of this paragraph. And yet, no one answered. This paragraph is indeed the most powerful imperial sword. As a result, we said that this paragraph will probably be removed when the matter was to be dealt with on the next occasion.

President, I really hope that the Secretary will look squarely at the three suggestions as set out in items (i), (ii) and (iii) of the eighth paragraph of the Secretary's speech, where actions should be taken. I also wish to convey a

message to the Secretary, that we are very concerned about how the money is spent and are eager to have the Government clearly stating that the funds on account are sought only when necessary. Furthermore, sufficient notice and information will be provided during the course so as to enable the Legislative Council to have ample time for scrutiny according to the Rules of Procedure. Irrespective of me being re-elected as a Member next year, I do not wish to see that in response to Members' request for a withdrawal of notice for further scrutiny, the Administration will say "This is impossible. Just pass it as time is running short." Or anything like that. I do not wish to see this happening again.

I so submit.

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

MR SIN CHUNG-KAI (in Cantonese): President, insofar as this motion is concerned, I am not going to repeat the points that might have been discussed by the Subcommittee, which Ms Emily LAU and Mr James TO have mentioned in their speeches. Yet, today's discussion has prompted us to study more carefully the examination relating to the funds on account as the whole system has at least been revised twice. Former Financial Secretary, Mr Antony LEUNG, had merged the previously separated speeches on the Estimates of Expenditure and the budget, and delivered them on the same day. I remember that many years ago, we were able to read the part on expenditure on Friday and then discussed the part on revenue on the following Wednesday. After Antony LEUNG merged the two into one, however, we have a few days less for examining the funds on account.

In this connection, I consider that a new element should be added in the future. I wish to refer the Secretary to Article 52(3) of the Basic Law, which says, "When, after the Legislative Council is dissolved because it refuses to pass a budget or any other important bill, the new Legislative Council still refuses to pass the original bill in dispute." Certainly, this is a very rare case which will happen only once in a century, that is, the refusal of this Council to pass a budget but not the funds on account. If the budget is negated, the Chief Executive will dissolve the Legislative Council; but if the re-elected Legislative Council after dissolution again negated the budget laid before it, then the Chief

Executive will have to resign. This is something that may happen probably once in several decades. Let us look again at the practice relating to the seeking of funds on account. The Public Finance Ordinance was already in place when the Basic Law was still not in sight. During the colonial era, if the budget was not passed, Members would be "fired" and replaced by some other appointed Members until the budget was passed, which is very easy indeed. Though the current situation is, in my opinion, very extreme, consideration is still necessary.

In this circumstance, assuming that 20% is used — Ms Emily LAU just said as if 20% was a large sum of money, but it is not enough to pay for an election of the Legislative Council or the Chief Executive. That 20% is insufficient at all. I certainly agree that this is an extreme case, but if a review is to be conducted, how can we deal with the situation that would occur only once in several decades in respect of the law concerning funds on account? As we all know, even the United States Government had to close down its federal government offices as a result of a failure to pass the relevant motion. This could really happen.

So, what are we going to do this time? I think that there would be difficulties as the budget is calculated in percentage terms but not the previous funding under the current system. There are two systems now. Both the United Kingdom and Canada base on the previous budgets, where the funds on account are worked out with reference to the previous but not latest budget. Making reference to either the latest or previous budget has merits, but the use of previous budgets is comparatively easier. Even if the new budget is voted down, the previous ones can still be referred to and determine the percentage at a certain time, say, 20%. But is this 20% sufficient to cope with the above situation? It can probably cope with some general situations. But what if the revised budget is again voted down by the Legislative Council? There will be a re-election of the Legislative Council, and if the Chief Executive has to resign subsequently, I can tell Members that this may take up to one year. The re-election of the Legislative Council will take two months whereas the selection of the Chief Executive will take another three months, and altogether will take up half a year. So, what to do about the funds on account? This will evolve into a serious constitutional crisis.

There should not be any problem in ordinary days as such cases only occur once in a century. As regards the few suggestions set out in the eighth

paragraph which we mentioned today, I think that there had been clear and thorough discussions in the Subcommittee. However, in case a review is to be conducted, I hope that the Secretary will look carefully at this part to avoid any possible constitutional crisis.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): If not, I now call upon the Secretary for Financial Services and the Treasury to reply.

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): Madam President, just as I mentioned in my earlier speech, I am very grateful to Members for giving so many valuable opinions on this motion on the Vote on Account resolution. I am also very grateful to Members and the Secretariat for the efforts they made during this short period of time, which enables us to move this resolution today as scheduled after holding two meetings. I will definitely consider Members' views and consult the relevant panel before drafting the next motion.

In order to allow the Government to obtain the funds on account before 1 April this year to ensure that government services will be provided as usual, I implore Members to pass this resolution.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by the Secretary for Financial Services and the Treasury 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 Interpretation and General Clauses Ordinance to amend the Road Traffic (Driving Licences) (Amendment) Regulation 2008.

I now call upon the Secretary for Transport and Housing to speak and move her motion.

PROPOSED RESOLUTION UNDER THE INTERPRETATION AND GENERAL CLAUSES ORDINANCE

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): Madam President, I move that the resolution to amend the Road Traffic (Driving Licences) (Amendment) Regulation 2008 (Amendment Regulation), as printed on the Agenda, be passed.

The Amendment Regulation primarily seeks to amend the Road Traffic (Driving Licences) Regulations to implement several proposals to improve the arrangements for the issue and renewal of driving licences. These proposals include:

- (i) empowering the Commissioner for Transport (the Commissioner) to consider the applicants' eligibility to perform commercial driving duties for employment purpose in Hong Kong when processing applications for the issue and renewal of commercial driving licences;
- (ii) improving the renewal arrangement for full driving licences by replacing the existing requirement of producing a copy of identity document or using an e-certificate for authentication of identity with a personal identification number issued by the Transport Department, so as to facilitate postal and electronic applications;

- (iii) introducing direct issue of full driving licences to holders of Icelandic driving licences, thereby removing the need for applicants to attend the local driving test; and
- (iv) empowering the Commissioner to amend the list of countries or places eligible for direct issue by order published in the Gazette. Only the Secretary for Transport and Housing has the power to amend the list at present.

I would like to express my gratitude to the Subcommittee chaired by the Honourable James TO, which has completed its work within a short timeframe and tendered invaluable advice. Having considered the views of the Subcommittee, we now propose to amend Regulation 5(3) of the Amendment Regulation on "Issue of full driving licences". Regulation 5(3) of the Amendment Regulation relates to Regulation 11(2) of the Road Traffic (Driving Licences) Regulations, that is, the existing direct endorsement arrangement for driving licences.

Under the direct endorsement arrangement, the Commissioner will issue driving licences accepted as related classes to applicants, without requiring them to sit for another driving test. For instance, public/private light bus driving licences are directly granted to public/private bus driving licence holders; medium goods vehicle driving licences are also directly granted to heavy goods vehicle driving licence holders. This is because driving licence holders of a larger passenger/goods vehicle concerned are accepted by the Commissioner to have the competence to drive a similar vehicle of smaller carrying capacity.

Under the existing regulations, the Commissioner has no discretion in the direct endorsement arrangement for driving licences. To complement the new arrangement for issue and renewal of commercial driving licences, we originally proposed to amend the relevant provisions to accord discretion to the Commissioner. The Administration's intention is to maintain the existing direct endorsement arrangement for issuing driving licences to Hong Kong Permanent Identity Card holders and Non-permanent Identity Card holders who are not subject to any condition of stay. In examining the Amendment Regulation, the Subcommittee commented that the Amendment Regulation has not reflected this intention clearly.

In response to the comments of the Subcommittee, we now move the motion to propose that the Commissioner's discretion under Regulation 11(2) of the Road Traffic (Driving Licences) Regulations is only applicable to applicants for commercial driving licences who are subject to conditions of stay. In other words, the motion will clearly reflect that the existing direct endorsement arrangement for issuing driving licences to Hong Kong Permanent Identity Card holders and Non-permanent Identity Card holders who are not subject to any condition of stay will remain unchanged.

The Subcommittee is in support of the proposed amendment. I hope Members would support the motion.

Madam President, I beg to move.

The Secretary for Transport and Housing moved the following motion:

"RESOLVED that the Road Traffic (Driving Licences)(Amendment) Regulation 2008, published in the Gazette as Legal Notice No. 3 of 2008 and laid on the table of the Legislative Council on 16 January 2008, be amended by repealing section 5(3) and substituting –

"(3) Regulation 11(2) is repealed and the following substituted -

"(2) The Commissioner shall issue a full driving licence (other than a full driving licence to drive a taxi, public light bus, private light bus, public bus, private bus, medium goods vehicle, heavy goods vehicle, special purpose vehicle or articulated vehicle) to an applicant to drive a motor vehicle of the class to which his application relates if the applicant holds a valid full driving licence for a class of motor vehicle which the Commissioner accepts as evidence of his competence to drive a motor vehicle of the class to which his application relates.

(2A) The Commissioner shall issue a full driving licence to drive a taxi, public light bus, private light bus, public bus, private bus, medium goods vehicle, heavy goods vehicle, special purpose vehicle or articulated vehicle to an applicant for such a licence if –

- (a) the applicant –
 - (i) is the holder of a permanent identity card; or
 - (ii) is the holder of an identity card (other than a permanent identity card) and is not subject to any condition of stay other than a limit of stay as defined in section 2(1) of the Immigration Ordinance (Cap. 115); and
- (b) the applicant holds a valid full driving licence for a class of motor vehicle which the Commissioner accepts as evidence of his competence to drive a motor vehicle of the class to which his application relates.

(2B) The Commissioner may waive the requirement of paragraph (2A)(a) if he considers it appropriate to do so. ". ". "

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

MR JAMES TO (in Cantonese): President, although these two items do not fall within the ambit of security, it happens that I am the one to speak on both of them.

President, I will address this Council in my capacity as Chairman of the Subcommittee on Road Traffic (Driving Licences) (Amendment) Regulation 2008 (the Subcommittee) and give a brief account on the deliberation of the Subcommittee.

The Road Traffic (Driving Licences) (Amendment) Regulation 2008 (Amendment Regulation) seeks to implement several proposals to improve the arrangements for the issue and renewal of driving licences.

The Subcommittee notes that under the existing legislation, any person wishing to apply for a driving licence to drive a commercial vehicle is only required to fulfill the requirements stipulated in the principal regulations. So long as the applicant fulfills the stipulated requirements, the Transport Department (TD) would be required to issue a relevant driving licence to the applicant. The TD does not have the authority to reject the application even if the applicant is not allowed to perform commercial driving duties for employment purpose in Hong Kong under the immigration law. The Subcommittee agrees that this arrangement is not satisfactory and should be rectified.

Therefore, the Subcommittee supports the amendment proposed by the authorities to empower the Commissioner for Transport to consider the applicant's eligibility to perform commercial driving duties for employment purpose in Hong Kong in the issue and renewal of driving licences for commercial vehicles so as to plug the loophole in the existing legislation.

The Subcommittee has also examined whether visitors holding a valid international driving permit or a valid domestic driving permit issued in a place outside Hong Kong, including the Mainland, can perform commercial driving duties in Hong Kong.

The Administration has advised that it is unlawful for visitors holding international driving permit or domestic driving permit to perform such commercial driving duties during their stay in Hong Kong.

The Subcommittee notes that under the existing direct endorsement arrangement for issuing driving licences, light bus driving licences are directly granted to public and private bus driving licence holders without requiring them to sit for another driving test. Similar arrangement is applicable in the case of heavy goods vehicle licence holders so as to enable them to drive medium goods vehicle without further test. It is because driving licence holders of a larger passenger-carrying vehicle are recognized by the Commissioner for Transport to have the competence to drive a similar vehicle of smaller carrying capacity. The Subcommittee notes that the Administration's policy intent is to maintain the existing direct endorsement arrangement for issuing driving licences to Hong Kong Permanent Identity Card holders and Non-permanent Identity Card holders who are not subject to any condition of stay. However, as such intent is not

clearly stated in the original proposed amendment, after deliberation by the Subcommittee, the authorities are prepared to amend Regulation 11(2) of the Road Traffic (Driving Licences) Regulation to better reflect their policy intent and maintain the existing arrangement.

President, the above are the viewpoints expressed by the Subcommittee during the course of scrutiny.

I would now like to briefly express my views on this Regulation. In fact, transport affairs are not my special focus. But perhaps because I am a lawyer, I have to examine and consider issues from different perspectives to see if there is any loophole or whether there is anything which is not in line with the Government's policy intent.

Of course, if we look at some policy or legal proposals on the surface, we will certainly agree with them because they can plug some loopholes. However, I hope the Government can look into these proposals more thoroughly. Take the current proposal as an example, I believe that if the item proposed is really passed without amendment, grave problems will arise because the transport trades which are already very sensitive to the distribution of interests will react strongly. If the Amendment Regulation to give the Commissioner the discretion of not granting approval is really passed, the transport trades will surely exert a lot of pressure for example, will bus drivers also be allowed to drive light buses, and will light bus driving licences be granted to those who drive medium buses? If the Commissioner has the discretion, why must he exercise discretion to grant approval? Fortunately, colleagues raised many questions during the course of discussion. Of course, initially the Government regarded our questions as silly and thought that they were too particular. But if we had not raised those detailed questions to examine this arrangement, there would be catastrophic outcomes when the Amendment Regulation is enacted. It will lead to conflicts among the transport trades and an inflation of the problem. This is in fact neither within the expectation nor the intention of the authorities.

Therefore, during the scrutiny of such legislation, sometimes we will raise a lot of in-depth and pointed questions. But in fact this will help the Government better perform its role as a gatekeeper to pre-empt significant flaws in the legislation. This is a typical case in point to illustrate how it works.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): If not, I now call upon the Secretary for Transport and Housing to reply.

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): Madam President, I would like to thank Mr James TO for his views on the Road Traffic (Driving Licences) (Amendment) Regulation 2008 (Amendment Regulation).

The Amendment Regulation will confer power on the Commissioner to exercise discretion in considering the applicant's eligibility to perform commercial driving duties for employment purpose in Hong Kong in the issue and renewal of driving licences for commercial vehicles. Besides, in order to promote postal and online applications, the Transport Department will also simplify the procedure for the renewal of full driving licences so that the applicant will no longer need to provide a copy of his identity document or use e-certificate.

We very much hope that the Amendment Regulation will come into effect as soon as possible so as to improve the arrangement for the issue and renewal of driving licences to provide more convenient and efficient services to the public.

The Resolution, if passed, will reflect the Administration's intent more clearly. I also thank Members for their view, that the existing direct endorsement arrangement for Hong Kong Permanent Identity Card holders and Non-permanent Identity Card holders who are not subject to any condition of stay should remain unchanged. Under this arrangement, the Commissioner will consider the individual circumstances of applicants who are subject to conditions of stay and exercise discretion to decide whether or not to issue driving licences for commercial vehicles.

The Resolution under this motion and the various proposals in the Amendment Regulation have the support of the Subcommittee. I hope

Members will support this motion so that we can introduce various improvement measures as scheduled.

Madam President, I so submit.

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

(Members raised their hands)

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

(No hands raised)

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

MEMBERS' MOTIONS

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

PRESIDENT (in Cantonese): First motion. Promoting the introduction of monthly ticket and student fare concessions to all MTR lines.

I now call upon Mr LAU Kong-wah to speak and move his motion.

PROMOTING THE INTRODUCTION OF MONTHLY TICKET AND STUDENT FARE CONCESSIONS TO ALL MTR LINES

MR LAU KONG-WAH (in Cantonese): I move that the motion, as printed on the Agenda, be passed. The motion seeks to promote the introduction of monthly ticket and student fare concessions to all MTR lines.

President, the Basic Law stipulates that "one country, two systems" shall be implemented in Hong Kong, however, it does not encourage the rail lines in Hong Kong to implement "one railway corporation, two systems". To say "one railway corporation, two systems" means that at present, the MTR Corporation Limited (MTRCL) after the rail merger offers concession to students in the urban area but not to those in the New Territories, whereas residents in the New Territories can buy monthly tickets, but such a concession is not available in the urban area. A situation of "one railway corporation, two systems" such as this is not ideal.

(THE PRESIDENT'S DEPUTY, MR FRED LI, took the Chair)

In fact, such a situation had existed before the rail merger. However, after the merger, the situation is even more obvious. We received enquiries and complaints from many members of the public, in particular, from students, who think that this was very unfair. At present, in respect of the East Rail, West Rail, Ma On Shan lines in the New Territories, the public can buy an East Rail One-month Pass at \$380 for one calendar month of unlimited travel and the public welcome this measure quite a lot. The public can also buy a monthly ticket for the West Rail at \$400 and the public are also feeling very gratified. In fact, at present, over 40 000 members of the public benefit from such monthly ticket concessions. Of course, if a monthly ticket that can be used throughout Hong Kong is introduced in future, I estimate that the number of people entitled to such a concession will surely be more than 40 000.

Separately, according to the existing terms, only full-time students between 12 and 25 years old are entitled to half fare and such a concession is available only in the urban area. If they take a train to Sha Tin and Tai Po, they are not entitled to such a concession at all. Of course, if one is over 26 years old — Mr Andrew CHENG has proposed a very appropriate amendment to the effect that if anyone over 26 years old is really a student, he should also be entitled to this concession.

Deputy President, regarding the present situation, I can cite several examples as illustration. Many people in local communities have talked about some unfair cases with us. To take two brothers living in a family in Kwun Tong as an example, the elder brother attends the University of Hong Kong and

is entitled to half-fare concession. However, the younger brother goes to The Chinese University of Hong Kong and he is not entitled to any half-fare concession. That two brothers in the same family are given different treatment is in fact very ridiculous.

Another example has to do with students in the same class. For example, if two students study in the City University of Hong Kong and one of them sets off from Ngau Tau Kok, he would travel past five stations and has to pay \$2.8; whereas another student who sets off from Sha Tin only travel past two stations but has to pay \$4.9. Why is it that the fare paid by a student who sets off from Sha Tin is far higher than that paid by the student who sets off from Ngau Tau Kok? If we do a little bit of calculation, the difference between \$4.9 and \$2.8 is in fact 43%. Why is it that there is such a great difference in fare between students in the same class who travel by train?

Therefore, this is gross unfairness. At present, some holders of monthly tickets heading for the urban area will, after taking the railways in the New Territories, be it the East Rail, West Rail or Ma On Shan lines, take the remaining leg of railway journey using the Octopus card or interchange to buses in order to save money. Many people would do this. In fact, many people at the grass-roots are very economical and they calculate the fare of each trip, each cent or each dollar carefully in the hope of saving a little money. In these circumstances, I believe this situation has to change.

The Democratic Alliance for the Betterment and Progress of Hong Kong (DAB) carried out a telephone survey last week and about 1 100 people responded. For surveys of this kind, response in such numbers in a week was quite high. Over 80% of people consider it unreasonable for students to be entitled to different concessions and 60% considered it unreasonable to limit the use of monthly ticket to the New Territories only. Over 80% of people supported the introduction of the monthly ticket and student concessions to all rail lines. In the past four to five days, we launched a signature campaign throughout Hong Kong and 40 000 supporting signatures were also collected. The DAB has already handed these signatures to the Secretary and we hope that she will accept them. This expression of public opinion has been consolidated with the views expressed before and after the merger. I hope the MTRCL and the Government will attach great importance to them.

I have heard the spokesperson of the MTRCL offering some explanations in the mass media. Of course, the Secretary will probably also make the same explanation, saying that there was a historical factor to that. Historically, it was perhaps necessary for the KCRC to offer some concessions, as a result, monthly ticket concessions are available for the East Rail, Ma On Shan and West Rail lines, however, why can such concessions not be offered in the urban area? This is impossible to explain.

Another explanation is that in the past, half-fare concessions subsidized by the Government might have been available in the urban area or the New Territories, however, subsequently, the former MTRCL took over this responsibility single-handedly and introduced half-fare concessions. Of course, we have to praise the former MTRCL for its past contributions. However, history is just history and the world is changing with the passage of time, so we have to keep abreast of the times. In fact, the MTRCL or the former MTRCL has set a fairly good example to the Hong Kong public in keeping abreast of the times because it would often introduced changes and approaches that kept up with the changing world. However, nowadays, why does it still fully cling to past approaches to perpetuate an unfair and unreasonable situation? If we talk about the benefits of synergies — the MTRCL often talks about synergies and it has made calculations. In fact, importance should be attached not just to the so-called synergies on railway operation but also that for the people. The synergies for passengers are also very important. If members of the public, after going from the New Territories to the urban area using a monthly ticket, are compelled to transfer to buses, much of their time and effort will be wasted and they will have to put up with the elements, be it the sun or the rain. Why not enable the public to have the synergy of taking the railway all the way to work or to school? Therefore, I believe that the MTRCL also have to consider the synergies for the public.

At present, many members of the public would transfer to buses on reaching the urban area using their monthly tickets. If monthly tickets can be used throughout Hong Kong in the future, the public will be able to take "one through route" mode of transport throughout their journey and continue to take the railways in the urban area instead of taking buses. From the angle of environmental protection and the financial income of the MTRCL, this will surely attract more passengers to take the MTR, so why not take such a desirable course of action? This will be beneficial to both passengers and the MTRCL. I would describe this as a win-win situation, so why not put this into practice? If the mode of "one through ticket" is possible, and passengers, regardless of

whether he lives in Chai Wan or Tsuen Wan, in Ma On Shan or Diamond Hill, he is entitled to this concession of "one through ticket " and monthly ticket, I believe this will be the fairest, and the most reasonable, as well as the most economical arrangement for the public.

In fact, the arch enemy faced by the people of Hong Kong this year is inflation. In particular, the grassroots are subjected to tremendous pressure. I believe that the Chief Executive, the Financial Secretary, the Secretaries and the Government can all appreciate this situation. In view of this, there are several aspects in the Budget the Government is even paying the electricity tariffs incurred by the public, so why not come up with something about monthly tickets? No matter how expensive vegetables and rice have become, they are still not as expensive as transport fares. Actually, no matter how one saves, one cannot save as much money as by buying a monthly ticket. This is the fact.

I fully agree that the Government should take care of workers living in remote areas after the rail merger, everyone hopes that there could be a greater rate of reductions in fares and this also turned out to be the case. The budget also expresses the hope that residents living in four remote areas will be granted a transport allowance. The Government has conceived many proposals to help low-income people reduce the burden of transport fares, however, to this end, it is only necessary to implement the monthly ticket system so that all the 18 districts can benefit from it. Looking at it from the angle of the Government, I believe it should consider this matter seriously and earnestly.

Transport expenses account for 20% to 30% of the total expenditure of people living in remote areas and this is a very heavy burden for them. Therefore, even if the Government grants people living in four remote districts a transport allowance, residents in the remaining 14 districts will also consider this unfair. Residents in Sha Tin told me that if it was said that the transport fares in the urban area were expensive, they were not as expensive as those for a trip from Sha Tin or Tai Wai to Ma On Shan. If one takes public transport from Tai Wai to Ma On Shan, the distance is the same as that from Tai Wai to Tsim Sha Tsui and the fare is also very expensive, but why are they not entitled to the allowance? Some residents in Sham Shui Po are also very poor, so why are they not entitled to it? People will gradually present this sort of arguments. In view of this, I hope that when the Secretary hears this kind of views, it will discuss with the MTRCL to see if the monthly ticket concession can be extended to all rail lines.

Deputy President, I think I have already set out some grounds, including environmental grounds and those founded on care, concern and fairness. Be it from the perspective of reason, finance or achieving a win-win situation, I cannot see any reason for rejecting our proposal. Therefore, I hope that the Government can help turn something desirable into reality after listening to our views. My conclusion is: Having weighed up everything, "one railway corporation, two systems" should not be retained. Thank you, Deputy President.

Mr LAU Kong-wah moved the following motion: (Translation)

"That, in view of the fact that after the rail merger, the MTR Corporation Limited (MTRCL) has not introduced the monthly ticket concessions offered by the Kowloon-Canton Railway Corporation and the student fare concessions offered by the former MTR Corporation to all its rail lines, thus creating unfair situations, this Council urges the Government to discuss with MTRCL to promote the introduction of the above two types of fare concessions to all MTR lines, so as to eliminate the present unfair situations and benefit all passengers."

DEPUTY PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Mr LAU Kong-wah be passed.

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

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

DR FERNANDO CHEUNG (in Cantonese): Deputy President, I thank Mr LAU Kong-wah for moving this motion. In fact, since the rail merger, many residents have raised the question of why such an absurd situation of "one railway corporation, two systems" as mentioned by Mr LAU has occurred. Deputy President, in the past, in the Bills Committee on the Rail Merger Bill, we had a lot of discussion in this regard and many Members and various political parties in fact reached some sort of consensus. We all considered that since the

rail merger would create synergies, members of the public in need, in particular, students and residents living in remote areas, should be offered assistance.

As a Legislative Council Member, in the course of the discussion on the rail merger, we were of course concerned about several matters, for example, whether the Government was selling our land at dirt-cheap prices; after the merger of the transport networks, whether the public would lose a lot of public assets; how to improve services after the rail merger, including public passages and toilets, and so on. However, we also wanted to see how it would strengthen the support for disadvantaged social groups. Unfortunately, in the deliberations of the bills committee concerned, the long title proposed by the Government imposed an enormous constraint on the scope of the Bill, as a result, it was only possible to make many technical amendments, and it was not possible for us to introduce amendments to the Bill to achieve the aim of ensuring that the disadvantaged social groups, students and residents living in remote areas were taken care of after the rail merger. During the deliberations, we in fact proposed that monthly tickets be introduced to all rail lines and even pointed out the fact that monthly tickets were available in the New Territories but not available on the Light Rail, as mentioned by Mr LAU Kong-wah just now. As a result, residents in the districts concerned who travel to work or to school by the Light Rail could not benefit from them.

In addition, at the meeting on 17 April 2007, I proposed that some clauses be added to the text of the Integrated Operating Agreement (IOA) to require that the corporation after merger had to offer half-fare concessions to full-time students below 25 years of age, elderly people over 65 years of age and people with disabilities. However, the MTR Corporation held that it should offer fare concessions at its own initiative after considering the actual situation and the market environment. Therefore, it was considered inappropriate to incorporate fare concession schemes into the IOA as a compulsory requirement. As regards the Government, it just hid at the back and basically, it did not state any position. Finally, it only said that the relevant arrangements had to be decided by the MTRCL after the merger.

At the Second Reading of the Bill, the then Secretary for the Environment, Transport and Works also made it clear that the MTR Corporation had indicated to her that in view of the unique situation in Tuen Mun and Yuen Long districts, the current fares for bus services of the Light Rail and West Rail as well as the

West Rail one-month pass scheme would remain unchanged in the next two years if the rail merger was passed. In fact, what she basically meant was that in the two years after the merger, these concessions would not be introduced to all rail lines. We find this extremely regrettable.

Many residents and students of remote areas who have to go to school are not confined to those who go to secondary and primary schools. There are also students who go to post-secondary colleges, including the University of Hong Kong on Hong Kong Island, post-secondary colleges in the urban area and programmes offered by the Vocational Training Council or IVE, which are funded by the Government. However, unfortunately, once these students exceed 12 years of age, in fact, once they become 12 years old, they have to pay the full fare. I believe the Deputy President is also well aware that nowadays, the fares of the West Rail or even those of the Light Rail, are in fact not that affordable.

This is a simple request. It was said that the rail merger would create synergies and it was suggested at that time that the Rail Merger Bill should be passed as soon as possible to enable the fares to be reduced by an average of 10% at an early date, Deputy President, frankly speaking, the MTRCL has still not honoured this promise. Moreover, it should in fact introduce the monthly tickets and student concessions to all its rail lines.

In addition, Deputy President, apart from the need for these students in Hong Kong to use railway services for long periods of time and hence the need to put in place the monthly ticket arrangement for them, across the boundary, in the areas around Lo Wu or Lok Ma Chau, there are in fact also many students who have to cross the boundary for schooling. In this regard, according to the information we have gathered, there are currently about 6 000 students who have to cross the boundary to go to school every day. Among these students, about 2 500 of them hold Closed Road Permits and about 1 000 of them study in nurseries. Most of them cross the boundary through such checkpoints as Huang Gang, Sha Tau Kok and Lo Wu and most of them cross the boundary through the checkpoints at Huang Gang and Lo Wu. They can use these Closed Road Permits to cross the boundary up to Primary Five only. Deputy President, last year, that is, in April 2007, I took part in a forum organized by the Christian Action and discussed the issue of cross-boundary students with many principals in the Northern District. We found that apart from the arrangements for transport, transport fare was also one of their major concerns.

In June last year, thanks to the arrangements made by the Home Affairs Office, I made a site visit there together with Mr CHEUNG Man-kwong to look at how students cross the boundary to go to school. Apart from the arrangements for safety and transport, one of their concerns is that the fare from Lo Wu to Sheung Shui is as high as \$18.8 now. Deputy President, the fare for a single journey is \$18.8 and a round trip costs more than \$30. If these students have to transfer to other modes of transport after reaching Sheung Shui, together with the expense on lunch each day, their expense each day in fact already amounts to nearly \$100. This imposes quite a heavy burden on the families of these cross-boundary students.

In fact, sometime ago, the Boys' and Girls' Clubs Association of Hong Kong, the Christian Action and The Chinese University of Hong Kong jointly conducted a survey on the needs of cross-boundary students and their families. The results of the survey showed that about 45% of the families of these cross-boundary students have a total income of less than \$9,000. Deputy President, you can just think about this: If the expense of a student amounts to close to \$100 each day but their family income is below \$9,000, this is a very heavy burden to these people. In addition, the great majority of these families, that is, over 90% of them, had not applied for Comprehensive Social Security Assistance (CSSA), so their incomes were earned through work. In this regard, if our concessions do not take into consideration the burden borne by these cross-boundary students, I think they are inadequate. Therefore, I made it a point to include this in my amendment.

Finally, I wish to point out that public transport is a kind of public utility and the Government has an unshirkable responsibility for this. After privatization, when private interest is in conflict with public interest, the Government is duty-bound to make some adjustments, so that people in need in society and students in particular, can get some basic concessions.

Deputy President, I hope that this time, the amendment can be passed, so that the Government can reflect on this matter and introduce monthly tickets and concessions for student, particularly those for cross-boundary students, to all the rail lines. Thank you, Deputy President.

MR ANDREW CHENG (in Cantonese): Deputy President, just now, Honourable colleagues kept pointing out the existence of "one railway corporation, two systems". In the past, the former MTR Corporation and the

Kowloon-Canton Railway Corporation (KCRC) adopted different systems and we fully understand this. However, when these different systems give rise to unfairness, I believe the Secretary, as the representative of the Hong Kong public, should adopt an appropriate policy.

Concerning "one railway corporation, two systems", if we talk about the merger of the two railway corporations, I believe the issue that would come to Members' mind most readily is that relating to toilets. Toilets are provided by the KCRC on all its rail lines and at the stations of the East Rail. The MTR Corporation did not do so and there was a great deal of debate over this matter. However, there was no debate on issues relating to fares because the principal legislation at that time did not allow the Legislative Council to discuss the fares. Had the principal legislation at that time come in the form of a blue bill and discussion on fares was possible, I believe such issues as "one railway corporation, two systems" and monthly tickets would surely have been even more hotly debated than it was the case over toilets.

Concerning "one railway corporation, two systems", Mr LAU Kong-wah has already said a lot. Concerning the emphasis of this motion "Promoting the introduction of monthly ticket and student fare concessions to all MTR lines" moved by him this time, I believe Members will all agree that at present, since the East Rail and West Rail offer the One-month Pass, that is, monthly tickets — Deputy President, it is very popular — I believe a lot of people hope that it will continue to be available for a long time and that its use will not just be confined to the East Rail and West Rail but can be extended to all rail lines of the MTRCL. The former Secretary for Environment, Transport and Works, during the Second Reading of the Rail Merger Bill, promised that the "One-month Pass" and "Discovery Pass" (which is the daily ticket concession) of the West Rail would be extended to June 2009, but there was no mention of the "One-month Pass" of the East Rail.

When we looked up the terms and conditions for the sale of the "One-month Pass" of the East Rail and the "Discovery Pass" of the West Rail, we found one of the terms state that "The Pass is issued for promotional purposes only and the promotion may cease at any time without prior notice.". In other words, the monthly ticket concession offered by the East Rail at present can be cancelled at any time. As regards the West Rail, although the former Secretary stated that the concession would continue until June 2009, it seems that, Deputy President, it will not last long — sorry, Deputy President, what I mean is that

this system will not last a long time. I am sorry. The New Year has just passed, and since you do not take the Chair very often, I would not say such things to you.

Deputy President, I wish to reiterate one point. Just now, Mr LAU Kong-wah made an excellent remark and it was also concise and succinct. He said, "Having weighing up everything, 'one railway corporation, two systems' should not be retained.". At present, the MTRCL is really weighing everything up. After the merger, it cancelled the monthly ticket system known as "One-month Pass". What we can see clearly is: Why did the East Rail and West Rail offer monthly tickets? That was after the SARS outbreak. I have a very deep impression of this. At that time, the economy was in bad shape and all people hoped that the authorities could offer some concessions. At that time, the KCRC was nicer than the MTR Corporation and it took such a step. That was probably because it was solely owned by the Government. Since we called on the Government to do something, the Government agreed to do something and it also won the approval of the Board of Directors.

After the rail merger, it is obvious that the MTRCL is money-minded. On all matters, it says that it has to be accountable to its shareholders and that it has to follow commercial principles. Since it is so weighing everything up when dealing with the public, it does not consider it necessary to offer monthly tickets and it said that the concession could be scrapped at any time. Because it is already stated here that no prior notice will be given. In fact, Deputy President, it is not just these monthly tickets but many other concessions, for example, interchange discounts, including those for bus routes 701 and 702 and minibus 87K running between Tsuen Wan West station and Kwai Fong, have been cancelled gradually and quietly after the rail merger.

This motion today is very important, Deputy President. We want to give the Government a reminder. At present, the Government is still a majority shareholder. We have discussed this matter for many years. Monthly tickets are in fact nothing new, Deputy President. When we were at school, apart from monthly tickets for students, monthly tickets were also available for adults taking buses or trams. To the transport services of many big cities, a monthly ticket system is in fact a highly effective system leading to a win-win situation. This is because small sums, when added together, will become very substantial in the long run. To the MTRCL, there is also more to gain than to lose. In many districts, for example, those along the West Rail or the East Rail, if monthly

tickets are available, many people will buy a monthly ticket just to play safe. When they have some urgent business to attend to, they can just hop onto the West Rail and for those living along the Island Line, they can hop onto the MTR. They may not know how to ride a bike and they may not want to take the trouble of walking. This group of people is the potential customers of monthly tickets. If the Government still has some say in the MTRCL, I hope it can remind those people of this and in fact, they should also know their sums well. Although they may think that such people are limited in number, in Hong Kong, a society with expensive transport fares, a monthly ticket system really has merits and helps the public in some measure. Moreover, the Government also has the moral responsibility to lobby for the public.

Since a monthly ticket system has been implemented satisfactorily and found feasible in many other countries, since not only is monthly tickets but also weekly tickets and daily tickets are available in these countries and since tourists can also make use of them, this system is in fact quite well developed. Given that the railway corporation in Hong Kong has already put in place a fully fledged Octopus card system, it is all the more unlikely that it will not be able to do a good job of this.

Deputy President, I wish to talk about concessions for students. The debate on offering concessions to full-time students has gone on for many years. In fact, the concessions for students should have been introduced to all rail lines long ago. They should not be confined to the MTR, as this is most unfair to students using the East Rail or the West Rail, in particular, students living in remote areas who have to commute to schools in other districts for this also puts tremendous financial pressure on their parents. To take London as an example, various kinds of concessions for students are offered, so such concessions are not simply limited to half fares for students. Students under 18 years of age are entitled to half fare when taking a number of transports. For example, they can pay half fare when taking the tube, buses and trams. Students between 16 and 19 years of age in full-time education or on work placements can even travel for free on buses and trams. It is free of charge, Deputy President. Students over 18 years of age who are pursuing continued education can pay 70% of the adult-rate season tickets. These concessions enable students to receive financial support according to their particular status and needs. At present, the concessions offered by the MTRCL to students are only limited to the rail lines in the urban area, but students in the New Territories are not entitled to such concessions. I believe this is totally unfair to them.

Such a "one railway corporation, two systems" arrangement is criticized on many forums on the Internet. Moreover, many citizens have organized on-line signature campaigns calling on the MTRCL to offer concessions to students on all its rail lines. I believe many Honourable colleagues must have received two pages of fax from many full-time students who are over 25 years of age. For many years, these students have been campaigning for this and they are the ones who launched the campaign on the Internet. We believe that full-time students over 25 years of age — since they are full-time students, they have to bear a certain amount of financial pressure. Moreover, young people in Hong Kong are very diligent and eager to learn and some of them receive education well into their twenties or thirties. In the next decade or two, a system should be available to this group of people to assist them, so that they do not have to pay large amounts of transport expenses. If the Government or the MTRCL is concerned about abuses of this system, it can stipulate that only students studying in approved full-time programmes, for example, those in universities or tertiary institutions, are entitled to this kind of concession. In this way, the problem of possible abuse can be solved already.

Therefore, Deputy President, I hope that the "one railway corporation, two systems" approach can be abolished. However, the monthly ticket system of "One-month Pass" can by no means be abolished. I hope this is the work that the Secretary wishes to undertake. Thank you, Deputy President.

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): Deputy President, the railway is a means of public transport frequently used by the public. We fully appreciate the concerns of Members and the public about railway fares, including whether all railway passengers can benefit from a fare concession. I would like to give a summarized reply after Members have expressed their views on this topic. Thank you, Deputy President.

MR WONG KWOK-HING (in Cantonese): Deputy President, the MTR Corporation Limited (MTRCL) was formally established last December. However, I think that, in fact, since the merger of the two railway corporation, only the work on the hardware has been completed. At present, quite a number of problems with the software remained unsolved.

The software is none other than the monthly ticket and student fare concessions mentioned in the motion and amendments today. In fact, well before the rail merger, the two railway corporations had already launched these two concessionary schemes separately. However, after the rail merger, the concessions were not merged accordingly. As a result, the mode of "one railway corporation, many systems" — not just two systems, but many systems, in relation to the MTRCL have come into being. The so-called "many systems" refer to the various kinds of fare concessionary schemes, including the monthly ticket called "One-month Pass" for passengers taking the East Rail Line, West Rail Line and Ma On Shan Line of the MTRCL. However, passengers taking the Tsuen Wan Line, Tung Chung Line, Island Line and Kwun Tong Line, which are also operated by the MTRCL, cannot enjoy these monthly ticket concessions. Moreover, the former MTR Corporation also offered half-fare concessions to students. However, after the rail merger, the relevant concessions were not extended to the lines originally operated by the KCRC. This further highlighted the loopholes in the entire fare setting mechanism of the MTRCL and the inadequate supervision on the part of the Government. Just now, I heard the Secretary say in his brief speech that he would first listen to Members' views before giving his reply. I really hope that the Secretary will spell out the responsibilities of the Government in his response later. Since the Government is the majority shareholder of the MTRCL, how can it allow such an unreasonable situation of "one railway corporation, many systems" to continue?

Deputy President, reviewing the annual reports of the two railways corporations, in 2006, the daily patronage of the East Rail and Ma On Shan Rail reached 677 000 passenger trips, an increase of 3.2% over 2005; whereas the daily patronage of the West Rail was 200 000 passenger trips, an increase of 11.7% compared to 2005. As for the former MTR Corporation, as at November 2007, the total monthly patronage was more than 70 million passenger trips and it moves an average of 2.6 million people every weekday. Since the rail merger last December, the MTRCL's average monthly patronage has even exceeded 100 million passenger trips. An extensive network of rail services has indeed brought more rail patronage and more fare revenue for the MTRCL. Therefore, the MTRCL is absolutely capable of standardizing the currently unclear fare arrangements and concession schemes and it is also capable of bearing any extra cost resulting from the implementation of a uniform fare concession system.

Deputy President, at present, without a uniform monthly ticket system, members of the public will not enjoy any discount for changing to MTR trains with an East Rail or West Rail monthly ticket. For example, when a passenger holding a West Rail monthly ticket goes to work in Mong Kok from Tuen Mun, after interchange at Mei Foo, the extra cost for the MTR journey to Mong Kok is \$5.4. Based on the number of return journeys that wage earners have to make 26 work days a month, the additional expense is \$280.8.

In fact, apart from the concession enjoyed by monthly ticket holders, the monthly ticket scheme also offers interchange concessions to passengers. For example, residents in Northwest New Territories can buy a West Rail monthly ticket at the price of \$300 or \$400 and take the West Rail to Nan Cheong Station, where they can take a feeder bus to Mong Kok. Before the rail merger, taking a feeder bus with a monthly ticket in this way was free because the KCRC provided subsidies to the bus company concerned. However, after the merger, the concession was quietly abolished. As a result, the public has to pay an additional fare ranging from \$3.2 to \$3.5 per trip. I would like to ask the Secretary through the Deputy President if she is aware of this. If not, why? Since she is aware of this, I would like to ask the Secretary to reply as to what she would do. Is she going to allow the MTRCL to continue to act so wantonly?

Deputy President, although the present Hong Kong economy has improved compared with the past few years, the income of the lower class has not increased as a result. The poverty problem is still quite serious. In the face of worsening inflation, the prices of various necessities of living, including clothing, food and housing, are all rising. As regards transport, the cancellation of concessions by the MTRCL has in fact also indirectly increased the burden on the public. Last week, even the Financial Secretary, Mr John TSANG, said when talking about the surplus amounting to hundreds of billions of dollars that he hoped the inflation rate for the whole year could drop from 4.5% to 3.4%. However, the Government, as the majority shareholder of the MTRCL, has allowed the fare policy of the MTRCL to be lacking in clarity, as a result, this may ultimately lead to an accelerated pace of inflation and the erosion of the actual wages of the public. Therefore, I hope that the Secretary, when responding to the debate conducted by Members today, will cease to evade the Government's responsibility and duty. I hope the Secretary will give a responsible reply.

MR LEE CHEUK-YAN (in Cantonese): Deputy President, it is a pity that when the Basic Law was drafted, the phrase "everyone is equal before the railway" was not included. We have the phrase "everyone is equal before the law", but none about the railway. Now, after the railway merger, we are really disappointed. Although all the railway networks have merged into one, the MTRCL does not have the mentality of "one railway network", rather, its only mentality is to pinch every penny. Two requests are made today, one being the introduction of the student fare concession to all rail lines instead of confining it to the MTR lines and the other is to introduce the monthly ticket to all rail lines instead of confining it to the West Rail and East Rail only. However, the present practice of the MTRCL is to pinch every penny. It has not extended the concessions of the West Rail and East Rail to the MTR, nor has it extended the concessions of the MTR to the West Rail and East Rail. All it seeks to do is to find the most inexpensive or the cheapest way of providing service and continue to pinch every penny when dealing with the public.

I wonder why it cannot do better. Why can it not have "one railway network, one mentality" and extend its original concessions to all rail lines? When scrutinizing the Rail Merger Ordinance (Commencement) Notice (the Notice), we raised one question, that is, after the Notice has come into effect, would the student half-fare concessions of the MTR be extended to the West Rail and East Rail? At that time, we also raised another question, one that so far has not been answered, that is, how many students take the West Rail and East Rail. The party concerned could not answer this question. It said that concession had never been offered, so it had never made any calculation.

A very unreasonable situation has now emerged, that is, it is found that 230 000 people are entitled to half-fare concessions on MTR lines but there is not any figure on the number of residents or students living in the New Territories because the MTRCL has never offered any concession to them. This is an extremely unreasonable situation, particularly to residents of the New Territories. Their transport expenses are in fact higher, however, it turns out that people who have to bear higher transport expenses are not entitled to any concession.

Deputy President, another very absurd situation is that when we were scrutinizing the proposal on the railway merger, we asked the Government a question: A student travelling from the New Territories to Kowloon had to interchange at Kowloon Tong and if he took the West Rail, he had to interchange

at Mei Foo. As he had to interchange between two railways that belonged to different railway corporations — they have been merged now — how would the fare be calculated? The calculation method in the case of that student is that, for his trip to Kowloon Tong, he has to pay the full fare just like an adult but after he interchanges at Kowloon Tong, he is entitled to half fare in Kowloon. I asked what the result of the calculation would be and requested an example to show how much the fare would be. If one travels from Tai Po to Central, the adult fare is \$12.4 and at present, the student fare is 80% of the adult fare, that is, about \$10. If the adult fare is \$12.4, a student is only entitled to a 20% concession, not half-fare concession. If one goes from City One in Sha Tin to Kwun Tong, the fare would be \$9.1 and students are entitled to a 30% concession, so it is not a half-fare concession either. In fact, there are many variations. In sum, the combinations are many and the final results are different. The fare paid is equal to a certain percentage of the adult fare because half fare is not always charged. Why is it like that? Why can a better job not be done by offering half-fare concessions in all cases? To residents and students living in the New Territories, this will be a more reasonable and fairer arrangement.

When it comes to monthly tickets, I think the MTRCL should introduce an "All Rail Pass", that is, a pass for all rail lines. One can go to any place using a monthly ticket instead of having to use the monthly ticket to take the West Rail to Mei Foo and interchange there, after which one has to pay the remaining fare. To wage earners whose wages cannot catch up with inflation and who are facing the pressure of living, such a measure will serve to ease their pressure.

However, I think that even though I have said so much, in the end, the Secretary will rise to deliver a speech and I can anticipate how the Secretary will reply. She will surely say that after the rail merger, the MTRCL is a private company, which has to be answerable to its shareholders, so it should operate according to commercial principles. As regards what is meant by commercial principles, it is up to the corporation to decide and the Government will not intervene. I wonder if I have already summarized the speech that the Secretary will give later.

Deputy President, whenever we talked about such matters, the Secretary would make the same remarks and we just do not know what the role of the Government is. Does it have any role to play in supervising the MTRCL to ensure that it will discharge its social responsibilities? If it has to discharge

social responsibilities but it is often said that the MTRCL will be allowed to consider matters according to commercial principles, in that case, what has happened to its social responsibilities? Maybe they have vanished. If they have vanished, one can say that the Government does not have any role to play at all. The MTRCL is allowed to be completely autonomous and it can do whatever it likes.

Therefore, all along, each time we talk about matters relating to the MTRCL with the Government, we cannot get anywhere. For example, on half-fare concessions for people with disabilities, the Government is also fed up with the MTRCL now, so it just increased the disability allowance to settle the matter. In fact, this move will just enable the MTRCL to shun its social responsibilities. I hope the Secretary will not reply in the way I have anticipated, however, my prediction is that in the end, all that the Government will say is that there is nothing it can do.

We have collected the signatures of a lot of students who are supportive of this, however, we will not hand them to the Secretary now, rather, we will keep the signatures until the day when the MTR Hong Kong Race Walking will be held, when we will bring the signatures and take part in the Walking with her.

Thank you, Deputy President.

MR CHEUNG HOK-MING (in Cantonese): Deputy President, the rail merger last year has given the general public quite a lot of hope. It cannot be denied that after the rail merger, there are many pleasant surprises for the public in respect of long-term development and planning.

Although there is a steady stream of good news in respect of railway planning, there is disappointment in respect of railway services and fares. In the past few months, we have constantly heard people in local communities complain that the MTRCL has cancelled the interchange discounts for certain feeder buses and even cancelled some routes. "Reneging on its promise" is the four-word comment on the MTRCL that is circulating extensively in local communities.

Regarding the fares, Mr LAU Kong-wah pointed out in the motion moved today that the MTRCL has not introduced the monthly ticket concessions offered by the KCRC to all the MTR lines, nor has it introduced the student fare

concessions to four rail lines, namely, the East Rail, West Rail, Ma On Shan Rail and Light Rail. This problem has existed for a long time and is the result of the different policies of the two railway corporations. However, after the rail merger, the MTRCL is unwilling to extend these two concessions to all rail lines and this is indeed very unfair.

Deputy President, the budget this year proposes the relaxation of the restrictions on the Cross-District Transport Allowance (CDTA) and this proposal should be welcomed. Look at this further, why did the authorities establish the CDTA? The fundamental reason is the expensive transport fares and the fact that residents in remote areas have to bear the heavy pressure exerted by transport fares. For this reason, the Government introduced the CDTA scheme to subsidize the transport expenses of low-income wage earners. The Government has recognized the fact that transport fares are expensive. However, the target of the CDTA is working people. However, the hundreds of thousands of students living in the Northwest New Territories cannot benefit from it. They have to take the four railways, namely the East Rail, the West Rail, the Ma On Shan Rail and the Light Rail every day, pay the adult fare without any concession, not even one cent.

Having said this, I guess government officials will surely respond in this way: If students have difficulties, they can apply for travel subsidy. If this is indeed their response, sorry, I hope the government officials will revise their speech because we do not find such an explanation acceptable and it will also be difficult for the Government to give a satisfactory account to the public. The travel subsidy scheme is based on the average unit fare on public transport between students' residence and the location of their schools during term time. Deputy President, we all hope that our next generation can be more active, take part in more extra-curricular activities and can have wider exposure. If students heed our call, travel on public transport more often and take part in some more extra-curricular activities, how possibly can the existing travel subsidy be adequate?

Deputy President, the MTRCL's refusal to extend the student concessions to the entire territory is extremely unfair to students. Why are students living in the New Territories who take the four railways, namely the East Rail, West Rail, Ma On Shan Rail and Light Rail, not entitled to any student concession, whereas students living in the urban areas are entitled to concessions when they take the

MTR? Is this a kind of district discrimination? In addition, the MTRCL's practice of not standardizing its fares has also given rise to some strange phenomena. If a student takes the East Rail from Kowloon Tong to Mong Kok, the fare for going to the next station is \$3. If he takes the MTR from Kowloon Tong to Prince Edward Station, he only has to pay \$2.3. One can say that the Prince Edward Station is only one block away from the Mong Kok Station of the East Rail, however, the difference in fares is more than 20%. In other words, if a student goes from Kowloon Tong to Prince Edward Station and if he is aware of this fact, he only has to pay \$2.3 but if not, he has to pay \$3. The existence of such varied fare systems in a company has given rise to such a strange phenomenon, but it is reluctant to address this situation. This is puzzling indeed. Earlier on, I met a group of student representatives from the City University of Hong Kong and they expressed strong discontent with the "one railway corporation, two systems" situation. They submitted the signatures of over 1 000 students in the University to me and hoped that we will convey on their behalf their demand of introducing student half-fare concessions to all rail lines after the rail merger.

Deputy President, I believe that the MTRCL is a good corporation and an organization that is willing to assume corporate social responsibilities. To be fair, the existing MTR student concession is also a voluntary measure adopted by the former MTR Corporation (that is, the present MTRCL). Compared with other transport companies that are unwilling to offer concessions to students, the MTRCL is already doing a better job. However, I hope that the MTRCL, in order to carry a benevolent act through instead of being neither fish nor fowl, will introduce student fare concessions to all rail lines. I believe this benevolent measure will benefit students and their parents. I also hope that this benevolent measure can also set an example for other transport companies to follow, so that more students can be benefited.

With these remarks, Deputy President, I support the motion.

MR CHEUNG MAN-KWONG (in Cantonese): Deputy President, I support giving priority to the offer of student fare concessions on all rail lines by the railway corporation. Not only does this show care and compassion for students, more importantly, the policy of the railway corporation should be fair and just to all students in Hong Kong.

At present, the student fare concessions offered by the MTRCL are only limited to the original MTR lines. However, students living along the East Rail, West Rail, Ma On Shan Rail and Light Rail are not entitled to student fare concessions even though they also have to go to school every day. They are also students and they use the transport services provided by the same railway corporation, but why are they classified into two classes, with one group being entitled to concessions and the other group being discriminated against and those in the urban areas being entitled to concessions and those in the New Territories having to pay the full fare, thus creating a blatantly unfair situation?

Mr Andrew CHENG cited the example of the United Kingdom and mentioned the concessions offered to students by various kinds of transport in London. In fact, the issue does not just lie in concessions for students, but that equitable treatment has to be given when offering concessions. One cannot inexplicably classify students into different classes and apply differentiation. Nor can one refuse to offer this kind of concessions without grounds. It is said that the problem here is not a scarcity of resources, but an uneven distribution of resources. The railway corporation, in being extremely miserly and maximizing profit, is giving students a kind of negative education on how to be extremely unfair and it has also set a very repulsive and bad example.

Of course, the ages of students vary. In recent years, post-secondary education has been popularized and 70% of the students now study in full-time degree and sub-degree programmes. Of course, they are not workers and most of them do not have any income. Even if they have, it is only used to finance their tuition fees. Often, they even have to borrow money in order to study and their means are limited. To offer concessions to students aged 25 years or older pursuing full-time studies — everything can be defined, so no abuse is possible — is a very meaningful transport arrangement and some kind of support for the popularization of post-secondary education. The major shareholder of the railway corporation is the Government and the policy of the popularization of post-secondary education also originated from the Government, so why are not all students entitled to concessions? Why is the MTRCL condoned in implementing "one railway corporation, two systems" and blatant discrimination? Even though the MTRCL is a listed company, it does not mean that it is necessary to bar students from these concessions. I hope the Secretary can think twice and give a response on this later.

I hope that on the issue of concessions on railway fares for students, the Government can play a more active role in taking forward this matter. Otherwise, there is no need to organize any signature campaign on the Internet because the Hong Kong Professional Teachers' Union is prepared to mobilize and organize students throughout Hong Kong and even those in universities as well as the principals, teachers and parents in secondary schools to lobby for entitlement to student concessions on all rail lines. Here, I urge the MTRCL to be amenable to good advice and there is no need for it to brazen it out.

Deputy President, as regards cross-boundary students, Dr Fernando CHEUNG put it very well when he said that the single-journey fare from Lo Wu station to Sheung Shui station was \$18.8. While this figure sounds propitious, but if we calculate the fare for a return journey, the fare for this section alone is \$40 per day and it is sinisterly expensive. In fact, this amount has far exceeded the reasonable fare that an ordinary student can afford. This is not to mention the fact that they have to interchange to other modes of transport and that the families of children living in Shenzhen are not necessarily well off. Therefore, this problem cannot be solved just by offering concessions to students because even if they only have to pay half fare, the fare is still too expensive. Hence this matter can be solved only if the Government increases the travel subsidy provided to them at the same time.

I believe that this problem should be solved together with that of offering student fare concessions to students travelling on railways, nevertheless, I will still support Mr LAU Kong-wah's motion and the amendments moved by Dr Fernando CHEUNG and Mr Andrew CHEUNG today.

Thank you, Deputy President.

MR WONG YUNG-KAN (in Cantonese): Deputy President, after the rail merger on 2 December last year, many touching slogans were put up at various train stations overnight. In the lobby of Tai Wo Station, which is adjacent to my district office in Tai Po, several large characters saying "The Ride to Great Living" were put up and on all turnstile gates, the words "The Merger Advantage: Get on board with MTR for great value for money" was displayed. In Central Station near this Council, there are many large advertising light boxes and in the advertisements, the very different names of various stations are used in

a scrabble to form idioms and terms that look nice and appetizing, for example, "車水馬龍 Che Shui Ma Lung (heavily congested)" and "沙河粉 Sha Hoi Fan (flat rice noodles)" and the pictures of these stations were used as the theme.

As passengers, on the face of it, the message conveyed to us is that after the rail merger, apart from the downward adjustment of fares, the measures relating to fares will also be standardized. The measures originally implemented only by one corporation only will be extended to the other as a matter of course. However, after the rail merger, apart from the slight downward adjustments of cross network fares and the \$2 concessionary fare for elderly people on holidays, which can be considered standardized measures, the student half-fare concessions offered by the original MTR Corporation and the monthly ticket concessions offered by the original KCRC have not been extended to the other railway network, so passengers have the impression that such slogans as "The Ride to Great Living" and "value-for-money" coined by the MTRCL are overstatements. If we compare the fares of various stations carefully, we will even find a strange phenomenon, that is, when we take the same mode of transport operated by the same corporation to the same station, even though the distances of the journeys are more or less the same, due to the fact that the departure stations are different, there are also great differences in fares.

For example, every day, student A takes the MTR from Kowloon Bay Station to the City University in Kowloon Tong. Since he is entitled to student half-fare concession, the fare is only \$2.8 per journey, but his classmate, student B, sets off each day from Sha Tin Station of the original KCRC but since he is not entitled to student half-fare concession, he has to pay the adult fare of \$4.9, which is 75% more than the fare paid by student A.

However, it is not necessarily the case that taking the original MTR lines will always be cheaper than taking the original KCR lines. Members can consider this: Mr C lives in Shau Ki Wan and he has to travel to work in Tsim Sha Tsui every day. The fare per journey is \$11.2. With 25 work days a month and one round trip daily, the total monthly fare expense is \$560. His colleague, Mr D, lives in Sheung Shui. Since he is entitled to monthly ticket concession, he only has to pay \$380 monthly, which is 47% less than the fare paid by Mr C.

Deputy President, it can be seen at one glance that the above situation of similar travelling distances but great differences in fares is purely the result of

the MTRCL not having introduced the foregoing two types of concessions to all its rail lines. Since all of the rail lines provide public transport service, even if they are owned by two different corporations, they would still be criticized by passengers if such a situation persists for a long time. This is not to mention the fact that the two companies have merged into one, so such a situation is even more unseemly.

In requesting the Government to push the MTRCL to introduce the foregoing two concessions to all rail lines, I am fully aware of the fact that although the Government is the major shareholder of the MTRCL, the MTRCL is in the final analysis a listed company with hundreds of thousands of minority shareholders whose interests are not to be encroached upon at will. However, is the MTRCL aware that its network has nearly covered all local communities large and small and that after the completion of the Shatin-Central Link and the South Island Line, it will be like a tiger with added wings? Virtually every member of the public who has to go to work or to school can do so by simply patronizing the MTRCL alone. However, after calculating the fares these smart passengers who know what is best for them may prefer to interchange to other modes of transport such as buses, which offer better value for money. If the MTRCL can extend the foregoing two concessions to all its rail lines, I believe the income to be derived from the additional patronage attracted will be more than enough to cover the losses incurred due to the implementation of the concessions. If the Government can successfully push the MTRCL to put into practice Mr LAU Kong-wah's motion, I believe that ultimately, both the MTRCL and passengers will be in a win-win situation.

As regards Dr Fernando CHEUNG's amendment, which proposes the extension of the concessions in the original motion to benefit cross-boundary students, and Mr Andrew CHEUNG's amendment, which proposes the extension of the student fare concessions to cover full-time students over 25 years of age and to make such monthly ticket concessions a standing arrangement, since they are consistent with the DAB's established position, I will support them. That cross-boundary transport fares are expensive is a well-known fact. Moreover, if a full-time student aged over 25 years is earnestly trying to seek self-improvement, his sincerity is highly commendable. Since he is pursuing studies despite his age, I believe it is necessary for him to rely on part-time work after school or on his limited savings to pay the tuition fees and maintain a living. However, it is not possible for him to rely on his parents indefinitely because his parents are both close to or have already gone

into retirement. In view of this, I hope the Government can be compassionate in this regard.

With these remarks, Deputy President, I support the original motion and all the amendments.

MR RONNY TONG (in Cantonese): Deputy President, this badge was given to me by a group of students outside. Deputy President, we seldom find students so interested in our motions. However, this is not surprising, since recently, the government coffers are overflowing with cash and the Financial Secretary keeps handing out "lai see" but the people most entitled to it, that is, our students, cannot even receive one packet, so I find this very regrettable.

Deputy President, it is now perhaps trendy to talk about discrimination in society. On this issue of railway fares, the discrimination against students in the New Territories is most obvious. Just now, many Honourable colleagues talked about the so-called "one railway corporation, two systems" or "one railway corporation, many systems". One undeniable fact is that since the privatization of the two railway corporations from the 1980s onwards, there has been particular discrimination against students in the New Territories in terms of student half-fare concession for many years. Even before the rail merger, the two railway corporations still had separate policies on student concessions. If students living in the urban areas want to take the MTR to school, they could at least take the MTR and enjoy student half-fare concession. But students living in the New Territories had to pray that they would not be allocated a school that they must access by train.

We can make a comparison between the fares of rail lines the travelling times of which are similar. If a student living in Chai Wan takes the MTR to his school in Sheung Wan, the travelling time is 27 minutes and this is more or less the same as the time it takes a student living in Tai Po to travel to Hung Hom by train. But the difference in fares is huge. In the case of the student living in Chai Wan, for a fare of \$3.3 every day, he can travel from Chai Wan to Sheung Wan, however, for the student living in Tai Po, he has to pay a fare of \$7.3 every day, so his fare is more than two times of that paid by the student living in Chai Wan. If you say that this is not discrimination, what is it then?

Of course, I believe the Secretary will surely argue later that students are entitled to travel subsidy. However, should students in grass-roots families not receive appropriate care in this aspect of their lives? However, Deputy President, whether the subsidy is adequate is one question and whether the method of subsidy is reasonable is quite another.

To take last year as an example, the Government allocated a total sum of \$396 million in travel subsidy to 260 000 students and on average, each student can get about \$1,400 each year, that is, about \$120 monthly. If each student has to go to school for 20 days each month, each student can only get \$6 in travel subsidy each day. Deputy President, to a student travelling a short distance, a travel subsidy of \$6 is barely adequate. However, if this student lives in Tai Po and has to go to a school in Kowloon, this amount is surely inadequate. Moreover, it is now fashionable to talk about liberal studies and students have to take part in a lot of extra-curricular activities. If they really want to meet the requirements of their schools, they have to calculate carefully how they will spend their travel subsidy. Deputy President, I think that to them, this additional subsidy is in fact of limited help.

However, I think the most important issue is that by providing financial assistance to students through the travel subsidy, in fact, the MTRCL is virtually offered cash subsidies, as a result, these public transport operators are aided in evading the corporate social responsibility that they should assume. Before the rail merger, the KCRC enjoyed a virtually monopolistic position in its rail lines, service schedule and the operation of its train services and it was difficult for other transport companies to be its match. As a result, the fares of the KCRC remained at a high level due to such an edge in competition and there was an absolute reluctance to make any changes. Now that the rail merger has taken place, the situation has in fact taken a turn for the worse. After the merger, most of the subsidies of the Government are passed from the left pocket to the right pocket in the form of dividends and what it has handed out in fact comes back to its own pocket. To the general public, particularly to our students, this is in fact of no use whatsoever. Deputy President, with the failure of the market, it is only a matter of course for the Government to intervene and the best approach of intervention should be to encourage the MTRCL to offer concessions to students direct. For one thing, this will enable more students to benefit from such a measure, and for another, and most importantly, it will be possible to reduce our apparent expenditure. This is not to mention the fact that

before the merger, the KCRC made as much as \$300 million in profit, so it is by no means excessive to demand that the MTRCL also implement student half-fare concessions in the East Rail, West Rail and Ma On Shan Rail.

(THE PRESIDENT resumed the Chair)

Lastly, I wish to mention in particular the burden of cross-boundary students. According to a survey conducted by a voluntary organization, at present, there are about 4 500 students who live on the Mainland but attend schools in Hong Kong every day. They have to cross the boundary to attend schools and most of them are primary school or secondary school students. The parents of these students have to move to and live in Shenzhen perhaps due to various financial reasons or the requirements of their work, and the high costs of living in Hong Kong is also a very important factor. If we want to reduce their costs of living, transport expenses are surely a very important area.

Unfortunately, at present, the adult fare for a single journey from Sheung Shui to Lo Wu is already \$18.8 — Mr CHEUNG Man-kwong said it sounded a propitious number. However, be it a propitious number, it is still a considerably huge amount. As for passengers under 12, be it propitious or not, they still have to pay \$9.4, which is a very heavy burden for many families living on the Mainland. I understand that before the rail merger, the KCRC had jointly launched with some schools a pilot scheme to provide concessionary fare for cross-boundary students, which reduced the single journey fare from Sheung Shui to Lo Wu to \$2. I think that it is the appropriate first step to take. I also hope that MTRCL would, after the merger, publish and put in place the result of the pilot scheme, and further promote such a good policy by co-operating with all schools that have cross-boundary students so as to enable them to get the appropriate concessions.

President, the Government has all along been chanting the slogan that all the people should be able to share the fruits of economic growth. President, in fact, sharing the fruits of economic growth and offering concessions to students are not a kind of alms but a manifestation of justice done. I hope that the MTRCL and the Government would consider the recommendations made by Members today and provide half-fare concessions to students.

President, I support the original motion and all the amendments. Thank you, President.

MR TOMMY CHEUNG (in Cantonese): Madam President, the two railway companies merged on 2 December last year and to date, exactly three months have passed. Many passengers are now enjoying the benefit of fare reductions. However, in respect of the monthly tickets and student fare concessions, not everyone can receive equal treatment due to the rail merger, on the contrary, the unfair situation of "one railway corporation, two systems" has arisen. In view of this, the Liberal Party supports today's original motion that requests the introduction of monthly tickets and student half-fare concessions to the entire network of the MTRCL, in order to avoid the recurrence of the problem of "same railway corporation, different treatment".

Take the monthly ticket of the East Rail as an example, by spending just \$380 each month, residents in Ma On Shan can travel from their homes to Tsim Sha Tsui. If they cross the harbour to work in Wan Chai, on the basis of 26 working days each month, they only have to spend \$780 and the fare is almost 10% cheaper than that of taking buses.

Residents in Tuen Mun, Yuen Long and Tin Shui Wai can also buy monthly tickets at \$400. With such tickets, they can take an unlimited number of rides on the West Rail and Light Rail in a particular month, as well as transfer to the free feeder bus route number K16 and go from Nam Cheong Station to Jordan or Tsim Sha Tsui. On the basis of 26 working days, this is 37% cheaper than taking bus route number 68X which connects Yuen Long and Jordan and costs \$634 monthly.

However, Tung Chung, which also belongs to New Territories West, is not covered by such concessions under "one railway corporation, two systems". At present, Tung Chung residents who have to leave their district to work on Hong Kong Island have to pay as much as \$40 for their round trips daily and their transport expenses can easily exceed \$1,000 each month. If they travel to Kowloon, they still have to spend more than \$900. May I ask how heavy this amount of transport expense is to a wage earner of the grassroots making only \$5,000 to \$6,000 monthly? Moreover, this amount has not taken into account the fare for travelling from the housing estates in the district to the railway station. In view of this, earlier on, some news reports said that in Yat Tung

Estate in Tung Chung, many residents simply spent 20 minutes walking to the railway station or reduced the number of trips they made in order to save the \$3 fare per journey to the railway station. This caused them a great deal of inconvenience. There is little wonder that earlier, a survey on the employment of young people on Lantau Island showed that two thirds of the respondents thought that expensive fares and the distance of travel had reduced their opportunities of finding employment beyond the district.

The Liberal Party certainly does not want to see Tung Chung become another Tin Shui Wai. Therefore, since the MTRCL can make monthly tickets available to passengers living in such districts as Yuen Long and Tuen Mun along the West Rail, it should give equal treatment to all when offering concessions and offer similar monthly ticket concessions to residents living along MTR lines, such as those in Tung Chung.

The Liberal Party also supports the proposal of making such monthly ticket concessions a standing arrangement because we believe that as long as the fare of such monthly tickets is set at an attractive level, it is likely that far more revenue for the MTRCL can be generated due to the reduction in fares. This can be seen from the fact that after the introduction of monthly tickets for the East Rail and West Rail, the numbers of passengers have increased significantly. We believe that if a monthly ticket scheme for the Tung Chung Line is offered, this will help boost the patronage and more passengers will be attracted to switch to using the line instead if the frequency of service is increased. As a result, there will still be more to gain than to lose and passengers will also stand to benefit.

Madam President, another unfair situation relating to "one railway corporation, two systems" can be seen in the half-fare student concessions offered to students. So far, this concession has still failed to benefit students living along the original KCRC lines in New Territories East and New Territories West.

Earlier on, the MTRCL explained that the Government had already offered travel subsidy to students, so the scope of student half-fare concessions would not be extended. However, in fact, students using the original MTR lines are also entitled to the travel subsidy in addition to student half-fare concessions, so it can be seen that the MTRCL's ground is not sound. In view of this, why is it that after the merger, students living in the New Territories are

not entitled to this concession? May I ask if the MTRCL is not guilty of discrimination against students in the New Territories?

Since the MTRCL has come up with the slogan "The Ride to Great Living" after the merger, we hope the MTRCL can put this slogan into practice by extending the student half-fare concessions to students in the New Territories to give them a ride to great living, so that they can go out more often to take part in extra-curricular activities. The Government, as the major shareholder of the MTRCL, also has the responsibility to request the MTRCL to fulfil its social responsibilities and contribute towards easing the burden of transport fares borne by students.

As regards Dr Fernando CHEUNG's proposal to provide cross-boundary fare concessions to students who have to commute to schools in other districts, the Liberal Party supports it. At present, there are about 1 000 students who have to take the train to Hong Kong by themselves to go to school every day because they cannot apply for the Closed Road Permits. Their monthly transport fare is over \$1,000 and this is even more expensive than taking school buses. In view of this, we believe that if cross-boundary students can pay concessionary fare when travelling between their homes and Lo Wu or Lok Ma Chau, this will greatly ease the burden borne by their parents.

However, regarding Mr Andrew's CHENG's proposal to extend the student fare concessions to cover full-time students over 25 years of age, the Liberal Party holds that this is open to debate. At present, things like child allowance and the Youth Work Experience and Training Scheme offered by the Labour Department are applicable to young people not older than 24 years, whereas the MTRCL has set the benchmark at 25 years of age or below, so one can say that this is being more generous. Therefore, we think that the more pressing task now is to target students aged 25 years or below who basically have no income when offering concessions.

Madam President, I so submit.

MR WONG TING-KWONG (in Cantonese): Madam President, the issue of merging the former MTR Corporation and the KCRC had suffered many setbacks and there had been a great deal of hubbub for many years before the problems were satisfactorily resolved in December last year, leading to a formal

merger of the two railway corporations and the name of the merged corporation is the MTR Corporation Limited (MTRCL).

"You and I, walking hand in hand, side by side, in every journey we take, today on this weaving rail system. Let's take the ride." I wonder if Members are familiar with these lines in the lyric? This MTR theme song entitled "The Ride to Great Living" sung by the singer, Joey YUNG, was broadcast from time to time on the television and the stations of the MTRCL in the past few months. It has a melodious tune and the lyric is heart-warming. On hearing it, the public can feel the warmth in it. However, as it is said that the new company has a new management, new culture and new style, will the newly established MTRCL be able to give us "The Ride to Great Living", as suggested in this theme song? What new prospect has it brought to the living of the public?

After the rail merger, of course the public hope that there will be fare reductions and that they will enjoy more fare concessions. The MTRCL stated that it is estimated that the proposed fare reduction package would benefit 2.8 million passenger trips daily. Apart from the fact that there will be a fare reduction of \$0.2 for all Octopus users and a fare reduction ranging from 5% to 10% for more than half of all passengers, the second boarding charge for the four interchange stations of the two former railway corporations would also be waived, ranging from \$1 to \$8.2. Senior government officials also sung high praises of the synergies of the rail merger, saying that the general public and society would stand to benefit.

However, if we look closely and do some calculations, we will find that the benefit that the public got is actually limited. It seems that the fare concessions do not live up to their names. First, the MTRCL only promised that the promotion period of the West Rail One-month Pass and the East Rail One-month Pass would be extended to end June 2009. However, such concession does not apply to MTR services. For example, the single-journey fare for a passenger taking the MTR of the MTRCL from Shau Ki Wan to Tsim Sha Tsui is \$11.2 and the fare is \$560 for the whole month. Another passenger taking the East Rail of the MTRCL from Sheung Shui to Tsim Sha Tsui pays \$10.8 for each journey and the fare is \$540 for the whole month. As monthly tickets are available for the East Rail, only \$300 is required for each month. Second, the MTRCL is only willing to promise that students are entitled to concession when taking the Kwun Tong, Island, Tseung Kwan O, Tung Chung

and Disney lines, but it is unwilling to extend it to the East Rail, West Rail and Ma On Shan Rail. For example, a student taking the Kwun Tong line of the MTRCL from Kowloon Bay to Kowloon Tong has to travel past five stations. With the concession for students, the fare is \$2.8, however, for another student taking the East Rail of the MTRCL from Sha Tin to Kowloon Tong, a trip that spans two stations, the fare is \$4.9 because no student concession is offered and the student has to pay adult fare. Third, some concessions on transfer to feeder buses were cancelled, so more fares have to be paid. For example, in the past, if passengers living in Tin Shui Wai wanted to go to Mong Kok, all it cost was only \$300 for the purchase of a monthly ticket. However, it is now necessary to pay an additional \$7 as the fare for changing to feeder buses. Fourth, although some routes are similar, the fares are different. For example, the trip by MTR from Tsuen Wan to Central is \$11.2 for an adult, however, it costs more to take the West Rail from Tsuen Wan West station to Central and the fare is \$12.9. One can see that the arrangements on fares and the fare concessions have not been standardized, thereby, giving rise to an unfair situation. In view of this, I hope that the Government can hold discussions with the MTRCL, with a view to introducing the monthly ticket concessions and the student fare concessions to all MTR lines and offering greater reductions on the fares of all rail lines, as well as retaining the concessions on taking feeder buses. Only in this way can the public be truly benefited. Since the new Financial Secretary has loosened his purse strings to return wealth to the people by offering a number of tax concessions, the MTRCL, as a newly-established large corporation, should also learn properly from the Financial Secretary by offering actual fare concessions to the public generously, so as to ease the misery of the public in the face of inflation.

In addition, it is estimated that there are at present 6 000 cross-boundary students who travel between China and Hong Kong. The trips they make are long and the transport fares expensive. In view of this, I agree that as the MTRCL introduces fare concessions, it should also consider the needs of these cross-boundary students and ease the heavy burden of transport fares borne by them. In the keenly competitive society nowadays, many adults or workers have to keep upgrading themselves and the pursuit of further studies by adults is very common. The age of students studying in full-time programmes has also risen as a result. In view of this, the DAB considers it no longer appropriate to set the age limit of students studying full-time at 25 years. I also agree that we should be fair and extend the student fare concessions to cover full-time students

over 25 years of age to alleviate their financial burden as they do not have any income during their period of study.

With these remarks, Madam President, I support the original motion and all the amendments.

MR LEUNG YIU-CHUNG (in Cantonese): President, I believe that the main reason triggering this motion debate today is that, after the rail merger, many instances of "one railway corporation, two systems", as pointed out by many Honourable colleagues just now, or of what some Members referred even more aptly to as "one railway corporation, many systems", have occurred. Many Members said just now that such a situation is most unfair. In particular, Mr CHEUNG Man-kwong said that students in some areas could enjoy certain benefits but the students in some areas could not. Why is it like this? We often stress social harmony, but the reality is the exact opposite.

President, I wish to raise one more point and that is, there is in fact another even more profound meaning in the unfairness to students. What is it? As Members all know, there is a relaxation in the right of schools to offer discretionary places and students will have more opportunities to choose the schools of their choice. If they want to choose the schools of their choice, their choice of school will change in the light of the distances between districts. This is very different from the past. In the past, no matter when one went to a primary school or secondary school, one would mainly choose a school near the district in which one lived. However, a qualitative change has begun to emerge nowadays and people may choose some more remote areas. Such a situation has arisen. However, if people do so, the transport fare will be very expensive and an unfair situation will arise. This will not affect students but parents, since it is not students but parents who earn the money for travel expenses. Therefore, this situation is not just unfair to students but also to parents, and it will impose a heavy burden on parents. I think we should take this matter seriously. In fact, the Government has conceived the cross-district transport allowance because it has found that expensive transport fares have posed major obstacles to some people. So we have the cross-district transport allowance. The unfairness found in a system in fact reflects that this kind of pressure exists. This will pose difficulties to some people, for example, students or parents, so I think changes must be made in this regard.

However, even though the social environment keeps changing, it is a great pity that we have not seen the Government introduce any change in response. In particular, the problem as pointed out by Mr LEE Cheuk-yan just now is an even more significant one, that is, so far, the role played by the Government in watching over or supervising public utilities has not seen any change. Why do I say so? President, I believe that we felt this most profoundly — some Honourable colleagues also talked about this earlier — when we were lobbying for half-fare transport concession for people with disabilities, when we could see the problem clearly. Just now, Mr WONG Ting-kwong suggested with good intentions that the Government discussed more often with transport companies to see how this issue could be resolved. In the past six years, the Government has kept telling us that it has been continually discussing with public transport companies, but what is the final outcome of the discussions? The discussions bear no fruit and nothing has been achieved. Therefore, the problem pointed out by Mr LEE Cheuk-yan just now is very important. What actually is the role of the Government in monitoring and participating in the operation of public transport companies? If it cannot determine its positioning, this will be meaningless. Just now, Mr LEE Cheuk-yan already told us the conclusion, that is, our Government respects the independent and autonomous operation of public utilities, so it will give them a free hand in deciding on their own whether to do something or not. Our Government will not force them to do something and at the most, it will only encourage them. In that case, all our discussions today are superfluous because we can see that over the past six years, the Government has encouraged public transport companies to offer half-fare concession to people with disabilities but in vain. If the Government continues to adopt an attitude of encouragement, what can be done? Does it mean that we have to wait another six years? After six years, the Government would say that there is no need for them to do this and that we can just do it ourselves. Is this what it means? This is meaningless. Therefore, apart from pointing out the problem of "one railway corporation, two systems" or "one railway corporation, many systems" in the debate today, the most important thing is to determine what the role of the Government is and how it can make commitments. This is the most important thing. If we do not sort out these questions, all will be in vain. I am worried that we are only barking up the wrong tree and that no matter what we say, the Government will not register. This is the crux of the problem.

The last thing that I wish to say is that the Government, as one of the major shareholders of the MTRCL, should assume such a role, shoulder this heavy burden and assume such a responsibility. Otherwise, this kind of social disharmony, injustice and unfairness will continue to exist. The Government says that companies should be autonomous and independent, but it is not our wish that the Government legislate to regulate everything either. When we were scrutinizing the legislation, we raised some issues but the Government paid no heed to them. All right, now, although a relevant piece of legislation is absent, since the Government is a shareholder, it is in a position to do something in administration, so why does it not do it? Honourable colleagues have made it very clear today that there are many instances of unfairness and inadequacy. The most important question is whether the Government can adjust its role. Throughout the years, has the Government changed its role? Does it insist on making no change to its role? If it does not change, as Mr CHEUNG Man-kwong put it, we can only wage a struggle against the Government to the very end. Mr CHEUNG Man-kwong said that he would mobilize students to wage a struggle. Does the Government hope to see more and more of such struggles? If not, to put it bluntly, I ask the Government to turn back before it is too late and review its role.

President, I so submit.

MR ALBERT HO (in Cantonese): Madam President, in fact, the demand for a railway monthly ticket is not an issue raised only recently. Many groups and residents in local communities have all along been hoping that there can be permanent monthly tickets and concessions for students. I believe that Members here may still remember that more than a decade ago, monthly tickets for the Light Rail were available.

At that time, the monthly tickets for the Light Rail were classified into four types, namely, "Tuen Mun Pass", "Central Pass" (also called "Tuen Yuen Pass"), "Yuen Long Pass" and "All Zones Pass", and they were further divided into monthly tickets for adults and children. Subsequently, the Light Rail also offered weekly tickets and quarterly tickets. I think that even though the service of the Light Rail still left much to desire, its monthly ticket system was really commendable. Unfortunately, after the popularization of the Octopus card, the

use of monthly tickets, weekly tickets and quarterly tickets was discontinued in December 1997.

In fact, since the discontinuation of the monthly tickets for the Light Rail, the District Councils of Tuen Mun and Yuen Long have been strongly demanding the restoration of the monthly ticket system because such tickets offer savings on transport fares to many residents. This is particularly so because the Light Rail monopolizes the internal transport service of the Tuen Mun and Yuen Long districts. Some people may raise a query, saying that the "One-month Pass" of the West Rail already offers the concession of taking the Light Rail for free, so there is no need for the Light Rail to offer monthly tickets. I must point out that apart from residents who travel to other districts frequently by the West Rail, other residents such as housewives, unemployed people and elderly people usually do not buy the "One-month Pass" offered by the West Rail because the "One-month Pass", at \$380, is really too expensive. Moreover, the "One-month Pass" offered by the West Rail is also not a permanent monthly ticket system. At present, the MTRCL has only promised that the monthly ticket in question would be maintained until June next year. The Democratic Party holds that if the Light Rail restores monthly tickets, this will make residents in the districts concerned more willing to go out and take such means of railway transport and ease many grass-roots members of the public of their burden of exorbitant transport fares.

In fact, Members all understand that the reason for the introduction of monthly tickets by the West Rail is to increase patronage. That many residents of Tuen Mun and Yuen Long take the West Rail is precisely because it has a monthly ticket system. I can even say that if the West Rail were to abolish monthly tickets today, I am sure it would lose some of its patronage, or even more than half of its patronage. We believe and are worried that if the sources of passenger along the West Rail increase in the future, the MTRCL would then cancel the monthly ticket concession offered by the West Rail.

As Mr Andrew CHENG pointed out in his speech just now, in fact, monthly tickets are commonly seen in the railway systems overseas. To the MTRCL, offering monthly tickets does not mean that it will lose money because such tickets would bring a lot of benefits as monthly tickets can help boost patronage. However, be it the MTRCL or the former KCRC or MTRCL, they have all along evaded this issue. The MTRCL probably thinks that since it has monopolized railway operation, there is no need to heed the reasonable demands

of the public at all, or that since the MTRCL is a listed company, it does not have to care about this kind of corporate responsibilities. As the Democratic Party has emphasized all the time in the past, that the MTRCL can develop to such a large scale nowadays can be attributed to the fact that the Government has constantly made hidden subsidies. Therefore, it is reasonable and justified for the public to demand that the MTRCL offer monthly tickets.

Finally, I wish to talk about extending student fare concessions to the entire railway network in Hong Kong. Since some lines were previously operated by the former KCRC, some students in Tuen Mun, Yuen Long and Tin Shui Wai are not offered half-fare concession as is the case for their counterparts in the urban area. In fact, the Democratic Party believes that even if the rail merger had not taken place, such a student fare concession should have been extended to all rail lines long ago. The case for such a move is even stronger because in the same railway corporation, there are now two systems but there is no justification to support such a practice. This is indeed most undesirable. I hope the Government will cease to condone the MTRCL doing so. If only the Government is willing to exert pressure, I believe the MTRCL would be willing to accede to the reasonable demands of the Government and the public by extending this policy of offering half-fare concessions to all students. Otherwise, the prediction that I made at the time of the rail merger will unfortunately become the reality, that is, the rail merger will not bring about any service enhancement or any benefit but will only create a mammoth corporation enjoying monopolization.

Madam President, as Members, we really have to, as Mr James TIEN said, keep a close eye on the MTRCL. Thank you.

MR ALAN LEONG (in Cantonese): Madam President, you have probably heard of "one railway corporation, two systems" before. However, even if you have not heard of it before, I think you have heard it many times in this Chamber today. Of course, the "one railway corporation, two systems" mentioned by Members here refers to the fact that the MTR Corporation Limited (MTRCL) implements two different systems in the same corporation after the rail merger. That day, when the Kowloon-Canton Railway Corporation (KCRC) and the former MTRCL was merged, it really gave rise to some positive hopes and expectations among members of the public, be they young, middle-aged or

elderly. This is because people of different ages and strata can all appreciate the benefits to be brought about by the merger in terms of fare reductions. For example, elderly people could still enjoy the concessions offered by the former KCRC and MTRCL to travel on all lines of the MTRCL at half fare; middle-aged workers would also benefit immediately because the MTRCL has reduced fares immediately upon the merger. However, young people who are still going to school were very disappointed by the rail merger because it selectively adopted the "one railway corporation, two systems" principle when it comes to the student level, and as a result, students are entitled to concessions only in half of the railway network. Does it mean that students living in New Territories East and New Territories West are better off than those in other areas?

Perhaps precisely for this reason, Madam President, when I came here to attend the meeting today, I met a group of students who were petitioning outside. I believe the President is also aware of this. They asked me to point out in particular when giving my speech that students support the offer of student concessions by the MTRCL in all areas.

Madam President, just now, many Members have pointed out the unfairness in travelling on various routes and in travelling on the rail lines of the MTRCL. Here, I may as well cite one more example. Assuming that two students studying in the City University of Hong Kong have to travel to Kowloon Tong Station and one of them lives in Tai Po whereas the other lives in Yau Tong. According to the figures provided by the MTRCL, the durations of the journeys taken by the two students are about 20 minutes, but the fare payable by the student living in Tai Po is \$7.1 whereas that for the student living in Yau Tong is \$3.3, so the difference is more than 100%. It can thus be seen that "one railway corporation, two systems" is in fact extremely unfair.

When we talk about student fare concession, we must understand the thinking of students nowadays. In the popular Facebook these days, more than 3 500 students have joined a group called "student fares should be the same" within a short period of time. The Young Civics of the Civic Party also launched an online signature campaign and 2 000 students have signed their names in two weeks. From this, one can see the extent of dissatisfaction with "one railway corporation, two systems" among students.

Madam President, although the MTRCL is a commercial organization, as the sole operator of the railway network in Hong Kong, monopolizing the railway service in Hong Kong, it must fulfil its corporate social responsibilities instead of setting profit-making as its only goal. We remember that before the merger, the former MTRCL also offered student half-fare concession on its own lines, so it can be seen that in the past, the former MTRCL also took particular care of students in its operation and offered fare concessions to ease the burden of transport expenses borne by students. However, after the MTRCL has come into being by merging the KCRC and the MTRCL, it changed its previous thinking completely and it looked as though student concession has become a kind of financial burden.

Madam President, the MTRCL has not provided any figures to show the impact of student concessions on the finance of the corporation. However, very obviously, the MTRCL is making huge profits and it seems this is a fact beyond dispute. Some news reports on the property market also mentioned that the development of properties along the Ma On Shan Rail and the investment on that at the Che Kung Temple station alone stands at billions of dollars and the proceeds from above-station property development after the merger are gradually coming on stream. I really hope that the MTRCL can adopt a responsible attitude towards the users of stations instead of using the high patronage as a selling point only when the flats are put on sale. It also has to consider the fares payable by the patrons taking the rail lines of the MTRCL.

Madam President, the prices of goods in society are rising now and the expenses of students on daily necessities are also rising. Since students have hardly any spare money and do not have any stable income during their period of study, it is usually their parents who pay for their transport fares. It can thus be said that student fare concessions can indirectly ease the pressure of living of low-income families. Madam President, I hope the MTRCL can cancel the "one railway corporation, two systems" as soon as possible and offer student fare concessions for all rail lines.

With these remarks, Madam President, I support the original motion and the two amendments.

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

MR LEUNG KWOK-HUNG (in Cantonese): I heard many Honourable colleagues say that three months had passed since the rail merger. That day, in this Chamber, many Members voted in favour of it. I also remember that on that day, during the debate, due to a restraint posed by the long title, it was not possible for us to discuss the fares. This is a typical hegemonist practice of the Government. This is just like what happens in relation to the budget. Members propose their views to the Government and it will take on board whatever it likes but not what it does not. The Government will propose a budget on this basis and Members have to choose between passing it or otherwise. If the budget is not passed, the delays are attributed to the Legislative Council and it is said that it stands in the way of everything. Such situations are repeated again and again, day after day and we are subjected to such practices.

The sky is fair, and it will always be above everyone's head, no difference. Some political parties make it very clear that they support the administration of the Government. When some political parties express opposition, they are branded as the opposition. In this legislature, the same thing happens day and night. As an idiom goes, "His success was on account of Xiao He, and his defeat was on account of Xiao He (The key to his success is also his undoing)". Here, the votes for the merger are also the votes against the corporation today. Today, this legislature will surely vote in denouncement of the Government and the MTRCL and criticize them for their wrongdoings, but have we ever thought about who voted in favour of the rail merger? Who disabled the function of deliberation of the Legislative Council? I believe that on that day, if Mr LAU Kong-wah had not been constrained by the long title, he probably would have spoken. However, the President would not have disallowed him to speak, would she? She definitely would have allowed him to speak.

It also occurred to me that my litigation with the Legislative Council has to do with whether I have the power to amend the motions tabled by the Government to the Legislative Council. Now that I have lost, I have to be prepared to pay the costs and I also intend to lodge an appeal. This is also an issue relating to the political system and what has come into light is executive hegemony.

Members, when the two railway corporations proposed the merger, the League of Social Democrats voted against it. I believe that at that time, many

people said that we were standing in the way of everything because if they were allowed to merge, the public would enjoy fare concessions. At that time, we put it in a way that expressed everything very clearly. In fact, it is only necessary to use a biblical story to sum up the situation, that is, one cannot renounce the birthright of the first born, for a single bowl of red lentils stew. In fact, buddy, we are not just the first born, but actually the parents. In which area is not public money used to subsidize the MTRCL and the Kowloon-Canton Railway Corporation (KCRC)? We provided everything from land sites, guaranteed loans to capital injection, however, our Government, for something transient and in order to create a favourable environment for privatization, chose to act in defiance of the whole world, just like what it did in relation to The Link REIT, only that it is not so wholesale on this occasion and it was only selling the stocks in the market. In future, the son whom we raised originally can be impious as he has recognized someone else as his father, so he can kick the ass of his father, can he not? When we are now telling it to fulfil its social responsibilities, it says that it has to take care of its minority shareholders and it would always do the same on each occasion.

That day, why did we oppose such a merger? We have to ask why not incorporate the MTRCL into the KCRC, which the Government was still in a position to supervise? The KCRC was solely owned by the Government, so why was it decided that the merged business should be put on the market? It is said that if one eats pig's blood, one will pass black stool immediately, and now we can see the result. It is useless to say anything to it. It will only say that it has to take care of the interests of minority shareholders and it wants the market. However, it is strange that when the South Island Line was proposed, it said that it had no money and if the Government did not inject capital, it would not build the South Island Line. Members, it can say whatever it likes. Today, there is no representative of the MTRCL here, so I can do nothing. Even if I chide it, there is no one from it to listen to me.

Therefore, the League of Social Democrats is well aware that be it infrastructure facilities or public utilities, they are all means for the Government to improve people's livelihood and redistribute resources. Monopolization can occur in these areas, so they should be operated by the Government or turned into social enterprises. It is in this way that they will not pursue the greatest amount of profit blindly or be full of red tape. I have said this many times, however, unfortunately, this is totally like a footstep in the air and no one registers it. Today, we are discussing this again. We are talking about

something on which we have no ownership, so we can only ask other people to show mercy and this is just futile.

When I paid visits to the districts in New Territories East, it was always young people who said to me, "Long Hair, please raise this issue quickly.". Therefore, I thank Mr LAU Kong-wah for moving this motion today, otherwise, I would not know how I could raise this matter, right? However, I believe it is useless to talk any further about this. Even if Mr LAU Kong-wah were to go there and tell it, it would be useless. I can only say one thing. If we want to change something unreasonable, as Karl MARX said, "The weapon of criticism cannot, of course, replace criticism of the weapon.". I call on university and secondary school students to make sure they will turn out to force the Government to change through corresponding social actions.

This legislature does not have any weight because we are constrained by an undemocratic political system and a political system in which bureaucrats defend each other and the Government and business collude with each other. This is a system that benefits the consortia but victimize ordinary members of the public. In order to change something, one cannot do without universal suffrage. However, people may ask, "If there is no universal suffrage, what then?" If there is no universal suffrage, we should take actions from today and wage a struggle for what we believe to be just. I hope CHEUNG Man-kwong will really take prompt actions and organize a rally of teachers and students throughout Hong Kong to make the Government and the MTRCL realize that they are acting against public opinions. Thank you, President.

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

MR ALBERT CHAN (in Cantonese): President, regarding the problems caused by the rail merger, Mr LEUNG Kwok-hung has already talked about some of them just now. The MTRCL, namely, the management of the former MTRC, definitely has to assume the greatest responsibility for problems arising from the rail merger and the Government also has unshirkable responsibilities. However, Members in this Chamber who supported the rail merger and approved the rail merger then in a negligent manner are even more unpardonable.

This problem is in the same vein as Members criticizing the bus companies for increasing their fares vehemently. Why did not those Members appear so valiant when the issue of giving the bus companies 10-year franchises was discussed? At that time, only very few Members opposed this whereas 90% of the people supported the government proposal and the extension of the franchises of the bus companies. No attempt was made to force the bus companies to lay down conditions to protect the interests of ordinary members of the public before the passage of the legislation relating to the franchises.

This is also the case with the rail merger. Why were the Government and the MTRCL not forced to undertake to implement matters that Members considered important before passing the important motion concerning the rail merger? One example is the two important issues raised by us today, namely, the monthly ticket and concessions for students.

Mr LEUNG Kwok-hung also said just now that in raising these matters now, only after the merger, what bargaining power do we still have? Again, Members can only engage in empty talk. At that time, we still had the imperial sword of voting against the rail merger, but we did not exercise that power. Now, that is over and probably because the Legislative Council elections to be held in September are near, we are now using this ploy to make the public think that Members of this legislature, in moving such motions, are defending the rights and interests of the grassroots. Where were they at that time? Why were such motions not moved at that time? Why were such motions not used to put pressure on the Government, saying that we would vote against the rail merger, so as to lobby for the rights of the grassroots, students and members of the public?

At that time, I already pointed out that the rail merger would only bring about a disaster because an Alien would come into being. The MTRCL was already an Alien. If we allow this Alien to continue to grow, it will only devour — and it will simply destroy — the host and ordinary members of the public would suffer from even greater hardships. Just now, in the Ante-Chamber, Mr LAU Kong-wah said that I had to speak because I often said that the MTRCL was an Alien. I will definitely speak. When this Alien goes through a metamorphosis, it will erode the rights of the entire society and oppress ordinary members of the public.

President, the assets were disposed of at a dirt-cheap price. Although it was not a *bona fide* transaction, putting the assets on hire is also tantamount to

disposing of them at a dirt-cheap price. Furthermore, the MTRCL also secured such a lot of privileges. When the Government was making a valuation of the assets, I already pointed out that after the merger, the share price of the MTRCL would surely rise significantly. It was subsequently proven that my prediction was correct. At its peak, the share price was almost double the valuated price at that time. Therefore, that the assets were disposed of at a dirt-cheap price was an objective assessment and it was also subsequently proven that the share price of the MTRCL rose drastically and there was a direct relationship with the asset value.

President, after the rail merger, the strongest dissatisfaction that I learnt of in local communities was the same as that mentioned in the motion moved by Mr LAU Kong-wah. He did not raise one point, that is, after the merger, the MTRCL cancelled many free feeder bus services. In view of this, through this debate, we strongly condemn this kind of unscrupulous tactics and despicable practices as no consultation whatsoever was carried out. In the past, the KCRC provided some free feeder services whereas the former MTRCL did not do so. Upon the merger, without any consultation at all, the MTRCL unilaterally cancelled all these free feeder bus services. In the past, there were several free feeder bus routes in the New Territories but they have now completely disappeared, consigned to history. Members who supported the rail merger back then should also assume the political responsibility because they supported the merger, as a result, the MTRCL has the power to cancel the feeder bus service. Many members of the public, in particular, those living in Tin Shui Wai, Yuen Long and Tuen Mun, have enquired whether the monthly ticket system would be abolished because they are very anxious about this. I believe Mr CHEUNG Hok-ming has also received many such complaints.

Therefore, what other measures adopted by the former KCRC and considered meritorious by the public will this super Alien, which is called the MTRCL, go on to cancel next? Back then, I was one of those who discussed with Mr Michael TIEN the issue of monthly tickets. In the discussion, we pointed out that when we were still a student, monthly tickets for bus rides were also available and punch holes were put on this kind of tickets. I wonder if Members still remember this. There were four holes in a monthly ticket and there were also several extra holes on it, right? There might be a generation gap between us or some well-heeled Members did not have the experience in this regard. However, to many people at the grassroots, the monthly ticket is really a very important service. Unfortunately, under such unfavourable conditions,

with the continued domination by the Alien, unless we sent the Alien into outer space and unless we have the chance to repeal the legislation relating to the MTRCL just as Mr LEUNG Kwok-hung said, if we have the opportunity to establish a formal democratic electoral system, elect the Chief Executive and dispose of this Alien through an executive-led government, we will then do the public justice and enable them to enjoy more reasonable transport services and relevant fare arrangements under a more human ruling class.

The motion moved by Mr LAU Kong-wah today makes it possible for us for me and LEUNG Kwok-hung to blast those Members who supported the rail merger back then. Here, I thank Mr LAU Kong-wah for giving us this opportunity.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): If not, I now call upon Mr LAU Kong-wah to speak on the two amendments. You have up to five minutes to speak.

MR LAU KONG-WAH (in Cantonese): I am grateful to the many Members for speaking on this motion.

Concerning the two amendments, the first one is proposed by Dr Fernando CHEUNG. He hopes that cross-boundary students can also enjoy student concessions. I totally support this. One very important viewpoint is that even though cross-boundary students live on the Mainland, they are also Hong Kong residents. Due to various reasons, either parent of these students or the students themselves have to live in Shenzhen. In fact, they are most welcome to come to the Hong Kong side for schooling. In these circumstances, if a new situation or new problem has arisen and if we do not take care of them in transport, we are guilty of negligence. For this reason, the Honourable colleagues in this Council have all along been discussing with the Government to see how this group of children can be assisted in terms of transport, security and transport subsidies. This has all along been the position of this Council. Taking this opportunity,

we also hope very much that the Government, particularly the MTRCL, can offer concession to this group of students.

Separately, Mr Andrew CHENG reminded us that basically, the MTRCL now offers half-fare concession to students between 12 and 25 years of age. Of course, our emphasis is on the hope that students throughout Hong Kong should be entitled to the concession, however, I think that it is still not fair if the upper limit is set at 25 years of age. Therefore, we also support this amendment. It seems that Mr Tommy CHEUNG expressed some reservation when he spoke just now. He is not present now and it seems he does not want to support Mr Andrew CHENG's amendment very much. He made one remark, that is, he hoped that only students under 25 years of age who had no income should be the target. In fact, nowadays, even though many students have already grown up, aged 25 or even 26 or 27, they may still be taking full-time master or doctorate programmes and have no income, so their situation is in fact quite "miserable". Therefore, I think that we cannot neglect this group of students. The Hong Kong Government or Members have all along been encouraging students to receive continuing education, therefore, the policy and concessions in this regard can be a kind of encouragement.

President, Mr Andrew CHENG also reminded me of one thing, that is, I did not sum things up properly. At the end, I made one remark. I said, "Having weighed up everything, 'one railway corporation, two systems' should not be retained.". Mr Andrew CHENG pointed out that if I said so, one possibility was that even those concessions would be cancelled. When all concessions are cancelled, it is "one railway corporation, one system" then, is it not? He was right. Therefore, I must add that by saying "Having weighed up everything, 'one railway corporation, two systems' should not be retained", I mean to extend the scope of monthly tickets and student concessions to all parts of Hong Kong. It can be seen that we are reminding and supporting each other. I hope very much that we can attain this goal.

Mr LEUNG Yiu-chung gave me a slip just now. He said that he had omitted one point when he spoke. I think his viewpoint is very good and concurs with what I said just now. He said that some years ago — I do not know what time he is referring to in saying some years ago — he was concerned about the limit on the working hours for women. He demanded that the Government face this issue squarely, believing that men and women should both be subject to a limit on working hours. However, in the end, the Government

just scrapped the limit on the working hours for women altogether and it just fitted the Government's scheme. Since this issue was raised, the best thing to do was to scrap it altogether. He said that since he had such a painful experience, he wanted to give us a reminder, hoping that the Secretary will not cancel the existing concessions because we have put forward this proposal. I think it would be most terrible in that eventuality.

Now that everyone has heard this, I hope that all political parties and groupings — I also wish to garner the support of the Liberal Party — will not have any reservation and will support all concessions. What I mean by scrapping "one railway corporation, two systems" is developments on the positive side, that all members of the public in Hong Kong and all students in Hong Kong will be able to enjoy the concessions. This is what we actually mean. I hope I can avoid a repeat of Mr LEUNG Yiu-chung's mistake.

Thank you, President.

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): Madam President, I thank Members for the views on concessions on railway fare they voiced just now. Having regard to their views, I now make the following concluding remarks.

From past discussions on the rail merger and the meetings of the Legislative Council, the Government has gained an understanding of Members' views on railway fare concessions and also conveyed Members' concerns to the MTR Corporation Limited (MTRCL). In fact, a number of Members were fully involved in the scrutiny of the merger and several of them are also present here. During the discussions on the rail merger, the MTRCL also studied how the benefits of the merger synergies could be passed on to passengers. Having given full audience to the views, the MTRCL eventually decided to implement immediate fare reductions in order to benefit the greatest number of passengers and to minimize at the same time the impact on passengers who are already enjoying fare concessions introduced before the rail merger. The entire proposal was formulated after considering various factors, balancing the interests of various parties and taking into account the need for the MTRCL to operate according to prudent commercial principles.

With the immediate fare reductions upon the rail merger, save for cross-boundary journeys to and from Lo Wu and Lok Ma Chau, the Airport Express Line and Light Rail, there was a minimum of 5% and 10% reductions on Octopus fares for medium-distance and long-distance journeys respectively. The second boarding charge between the two rail networks was also abolished. The MTRCL also undertook not to increase fares on or before 30 June 2009.

It is estimated that 2.8 million passenger trips each day will enjoy various levels of fare reduction after the rail merger. In overall terms, about 1.5 million passenger trips each day can enjoy fare reductions of 5% or more. Among them, about 210 000 passenger trips can enjoy fare reductions between 10% and 20% while another 130 000 could enjoy fare reductions of over 20%.

In fact, on the whole, under the new fares after the rail merger, rail passengers using Student Octopus cards can also enjoy substantial fare reductions. For instance, students interchanging between the KCR and MTR systems for a journey between Sha Tin and Kwun Tong — many examples have been given just now — will have their student fares reduced from \$8 to \$6, representing a reduction of 25%. The student fare for a journey between Ma On Shan and Yau Ma Tei will be reduced from \$10.6 to \$7.1, representing a reduction of more than 30%.

The MTRCL pointed out that the fare reduction package implemented upon the rail merger would result in annual savings of some \$600 million in fares for the public. Although it would take several years to achieve the synergies of the rail merger amounting to \$450 million per annum, the MTRCL considers it an appropriate arrangement to reduce the railway fares immediately upon the merger of the MTR and KCR rail networks to return the benefits to passengers. The MTRCL also stated that as a responsible company, it will continue to consider the need for providing various fare concession schemes taking into account various factors, including the socio-economic situation, prevailing market conditions and the MTRCL's commercial considerations, as well as the aspirations of passengers and the community. The Government will also continue to encourage the MTRCL to do so.

Regarding the point raised by Dr Fernando CHEUNG about the need to care for cross-boundary students, in fact, the former KCRC launched before the merger a pilot fare concession scheme for cross-boundary students in

September 2007 for a period of six months. Having regard to the views of the pilot schools, the MTRCL has also recently improved the contents of the scheme and extended the pilot scheme to July this year. By then, the MTRCL will carry out a review in view of the effectiveness of the pilot scheme.

Moreover, I also want to point out that for needy students — as Members predicted that I would raise this point, I must talk about it to avoid disappointing them — applications can be made to the Student Travel Subsidy Scheme (STSS) administered by the Student Financial Assistance Agency. The STSS provides travel subsidy to needy students who receive formal primary or secondary education or attending a full-time day course up to first degree level in an approved institution, reside beyond 10 minutes' walking distance from school and travel to school by public transport. I wish to point out that this subsidy scheme does not impose any age limit. Applicants need only provide their information for the means test. Subject to passing the means test, subsidy will be granted. Subsidy will be available to individual students in full-rate or half-rate, depending on their means. Therefore, even if they are taking the East Rail or the West Rail, which do not have a uniform fare system, they are entitled to a full subsidy at a level equivalent to 100% of the adult fare. Subject to meeting the above requirements, cross-boundary students can also receive subsidies for their transport costs in Hong Kong. We believe that the STSS can help alleviate the burden of travelling expenses borne by needy students and ensure that no student would be deprived of education for lack of financial means. Just now, Members queried how much assistance would actually be offered to them. The amount of subsidy would vary with family circumstances. On average, it is \$1,331 for primary and secondary students, \$2,675 for post-secondary students and the total funding is about 330 million for each academic year.

We believe that MTRCL will continue to consider the need for providing various fare concession schemes after taking into account various factors, including the MTRCL's commercial considerations, prevailing market conditions, passenger demand, and so on. As regards whether any individual fare concession should be made a standing arrangement, this will also be given careful consideration. In fact, in response to the opinions of Members and the public, the MTRCL has committed itself to extending various fare concession schemes offered before the rail merger to 30 June 2009. I am not going to repeat them here because Members are very familiar with the various concessionary schemes.

Furthermore, taking into account the need of the elderly people, the MTRCL has also undertaken that senior citizens will enjoy \$2 flat fare for any rail journey on Sundays and public holidays in the first year after the rail merger.

Just now, Members have also expressed some views on the fares of the Light Rail. The Light Rail system has been operating at a loss since its commissioning. Therefore, the MTRCL holds that there is little scope for fare reduction, which would increase the burden of cross-subsidization by other railway lines of the Light Rail and affect the sustainability of the Light Rail system.

It is noted that about one-third of Light Rail passengers are already enjoying free service for interchange with West Rail, and Light Rail also offers the Octopus Frequent User Bonus Scheme which provides fare concession equivalent to about a 10% fare discount to various types of passengers, including adult, child/senior citizen and students. As I have mentioned before, the MTRCL has committed itself to providing until 30 June 2009 this fare concession scheme. Besides, under the fare reduction package of the rail merger, all residents in the Northwest New Territories (NWNT) travelling between the New Territories and urban areas, including Tin Shui Wai, Yuen Long and Tuen Mun, can benefit from the scheme. It is estimated that NWNT residents who benefit from the scheme can save about \$100 to \$200 each month. All these are substantive fare reductions.

The fare reduction package is the result of careful deliberations. We believe it has balanced different interests, so that the greatest number of passengers could begin to enjoy the benefits within the shortest period of time.

Madam President, the Government will actively encourage various public transport operators, including the MTRCL, to offer concessions as far as possible, having regard to their respective operating conditions, so as to alleviate the burden on the travelling public, as it has been doing in the past. The Government will also continue to reflect to the MTRCL passengers' requests for the provision of fare concessions, so that when making a decision, the MTRCL can also understand and consider the public's earnest hope for fare concessions.

However, the Government also hopes Members can understand that Hong Kong thrives on an economy of free enterprise. It follows that whether and how to offer concessions are commercial decisions of the MTRCL. This is one of

the major reasons that account for Hong Kong's strength in attracting investments. Of course, when acting as the director of the MTRCL, the representative from the Government will act in good faith from the MTRCL's perspective on the one hand, and the Board will be advised of the full understanding of public's interests and expectations as well as Members' responses on the other.

In fact, the MTRCL operates according to prudent commercial principles. The MTRCL is also governed by an independent Board of Directors and managed by professional management teams which on the one hand ensure that the railway corporation will provide efficient services and obviate the need for the Government's subsidy of its operation on the other, thereby protecting the interests of the people and society as a whole.

This is the end of my conclusion. Thank you, Madam President.

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 Mr LAU Kong-wah's motion be amended.

Dr Fernando CHEUNG moved the following amendment: (Translation)

"To add "at present, cross-boundary students attending schools in Hong Kong every day have to pay the high fares of cross-boundary MTR lines and," after "the fact that"; and to delete "benefit all passengers" immediately before the full stop and substitute with ", when introducing such concessions, consider extending the concessions to cross-boundary students to alleviate their burden of travelling expenses, so as to benefit all passengers including cross-boundary students"."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Dr Fernando CHEUNG to Mr LAU Kong-wah's motion, be passed.

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

(Members raised their hands)

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

(Members raised their hands)

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

PRESIDENT (in Cantonese): Mr Andrew CHENG, as Dr Fernando CHEUNG's amendment has been passed, I have given leave for you to revise the terms of your amendment, as set out in the paper which has been circularized to Members. When you move your revised amendment, you have three minutes to explain the revised terms in your amendment. However, you may also move your revised amendment direct.

MR ANDREW CHENG (in Cantonese): Madam President, I move that Mr LAU Kong-wah's motion, as amended by Dr the Honourable Fernando CHEUNG, be further amended by my revised amendment. I hope you would allow me to say a few words in response to the Secretary's earlier Though I have not mentioned it at the beginning of my speech, it is most relevant to my amendment. My amendment is concerned with student fare concessions, especially for students over 25 years of age, as mentioned by the two Honourable colleagues in moving the original motion and the amendment earlier.

The Secretary has responded that travel subsidy could be granted instead. Nevertheless, I hope the Secretary could understand that this amendment is actually focused on

PRESIDENT (in Cantonese): Mr Andrew CHENG, actually I would also very much like to allow you to continue with your speech. However, according to the Rules of Procedure, I could only allow you to speak on your revised terms. As your amendment is to substitute "and" with "as well as", I could hardly allow to continue with your speech.

MR ANDREW CHENG (in Cantonese): I know, but I see that you have been so generous. *(Laughter)* I am already very pleased to find that you have not scolded me.

Thank you, Madam President. I propose this amendment.

Mr Andrew CHENG moved the following further amendment to Mr LAU Kong-wah's motion as amended by Dr Fernando CHEUNG: (Translation)

"To add ", as well as to extend the student fare concessions offered by the former MTR Corporation to cover full-time students over 25 years of age; moreover, in addition to introducing the monthly ticket concessions offered by the Kowloon-Canton Railway Corporation to all its rail lines, such monthly ticket concessions should be made a standing arrangement" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Mr Andrew CHENG's amendment to Mr LAU Kong-wah's motion as amended by Dr Fernando CHEUNG, be passed.

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

(Members raised their hands)

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

(No hands raised)

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

PRESIDENT (in Cantonese): Mr LAU Kong-wah, you may now reply and you have two minutes 48 seconds.

MR LAU KONG-WAH (in Cantonese): President, although Mr Andrew CHENG failed to make it to the point, I do know what he wished to say. Therefore, I could tell the Secretary on his behalf that the Secretary's justifications are actually unconvincing and unreasonable. I believe this is what he wished to say.

Both the Secretary and Honourable Members have shown that they have great foresight. Members already knew what she was going to say even before she spoke. Saying that she did not wish to disappoint us, the Secretary had chosen to read out her script. We could actually write up a script for her. We are disappointed because the Secretary's earlier speech was plain and lack of variations. However, all the people in Hong Kong are looking forward to, and Members are making the unanimous request in their speeches for, these concessions. Of course, I tend to look at the brighter side of everything. I hope the Secretary can think about this. I also hope that the MTRCL can think about this from the reasoning and financial angles. Most preferably, there will be another surprise after the string of surprises in the budget.

Actually, it does not matter to me even though I was named and criticized by two Honourable Members from the League of Social Democrats. While our objectives are consistent, it is only that I disagree with their analysis. According to their analysis, there will be no monthly tickets if there is no universal suffrage; there is no half-fare concessions if there is no democracy. Is the matter as simple as that? In my opinion, there is no need for us to be divided on this front. Our objectives are consistent in the sense that we hope to fight for the people their entitled and best concessions. This is why I consider that our objectives are consistent.

Finally, I wish to give the MTRCL a reminder. Its latest slogan its previous slogan was something like "地下鐵路 為你服務" (which literally

means the MTR is built to serve you). After the rail merger, the slogan has turned to "一路帶動生活" (which literally means enjoying the ride all the way to great living). By "all the way", it should mean from the urban areas to the New Territories, and *vice versa*. It is, however, extremely regrettable that students in the New Territories enjoy no concessions at present, and people living in the urban areas are not offered monthly tickets. Such being the case, how can the commuters enjoy the ride all the way to great living? Hence, I hope the Secretary can convey the aspirations of Honourable Members and the public to the Board and put forward her own views, our views and the views of the public. Thank you, President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Mr LAU Kong-wah, as amended by Dr Fernando CHEUNG and Mr Andrew CHENG, be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raised their hands)

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

PRESIDENT (in Cantonese): Second motion: Rebuilding the local agriculture and fisheries industries.

I now invite Mr WONG Yung-kan to speak and move his motion.

REBUILDING THE LOCAL AGRICULTURE AND FISHERIES INDUSTRIES

MR WONG YUNG-KAN (in Cantonese): Madam President, I move that the motion as set out in the Agenda be passed.

Madam President, last week the Financial Secretary handed out many "sweets" to the people of Hong Kong and many of them gave rounds of applause to the budget. However, there are still many of them who say to me that it is very difficult to shop for groceries these days because the prices of foodstuff have gone up. It is true that inflation has recently worsened and on this occasion, inflation is not driven by housing or public utilities as in the past but to a very large extent by imported foodstuff. And the hikes in prices are stunning. According to figures from the Census and Statistics Department, food prices in January 2008 registered a marked year-on-year increase of as much as 15.6%, of which the price of pork rose by close to 50%, beef by 40%, while other foodstuffs such as cereals have not been counted.

Many residents tell me that the recent price hikes in foodstuff have never been seen during the past few decades. The grassroots may take less public transport or cut their use of electricity, but they cannot do without basic items of food. The Government points out that this is due to the unsteady supply of imported foodstuff from the Mainland, hence leading to the drastic surge in prices. I also think that this is one of the major causes. But there were some occasions in the past where the supply of food from the Mainland was not stable, but why is the impact so great this year? I think in the past we had local agricultural and fishery products as a supplementary source of supply, which to a certain extent, stabilized the supply and prices. However, the supply of local agricultural and fishery products has currently contracted to such a level that has failed to create a stabilizing effect on the market.

Some people may think that my argument is exaggerating the effect of locally produced agricultural and fishery products. They may also think that the local agriculture and fisheries sectors have a low output and make little contribution to Hong Kong. But I wish to point out that the reason why there is a close to 50% year-on-year increase in pork price is primarily due to the drop in locally produced pork. According to previous market data, the supply of local live pigs should take up about 20% of the market supply or about 1 200 to

1 500 heads per day. Now when we look at the supply of local live pigs, we find that there are at most only 100 to 300 heads a day. Members should not take this difference of about 1 000 pigs lightly. We recall that in an auction for live pigs held just before the Lunar New Year, there was a case of a runaway price of \$2,400 a picul and the buying agents all said that it was the result of a shortage of live pig supply on that day. However, after checking the figures, I found the supply of live pigs on that day was only a few hundred heads short of the normal supply. If the supply of live pigs in Hong Kong can be restored to the past level, I believe chances for pigs auctioned at skyrocketing prices on that day would be greatly reduced. Also, I wish to point out that now the supply of live poultry takes up half of the local market supply. And as published by the Census and Statistics Department, the year-on-year increase in poultry prices is the lowest among all major non-staple food. Therefore, I hope Members will understand that local agricultural products are not just of superior quality but with a stabilizing effect on the market that cannot be ignored.

Madam President, stabilizing the supply of food is the most basic requirement of maintaining a stable society. Food supply is regarded as a strategic policy in many countries and places. When faced with a shortage in food supply recently, apart from mobilizing food reserve and enhancing the efficiency of food transport, more importantly, the Mainland has focused on encouraging food production. But what about Hong Kong? Would there be a need for a strategic change in the mindset of a total reliance on imported food? The DAB and I submitted a report to the Government last year and we made proposals on how to revive the local agriculture and fisheries industries. A motion was also passed in this Council. However, one year on, not only has the Government failed to launch any new policies on assisting the agriculture and fisheries industries, but it has instead imposed 47 rules to regulate the livestock industry. If any problem is found in any one out of the some 50 existing pig farms in Hong Kong, all its properties may be wiped out by the Government and its licence revoked. The industry thinks that this practice is not acceptable at all. As a matter of fact, the industry is willing to subject itself to regulation by sanitary and environmental protection rules. It is only that in the few remaining farms, owing to past blunders in planning, residential blocks were allowed to be built in close proximity of these farms, resulting in complaints made by people moved in afterwards. The blame of nuisances such as smell is put on the industry.

In fact, I said to the Government as early as in the 1980s that designated zones should be planned in Hong Kong for the development of the agriculture and fisheries industries, which included Hung Lung Hang I went to inspect the day before yesterday. But the Government said that the amount of land available for development in Hong Kong was limited and it would be difficult to allocate land for that purpose. So the proposal was left ignored. However, when the Government proposes lately to reduce the scope of the Closed Area, some farmers and enterprises with good potential say to me at once that if the Government can make good use of the land made available, provide infrastructure facilities and restrict residential development close to such land, they intend to develop rearing and farming industries in Hong Kong which can meet high hygiene and environmental protection standards. They all say that the agriculture and fisheries industries in Hong Kong have great room for development. This is especially the case given the close proximity of the rural and urban areas and the convenient transport in Hong Kong, efforts can be made to promote the development of the integration of agriculture and fisheries industries with leisure tourism activities. As in the case of the Mainland and Taiwan, other than maintaining the development of the agriculture and fisheries industries and protecting natural resources, the development of leisure agricultural and fishery activities can also be pursued. The question is whether the Government has any matching policies in place.

Apart from setting up agricultural and fishery zones in Hong Kong, last year both the industries and I enlisted government support to set up designated agricultural zones for Hong Kong on the Mainland. We also got the support of the mainland authorities to set up the first farm in Shao Guan and succeeded in bidding the third agency right for live pigs. The result is the setting up of an enterprise providing one-stop services ranging from rearing, transport to agency. This success story is helping in further developing a mode of co-operation between agriculture and fisheries industries of Hong Kong and the Mainland. The SAR Government should act in response to the aspirations of the industries and help them seek more opportunities for co-operation on the Mainland. When discussing the food quota system with the Mainland, preferential policies should be formulated to encourage Hong Kong farmers to seek opportunities for development on the Mainland.

Madam President, with respect to the development of agriculture and fisheries industries, many friends from the fisheries sector are aware that with

the depletion of inshore fishing resources and the constant rise in oil prices from the original some \$300 to some \$1,200 for 220 litres, they are like working for the oil companies when they go fishing. The result is that they find it hard to have enough for their meals. In fact, they have no other skill apart from fishing. When they stop working, they will have nothing to eat. It would be better for them to live on porridge than on westerlies and northerlies. They understand the importance of conserving marine resources, but they have no other choice and no way out. The Government is not being active enough in promoting off-shore fishing. The loans are approved only after very harsh requirements are met. Even fishermen with good resources fail in their loan applications. Some of them want to switch to engage in leisure and tourist activities. It is a pity that individual government department only sticks to the rules, refusing to allow fishing boats to carry passengers for sightseeing or providing life-experiencing services. So these fishermen are left with no choice. Before their hardships in livelihood can be eased, they find it hard to accept the proposal of a ban on fishing. Actually, the Government is well aware of what is in the mind of the fishermen. It is just that the Government is unwilling to approach the problem from the perspective of their livelihood, delays to consider measures aiming at helping the fishermen to switch to other trades and fails to crack down unlawful fishing activities. The result is that the issues of marine conservation and the livelihood of the fishermen remain unresolved, leaving all the parties a loser. I hope that when the Government is to launch any conservation measures that may affect the livelihood of the fishermen, it must address their worries effectively. Otherwise, the fishermen will find it impossible to support such measures.

As compared to the fishing industry, there is actually room for development in the aquaculture industry in Hong Kong. This is especially so when we have a geographical environment with a lot of bays and the advantage of being a transport hub. So we should have the potential for becoming a breeding and distribution base for aquatic products. Unfortunately, mariculture here is carried out mostly as a family business and there is little branding effect. There is also a lack of key distribution bases. The result is that locally cultured aquatic products are no match for foreign competitors. Although after the launching of the Accredited Fish Farm Scheme, the local aquaculture industry has identified a new direction of development and gradually built up its branding effect in a more regulated environment, speaking from the experiences of other major aquaculture areas, if the industry is to develop well, efforts must first be

put at the fish culture source and water quality improvement work must be stepped up. Fish fry breeding farms should be set up to ensure the quality and safety of fish fry. Fish fry can also be stocked and reared in the inshore waters as replenishment for fishing resources. With a quality production and regulation system, the Government should make use of the excellent geographical position of Hong Kong to develop it into a distribution centre for aquatic products. It should also set up an ecological labelling system to meet the quarantine requirements of the Mainland and the international community, thus helping local aquatic products venture into the mainland and international markets.

Apart from promoting production, the recent prolonged spells of cold weather have dealt a severe blow to the operation of local aquaculture industry. Figures from the Agriculture, Fisheries and Conservation Department show that the 24 fish culture zones and the fish ponds in Nam Sheng Wai, Mai Po, Sun Tin and Ma Tsao Lung have all been hard hit. This can be called a disaster. Over the past two weeks, a total of some 500 tonnes of fish were lost. Many fishermen tell me that the situation has been worse and far more terrible than that when massive red tides swept across Hong Kong waters in 1998. This is because at the time, there were only problems with the cultured fish and fishing was not affected. But now there are problems even with the pond fish. So the Government should think of ways to help them solve the problems. I went earlier with some fish farmers to discuss the problems with relevant departments and put forward many proposals.

I am not going to talk about those proposals in detail here. But I wish to point out that such measures have only aimed at enabling fish farmers affected to become self-reliant. They have never made any excessive demands. The assistance will not form a long-term burden on the Government. Many fish farmers tell me that it is hard for them to get any bank loans and as they operate as a family business, they are not covered by any insurance. Therefore, they can only look up to the Government for help to overcome these adversities. I hope Honourable colleagues will sympathize with them and the Government will lend its support. I believe if these fish farmers can tide over these difficult times, they will continue to provide quality and steady food supply for Hong Kong.

Madam President, I beg to move.

Mr WONG Yung-kan moved the following motion: (Translation)

"That, as the HKSAR Government does not render support to the development of the local agriculture and fisheries industries and even continues to reduce their room for survival, causing Hong Kong to depend almost totally on the Mainland and other areas for its food supply; with the increased spending power of people on the Mainland, coupled with the tight supply of food due to various factors affecting food production, directly resulting in the decrease in the quantity of food supplied to Hong Kong, and as the role of local agricultural and fishery products as a supplementary source of food supply in the past has significantly diminished, people in Hong Kong are suffering severely from the recent substantial increase in food prices; as such, this Council urges the Government to seriously study the strategy on food supply to Hong Kong, redefine the appropriate role of the local agriculture and fisheries industries and put forward relevant measures, so as to ensure a stable supply of quality and safe food for the community; the relevant measures should include:

- (a) studying the zoning of designated areas for exclusive use by the agriculture and fisheries industries, once again enabling the agriculture and fisheries industries meeting hygiene and environmental requirements to develop in a sustainable manner, and further developing organic farming in Hong Kong;
- (b) formulating policies on the sustainable development of the agriculture and fisheries industries, assisting the local capture fishery to develop in the off-shore direction, developing the local quality aquaculture industry, and studying the development of Hong Kong into a distribution centre for aquatic products, so as to tie in with the development of the aquaculture industry;
- (c) keeping in tune with the major development trend of the international agriculture and fisheries industries, striving to improve the ecological environment in Hong Kong, and stepping up efforts to promote the development of the integration of agriculture and fisheries industries with leisure activities;

- (d) strengthening the quality management, integrated scientific research and development and professional training in the local agriculture and fisheries industries, so as to make available sufficient professionals for the industries and ensure that local agricultural and fishery products are of high quality and safe; and
- (e) establishing a fast-track vetting mechanism for providing emergency relief to operators in the industries affected by natural disasters, and taking into account the scale of operation and business-related price indexes in relaxing the restriction on the provision of relief to the industries and assisting those affected to resume operation, as well as setting the interest of various loans related to the agriculture and fisheries industries at a standardized low rate, so as to support the development of the industries.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Mr WONG Yung-kan be passed.

PRESIDENT (in Cantonese): Mr Fred LI will move an amendment to this motion. This Council will now hold a joint debate on the motion and the amendment.

I now invite Mr Fred LI to speak and move his amendment to the motion.

MR FRED LI (in Cantonese): Madam President, when the motion on "Developing offshore fishing industry", which was also moved by Mr WONG Yung-kan, was discussed at a Legislative Council meeting in the 2002-2003 Session, I had already pointed out, with the substantiation of data, that the share of the local agriculture and fisheries industries as a percentage of Hong Kong's Gross Domestic Product (GDP) had dropped from 0.8% in 1980 to 0.1% in 2000. Recent information provided by the Government in respect of the Legislative Council (Amendment) Bill 2007 also shows that, the share of local agriculture and fisheries industries as a percentage of the GDP still stands at only 0.1%. So, it can be seen that among different functional constituencies, the share of the local agriculture and fisheries industries as a percentage of the GDP is apparently the smallest.

Reading through the budget of this year, I learnt that the departmental expenses of the Agriculture, Fisheries and Conservation Department (AFCD), which are directly related to the agriculture and fisheries industries, amount to \$460 million. This shows that in spite of the dwindling agriculture and fisheries industries, the AFCD still renders them with the support that is not little to us. For this reason, I cannot agree with the original motion which states in the outset that the Government does not render support. We can say that the support is not strong or not active, but it is unacceptable to say that the Government does not support.

The significance of the agriculture and fisheries industries in the economy is gradually diminishing, which is mainly attributable to the urbanization of Hong Kong. Although idle farmland in the New Territories has become sites for disposing electronic wastes, the Vice-Chairman of the Heung Yee Kuk, Mr CHEUNG Hok-ming did not propose the conversion of the farmland to agriculture land during a recent interview on television, but instead suggested that low-density residential developments should be provided. Since even the Vice-Chairman of the Heung Yee Kuk did not bother to raise the relevant proposal, I do not see how they support the agriculture and fisheries industries. No one can bring back the old golden days. What we can do is to preserve the agriculture and fisheries industries' room for survival, or enable people engaging in the industries to find a way out by transforming their operations.

Seeing that the recent tight supply of food has driven up the prices, we must ask ourselves whether it is desirable for Hong Kong to depend totally on imported food to cater for the need of the people. So, I have proposed in the amendment that the public should be consulted in considering the strategy on food supply, so as to examine the role to be played by the local agriculture and fisheries industries.

The next part deals with the bill on the protection of agriculture and fisheries industries. A couple of years ago, the Government consulted this Council on an amendment to provide for the sustainable development of the fisheries industry. The Committee on Sustainable Fisheries was eventually formed and was required to submit a report after 18 months. It is expected that the report will be submitted to the Secretary in the middle of this year. On receiving the report, I hope that the Secretary will expeditiously proceed with the relevant legislative amendment for submission to the next term Legislative Council for examination as early as possible.

To maintain the sustainable development of the fisheries industry, we must first gain a good grasp of the ecology of Hong Kong waters. With incessant reclamation and pollution, it is absolutely impossible to get sizeable fish catch within Hong Kong waters nowadays. A consultancy study conducted by the University of British Columbia's Fisheries Centre, which was commissioned by the Government, revealed that as a result of over-fishing in local waters, species that were used to be active in Hong Kong, such as lobsters and red groupers — Madam President, just like this one (showing a picture), which is so beautiful and delicious, are already extinct. This kind of red groupers is now nowhere to be seen in Hong Kong, let alone lobsters. Hong Kong used to have a beautiful natural harbour, but many quality fish species have left us many years. There is a genuine need for us to strike a proper balance between the ecosystem and the livelihood of the fishermen, so that Hong Kong waters can revitalize and the fishermen can maintain a decent life.

Let us look at another picture. What do the fishermen get within Hong Kong waters lately? Rubbish, empty shells or inedible urchins. Even if the fishermen fish at sea, it is practically very difficult for them to get good fish catch within Hong Kong waters. So, we hope that the Government will carefully consider establishing "fisheries protection areas" and "no-take zones" in Hong Kong. In fact, the Government had made two proposals in 2004. The first one aimed to designate Porter Shelter, Tolo Harbour and Channel, that is, Hong Kong waters to the eastern part of the New Territories, as Fisheries Protection Areas where trawling would be banned, with the exception of leisure fishing (pure angling), and to tie in with the fishing moratorium of the Mainland. The second one aimed to respond to the fishing moratorium implemented by the mainland authorities in the South China Sea by doing likewise within Hong Kong waters in parallel. In other words, trawling and purse-seining operations would be banned in Hong Kong waters every June and July. Although there is still a certain distance between these two proposals and the proposals made by the green bodies (especially the WWF Hong Kong), the Democratic Party considers the broadbrush approach promoted by the WWF unrealistic. And yet, we must have a starting point after all.

Given that it is the Government's intention to do something for the sustainable development of the fisheries industry and the public aspiration to establish the Fisheries Protection Areas, the Government should expeditiously formulate a timetable to put these ideas into practice. Meanwhile, it also has to prepare for the transformation and switching of occupation of the fishermen, and

provide assistance to them. This is precisely the objective of my amendment. The ban on trawling is, I believe, the major international trend. According to government information, countries having no-trawling zones include Australia, the United Kingdom, Canada, France, the United States and the Philippines, whereas those prohibiting trawling in inshore waters include the Mainland, Italy, Taiwan, Malaysia and Thailand. Indonesia, on the other hand, implements a total ban of trawling, where all kinds of trawling are prohibited. Yet, this is a very rare case. Trawling, however, is apparently detrimental to the different organisms and species living under the sea. In this light, no trawling operations should be allowed anywhere in Hong Kong in the long run.

While the ban on trawling will result in an immediate drop in fish catch, it will nonetheless bring long-term benefits to the marine ecosystem of Hong Kong. Looking from a macro viewpoint, it is beneficial to the environment, the people and the fishermen. Further hesitation in implementing measures to protect our waters will only make the life of the fishermen more difficult, and that improvement is not expected in the near future. Is that what we wish to see?

Both items (c) and (e) of the amendment concern the provision of assistance for the trades. The AFCD has all along been operating four funds to provide low-interest loans to the fishermen for the transformation and even sustainable development of the fisheries industry, as well as for general production purpose. Among which is the Fisheries Development Loan Fund that involves transformation, so that capture fishermen can develop offshore fishing, leisure fishing, fish farming, fish transportation and even fisheries product processing. However, as far as I understand it, such application is subject to many conditions and the proposed transformation is not as easy as one imagines. What is more, the Loan does not cover a switch in occupation. Should a fisherman wishes to switch his work from the sea to the land, he will have no choice but to join some retraining programmes. I am not opposed to relaxing the restrictions of the existing loans, but opine that the establishment of new funds can be considered to help the fishermen transform their operations and even switch occupation.

Insofar as the provision of emergency relief to the trade is concerned, as a large amount of fish froze to death during the cold weather these days. Such a natural disaster is similar to the outbreak of avian flu in the past, where the Government had extended its helping hand and applied to the Legislative Council for funding, which was also supported by all of us. We opine that in cases of natural disaster, public funds will be used whenever we consider appropriate to

tide over the difficulties of the trade. We also consider that the Government should utilize public resources prudently, which is the appropriate attitude of utilizing public funds. We therefore propose the above amendment.

Madam President, I so submit.

Mr Fred LI moved the following amendment: (Translation)

"To delete "the HKSAR Government does not render support to the development of the local agriculture and fisheries industries and even continues to reduce their room for survival, causing" after "That, as"; to delete "to depend" before "almost totally" and substitute with "has to depend"; to delete "as the role of local agricultural and fishery products as a supplementary source of food supply in the past has significantly diminished," after "quantity of food supplied to Hong Kong, and"; to add "consult the public," after "urges the Government to"; to add "expeditiously introducing a bill on the protection of agriculture and fisheries industries," after "(b)"; to add "including setting timetables for the designation of 'fisheries protection areas' and 'no-take zones' in Hong Kong so that marine biodiversity in Hong Kong waters can be preserved in a state of respite," after "the sustainable development of the agriculture and fisheries industries,"; to add "in rebuilding" after "assisting"; to delete "to develop" after "the local capture fishery" and substitute with "and its development"; to add "protect and" after "striving to"; to delete "stepping up efforts to promote the development of the integration of agriculture and fisheries industries with leisure activities" after "the ecological environment in Hong Kong, and" and substitute with "setting up a fund to facilitate the transformation of the local agriculture and fisheries industries, and developing non-exploitative ecological and leisure activities"; and to delete "in relaxing the restriction on the provision of relief to the industries and assisting those affected to resume operation" after "price indexes" and substitute with ", and under the principle of effective utilization of public funds, in offering assistance to the industries prudently"."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mr Fred LI to Mr WONG Yung-kan's motion, be passed.

SECRETARY FOR FOOD AND HEALTH (in Cantonese): Madam President, first of all, I would like to thank Mr WONG Yung-kan for proposing this motion. I recall about eight months ago, Mr WONG also proposed a motion on "Promoting the sustainable development of local agriculture and fisheries industries". We discussed how the fishermen and farmers could be assisted to transform their operations, venture into the Mainland and establish their own brands and so on, so as to promote sustainable development. The motion today provides us with another chance to discuss in this Council the development of local agriculture and fisheries industries.

Hong Kong has its origins in a fishing village and for a long time the public is sentimentally attached to the local agriculture and fisheries industries. Due to competition from outside the territory, economic restructuring in Hong Kong and other environmental factors, the operation of agriculture and fisheries industries in Hong Kong does face some challenges. However, the changing environment also brings new opportunities. Along with a more affluent society, people have increasingly high expectation of food safety and quality. Local agricultural and fishery products with superior quality are well-received by the public. Also, the integration of Hong Kong with the Guangdong Province in economic and trade matters has created new business opportunities for local fishermen and farmers. Now the local pig farmers can open pig farms on the Mainland and exploit the advantage of the abundant human and land resources there and engage in operations of a larger scale.

The motion says that "the HKSAR Government does not render support to the development of local agriculture and fisheries industries and even continues to reduce their room for survival". This view is open to question. On the contrary, we have always kept in close contact and maintained dialogue with the local agriculture and fisheries industries to strive for the drawing up of proper and feasible policies and measures, so as to promote the development of these industries.

The Food and Health Bureau and the Agriculture, Fisheries and Conservation Department (AFCD) have always rendered assistance to the local agriculture and fisheries industries to seek business opportunities and open up markets under the present geographical and economic constraints. The Bureau and AFCD have also played an active role in promoting sustainable development. The recurrent expenses of the AFCD in promoting the development of the local agriculture and fisheries industries amount to \$137 million in this financial year alone, including the provision of technical

assistance and guidance to the industries, the establishment of brand names and product promotion. The Government's recognition and support for the agriculture and fisheries industries are apparent.

Madam President, these are my remarks for the time being. After listening to views expressed by Members on this motion, I would respond to them one by one. Thank you, Madam President.

MR TOMMY CHEUNG (in Cantonese): Madam President, this is not the first time that Mr WONG Yung-kan has moved a motion concerning the development of the agriculture and fisheries industries. However, the wording used today is somewhat different. He used the word "rebuilding". This seems to imply that the agriculture and fisheries industries in Hong Kong are already in decline and in a debilitated state and needs to be rebuilt urgently. Otherwise, they will vanish at any time.

I fully understand such an anxiety and I concur with it. Although the authorities often talk about supporting the sustainable development of the agriculture and fisheries industries, I found that sometimes, the authorities did exactly the opposite. In recent years, the authorities have adopted a hardline stance on the implementation of central slaughtering of live poultry and this is causing the live poultry industry to "dry up" gradually.

The authorities must understand that the workforce in the local agriculture and fisheries industries is not big but it is not small either. The number of workers stands at tens of thousands and most of them have been in these industries for many years, so it is not easy for them to switch to other industries. Since the Government agrees that it is necessary for the agriculture and fisheries industries to undergo transformation to tie in with urbanization, it has the responsibility to formulate forward-looking policies and support measures to assist workers in these industries to switch to industries related to their former ones, so that they can embark on a course of more advanced and professional development, instead of leaving them to lose out in competition, thus pushing them to join the ranks of the unemployed.

In the past year, food prices in Hong Kong were on the increase and news of the short supply of live pigs and live chickens circulated from time to time. At 3 pm today, the news concerning live pigs, saying they are in short supply has

just been released. Not just housewives are highly concerned about the across-the-board price hikes of food in markets, I am equally concerned. With soaring prices on everything, food choices available to the Hong Kong public are getting less. I cannot help but ask if we really want live chickens and live pigs to vanish from Hong Kong.

Be it type A influenza or avian flu, they all exist in nature and there is no way of completely eliminating them. The key is whether or not a proper job is done in personal and environmental hygiene, disease prevention and surveillance system.

In the past few years, in the face of the threat from avian flu, the live poultry industry and the Government have done a good job in hygiene and safety measures. As a result, there is no sign of avian flu except among wild birds. Should we not look further ahead and allow modernized live poultry farms having high hygiene and environmental standards and the ability to repel incursions by wild birds or viruses to operate in Hong Kong? I will adopt an open attitude towards this.

I understand that Hong Kong is an international city with a small area and a large population. From the angle of hygiene, it is not possible for us to revert to an agricultural society. However, given our environmental resources and talents in the agriculture and fisheries industries, Hong Kong absolutely has the capability and potential to follow the world trend of moving towards modernization and developing high value-added agricultural products.

In fact, the agriculture and fisheries industries in many advanced countries and places have long developed in the high value-added direction. Moreover, quality brand names have also been established. To take Japan as an example, there are many farms renowned for very high standard of hygiene and quality products. Not only can these farms drive up export, a large number of tourists are also attracted to travel to these places to savour delicacies prepared from fresh agricultural products, thus successfully integrating the development of agriculture and fisheries industries with leisure travel industry.

Hong Kong carries the mantle of the Culinary Capital. Whether or not it can retain this status in future depends on whether or not there are any quality

and innovative food brand names in Hong Kong. Without live chickens, a heavy blow will surely be dealt to the catering industry in Hong Kong. So, it is imperative that the authorities think of a way to remedy this as soon as possible.

We often say that we highly appreciate the efforts of the Agriculture, Fisheries and Conservation Department (AFCD) in having frequent exchanges with the agriculture and fisheries industries in Hong Kong and providing support to them by monitoring product quality and safety, so that Hong Kong enterprises can establish a good reputation. Therefore, the accomplishments of the AFCD must not be overlooked.

However, if the authorities want to rebuild the local agriculture and fisheries industries, it is not enough to rely solely on the AFCD. Long-term planning and assistance involving inter-departmental efforts and an all-round policy are required. As proposed in today's original motion, the measures include improving the conservation of the ecological environment in Hong Kong, enhancing scientific research and development and professional training in the high value-added agriculture and fisheries industries, providing low rate loans to people who are interested in the development of high value-added agriculture and fisheries industries and promoting high value-added agricultural products and leisure travel as Hong Kong's new brand names through education and publicity.

Lastly, I wish to comment on point (e) of the original motion, which is related to the establishment of a fast-track vetting mechanism for providing emergency relief to operators in the industries affected by natural disasters. I support this point because it coincides with my stance in the motion on putting in place relief measures and compensation policies for the live poultry trade moved by me in late 2006.

Natural disasters such as epidemics have also victimized the industries. For instance, the incident of avian flu dealt a very severe blow to the live poultry industry. It will be desirable if the Administration establishes a systematic emergency assistance mechanism to help the industries resume operation at the crucial moment, so that they will not lack the opportunity to stand up again as a result of natural disasters.

Unfortunately, since the passage of my motion in 2006, the authorities have so far refused to make any undertaking on such an assistance mechanism. Recently, there has been talk of the recurrence of avian flu cases on the

Mainland. If the outbreak spreads, the authorities will ban the import of live chickens again. Are the authorities going to look on as the trade struggles for survival? In that event, tens of thousands of employees in the live poultry industry will again be forced out of work. Long-term "casual workers" will fare the worst. They have nothing to live on if they stop working. And I am really not optimistic as to whether Hong Kong's live poultry industry can pull through. In view of this, for the sake of the sustainable development of the agriculture and fisheries industries, I again urge the authorities to establish a fast-track vetting mechanism for providing emergency relief to meet the occasional needs of the agriculture and fisheries industries.

Madam President, I so submit.

MR CHEUNG HOK-MING (in Cantonese): Madam President, the motion moved by Mr WONG Yung-kan today once again reminds the Government of the need for Hong Kong to have a long-term strategy on food supply and a policy of sustainable development for the agriculture and fisheries industries. When compared with the inland area, Hong Kong possesses many advantages in the development for the agriculture and fisheries industries, for example, its geographical location and climate and the availability of quality scientific and technological research talents. However, it is still necessary for the Government to provide appropriate assistance and support for the agriculture and fisheries industries in Hong Kong to concentrate on high value-added and high-quality products.

In view of the current development trend in Hong Kong, it is true that it is not possible for local primary produce to return to the past situation of making Hong Kong self-sufficient. However, it can at least supplement the insufficient food supply from other regions, so that the food prices and supply in the market in Hong Kong can remain relatively stable. In the past, the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB) has made a number of recommendations on rebuilding the local agriculture and fisheries industries, such as developing leisure agriculture and fisheries industries, the zoning of designated areas for exclusive use by the agriculture and fisheries industries and promoting organic farming. We hope the authorities can give them consideration in a pragmatic manner.

It is not the case that leisure agriculture and fisheries industries are emerging industries. Surrounded by the sea, Hong Kong has quite a few famous fishing villages such as Tai O, Kat O and Po Toi O which are familiar to us. Their beautiful coastlines make them ideal sightseeing points and give them the potential for developing leisure fisheries industries. We hope that the Government can conduct studies in this regard.

At present, there are several leisure farms in the New Territories but their development is limited by the restrictions on agricultural land use. If the authorities can consider relaxing the restrictions on the land use of such agricultural land, allowing the construction of farm inns and the provision of other ancillary services such as restaurants and recreational activities, these farms can surely attract more tourists, who will extend their period of stay. Together with wider publicity, leisure farms can be developed into one of Hong Kong's tourist attractions.

Regarding the land released after the opening up of the Closed Area, some of the spots can be zoned as designated areas for use by the agriculture and fisheries industries through professional planning. Eco-friendly infrastructure can be put in place and investments and new technologies can be introduced to improve the production mode and product quality of the agriculture and fisheries industries in Hong Kong, so as to increase the supply of products. If we look at the governments in other regions, they all provide substantial subsidies to their agriculture and fisheries industries. The SAR Government can consider providing subsidies in the form of land or funding to encourage non-governmental organizations or Hong Kong's tertiary institutions to conduct studies on agriculture and fisheries products, train professionals for the industries and strengthen quality management, so as to ensure the reliability and safety of local agricultural and fishery products and develop quality brand names for Hong Kong products.

As early as 2000, the Government has already implemented the Organic Farming Conversion Scheme. Unfortunately, so far, only 60 farms have been successfully transformed. I hope that the Government can expand the scope of assistance in transformation, so as to minimize the difficulties faced by farmers in the course of transformation, establish a labelling system for organic produce, establish a database, promote a recognized certification system to the public, enhance the education on the identification of organic food, assist in the promotion of local organic produce and improve sales and marketing channels.

Madam President, Mr WONG Yung-kan has raised subjects of this nature time and again in this legislature and it is true that the SAR Government has taken some follow-up measures in response. However, the problem is that the force of these measures is somewhat inadequate. When the agriculture and fisheries industries are labelled as declining industries, we cannot stand on the sidelines and look at their slow demise apathetically. As the saying goes, we should always prepare for rainy days. Food is the most basic need in life. If the situation develops to such a stage that all the food supply to Hong Kong has to rely entirely on other places, in the event that the food supply to Hong Kong is affected by various factors, this will cause social instability and other terrible situations. If we look at the developed economies in the world, a set of agriculture and fisheries policies have been put in place in all of them because there is a deep appreciation of the importance of food. I hope that the SAR Government can handle this problem prudently, so as to do something practical for the sustainable development of the agriculture and fisheries industries at an early date and provide more secure living conditions to the Hong Kong public.

Madam President, with these remarks, I support the original motion.

MR DANIEL LAM (in Cantonese): Madam President, the Heung Yee Kuk is of the view that the preamble of this motion is a clear and concise account of why people of Hong Kong are suffering so much from the recent soaring of food prices. The Government is duty-bound to do its utmost to solve this livelihood problem, which so closely affects the common masses. The Government must also make immediate and active efforts.

During the consultation on the 2008-2009 Budget, the Heung Yee Kuk advised the Government to "assist in agricultural restructuring to shape a new Hong Kong economy". The essence of this proposal is in line with the advocacy of the motion today. On behalf of the Heung Yee Kuk, I shall express views on the sustainable development of the local agriculture and fisheries industries, in particular the former.

Madam President, as a result of economic restructuring and the adjustments of policies and planning, the local operators have lost any room for survival. And agricultural lands and livestock farms are deserted. The soaring prices of foodstuffs from the Mainland have thus exerted exceptionally great pressure on Hong Kong people. For this reason, assistance in agricultural

restructuring, revitalizing deserted lands and creating new economic opportunities is very important to the protection of people's quality of living and the promotion of employment and economic development. Article 119 of the Basic Law provides that the Government of the Hong Kong Special Administrative Region shall formulate appropriate policies to promote and co-ordinate the development of agriculture and fisheries industries. This can show that the Central Government attaches very great importance to the agriculture and fisheries industries of Hong Kong.

The Heung Yee Kuk is of the view that at this very time when the Government is in possession of huge fiscal surpluses, it should grasp the opportunity and establish an agricultural development fund, so as to develop high-tech agricultural activities. The fund should be open to all, so as to render support to non-governmental organizations or individuals for the sustainable development of community-based agricultural activities. With the rising awareness of environmentalism, personal health and food safety, and as long as appropriate policies can be implemented, the agriculture industry will become highly attractive and it will be easy to gather the required human resources again.

Madam President, Hong Kong should develop a health food industry, so as to provide interactive support to environmentalism and conservation. Organic farming should be promoted. And, even vacant factory buildings should be converted to indoor farms to promote the development of high-tech agricultural activities such as the production of high value-added health food. That way, the agriculture industry can develop in line with ecological conservation, people's livelihood needs and economic activities. Lastly, the Government should invest in the promotion of local agricultural research on the establishment of an organic matters recovery system suitable for the local context, a seeds bank of local agricultural produce and new distribution channels for local agricultural produce, so as to turn the agriculture industry into part of Hong Kong's sustainable development.

I am of the view that employment — production — product — consumption are all the integral and inter-dependent segments of a whole chain. The rebuilding of the local agriculture and fisheries industries will not only ensure a stable supply of quality and safe food for the public but will also bring forth new types of industries and various economic benefits. As the statutory advisory body on New Territories affairs, the Heung Yee Kuk is duty-bound to

give its views on the development and promotion of high-tech agricultural activities and the use of land resources in the New Territories. And, it is also happy to offer assistance to the Government.

Madam President, I so submit.

MR VINCENT FANG (in Cantonese): President, on the surface, it seems that the retail and wholesale sectors are just about import. But in fact, they are precisely the downstream industries of the functional sector represented by Mr WONG Yung-kan. The agricultural produce and animal husbandry products of his sector must be given to the retail and wholesale sectors for distribution to the public. These two industries are actually interdependent. For this reason, I support both the original motion and the amendment.

However, owing to the scarcity of land resources and urbanization in Hong Kong, and also because of the increase in diseases originating from animals, such as avian flu and Japanese encephalitis, we must admit that it will be rather difficult to promote the development of the local agriculture and fisheries industries.

Therefore, I am of the view that in order to ensure that the supply and prices of food for Hong Kong people can both be stable, the Government should co-operate with the relevant industries to increase the channels of food supply, so as to maintain supply stability. In this way, prices will naturally become stable, thus benefiting the public.

In the original motion, it is proposed to designate areas for exclusive use by the agriculture and fisheries industries. From the perspectives of hygiene and infectious disease control, the concentration of poultry and livestock industries in designated areas will result in higher risks. Therefore, we think that it is necessary to communicate with the relevant industries and the general public first.

I am more in support of the idea of giving stronger assistance to local farmers in developing high value-added and organic produce, so as to upgrade their technologies and increase production and supply. Owing to people's increasing demand, there is huge room for developing the production of wholesome and upmarket foodstuffs. And, such a direction is also in line with the principle of optimizing the economic value of our limited land resources.

In order to prevent the sale of bogus organic produce, we hope that the Government can establish a regulatory "organic agricultural produce labelling system". Besides, the wholesale right should also be liberalized to create a larger number of convenient sales channels. That way, more people in the industry will be able to engage in the sale of such products, thus ensuring that consumers can buy genuine organic produce.

When it comes to the fisheries industry, I wish to declare that I am a member of the Committee on Sustainable Fisheries of the Agriculture, Fisheries and Conservation Department. In principle, I support the sustainable development of the fisheries industry to ensure stable supply, especially quality aquaculture. In the past, during similar motion debates, I advocated that in order to assist those local pig farmers affected by the Government's policies in continuing with their operation, the Government should assist them in establishing pig farms in the Mainland. I also advocated that through CEPA, pig farmers should be helped to import back to Hong Kong products that could meet our requirements. I am very glad that my advocacy has been successfully implemented. I therefore hope that this successful experience can be applied to other agriculture and fisheries products.

As for off-shore fishing industry, we were also in support of its development. For this reason, in 2006, we agreed to increase the Fisheries Development Loan Fund from \$100 million to \$290 million. However, some \$200 million is still left unused. When the appropriation request was put forward, it was said that there was an urgent need, but why has it turned out that no one wants to borrow the money? Is the application threshold too high? Or, is that because very few people now engage in off-shore fishing?

As far as my understanding goes, the number of people engaged in off-shore operation has indeed been decreasing. Rising fuel prices have led to soaring operating costs, so the number of people who is willing to engage in this industry has decreased very drastically. I therefore hope that the Government can conduct a review of this problem first.

Therefore, both the Liberal Party and I have some reservations about the setting up of a fund to facilitate the transformation of the local agriculture and fisheries industries as proposed in the amendment. As we all know, there are at least as many as seven funds for assisting the agriculture and fisheries industries.

In this legislature, I once expressed the hope that the Government can set up a special fund for the live and fresh food industry, so as to assist its transformation and those affected by government policies and also to offer assistance to the farmers, aquaculturists, importers, wholesalers and retailers of the live and fresh food industry who encounter difficulties not uniquely related to their businesses. The proposal was supported by colleagues of this Council, but the Government has been putting up various excuses for not doing so.

The snowstorm in the Mainland has led to huge losses of agriculture and fisheries products, and those Hong Kong people having investments in the supply and purchasing of these products there have also suffered. Any natural disaster like the snowstorm or the occurrence of problems related to Malachite green, for example, will similarly affect wholesalers and retailers. They may lose their Sources of supply, and they must even spend more resources on looking for new supply channels. After all, business considerations aside, they must also ensure a stable food supply for Hong Kong people.

I therefore hope that when considering the provision of any assistance or support to strengthen the whole chain of food supply, the Government must not favour one particular segment and ignore another, because all in the food supply chain have been playing an important role in maintaining the stable development of our society and economy.

I so submit. Thank you, President.

MR WONG KWOK-HING (in Cantonese): Madam President, in recent years, there have been repeated occurrences of inadequate supply of imported live pigs, live cows and live chickens, and so on. As a result, food prices go up substantially, thus further aggravating the financial burden of the people in meeting daily living expenses. Earlier on, the snow disaster on the Mainland affected the crop yield as well as the transport network. Consequently, the food supplies in Hong Kong have become very tight. Food imported from places outside the territory accounts for 95% of the food in Hong Kong, and most of them are imported from the Mainland, whereas locally produced and supplied food only constitutes an extremely small proportion. In terms of prices and supply, we do not have any control in our hands. Once problems occur in our

food supply, the ordinary people will have no alternative but to put up with the expensive meats and vegetables — we are simply at the mercy of other people.

Madam President, in fact, apart from the surging food prices due to its inadequate supply, the reliance on the importation of food from places outside the territory also makes us subject to certain food safety risks. We have ample experience of this some two years ago. Since our excessive reliance on the importation of food from places outside the territory can lead to so many problems, why does the SAR Government not try changing its strategy through promoting the development of the local agriculture and fisheries industries? In this way, we can enjoy certain stability of food supply on the one hand, and we can also supervise the quality of such food at sources on the other; and in doing so, we can ensure food safety.

In the past, on the ground of environmental hygiene, the Government has all along adopted the attitude of "abolition" in dealing with the local agriculture and fisheries industries. It has made use of financial offers to lure livestock and poultry farmers to surrender their licences, in the hope of reducing the number of such farmers as far as possible. It is reported that only 52 poultry farms and 46 pig farms are still operating, whereas 400 farms have already been left vacant. In fact, if the Government is willing to make some efforts to do a good job in managing environmental hygiene, the agriculture industry is definitely worth our effort to promote its development, and there should be room and scope of its development in Hong Kong. The Government should not arbitrarily think that, in a commercial city like Hong Kong, no one is willing to engage in industries like farming and fish breeding. The major trends in the world are changing and many people realize the importance of eating healthy food. This is really the golden opportunity for re-developing the local agriculture and fisheries industries.

Madam President, in recent years, organic fruits and vegetables are very popular among the people, and their potential cannot be overlooked. I know that the Agriculture, Fisheries and Conservation Department has actively promoted organic farming to farmers in recent years, and has provided them with pertinent equipment and technical support. The Department has also organized some organic agricultural products fairs or some local agriculture and fisheries gourmet carnivals, and so on. The responses have been very good and they are well-received by the public. This serves to show that local agricultural and fishery products do have their own markets and development potential.

Lots of special efforts have been made in the culturing, quality assuring and supervision processes of such food, and the entire processes are also conducted in a very stringent manner. Such food provides better quality and protection than those imported from the Mainland. Although the authorities have already provided some support with regard to equipment and the technical aspect, and they have even made attempts to organize agriculture fairs to promote such agricultural and fishery products, it seems the intensity of their efforts leaves much to be desired.

For example, with regard to the sales network, the authorities can actually assist them in many different ways. Although these farmers can produce very good products, they do not have sufficient capability of building up a good sales network, so as to sell such products extensively in the market. With their mediocre resources and manpower, these farmers really cannot establish a good sales network in Hong Kong. They are really in need of assistance from the Government.

Regarding the rearing of livestock and poultry, there are in fact some dedicated farmers who intend to explore new development in this area while conforming to environmental hygiene requirements. For example, earlier on, it was reported that some farmers had started rearing beef cattle in Hong Kong on a trial basis as the rearing of cattle will cause relatively less pollution to the environment. What worries them most is that the Government may impose all sorts of restrictions in order to wipe out them, as if in the cases of the pig rearing industry as well as other poultry rearing industries. After all, the Government must first change its attitude towards the industries. If it does change its attitude, it can already be counted as rendering very great assistance to the industries.

Apart from the agriculture industry, the development of the fisheries industry should not be overlooked either. The Government should formulate policies for sustainable development of the fisheries industry, and develop the local quality aquaculture industry.

I hope the Government can re-develop the local agriculture and fisheries industries. This will not only reduce our reliance on food imported from elsewhere, so as to enhance the stability of our food supply, but it will also offer greater protection with regard to the quality of food. By then, the people can buy food at more reasonable prices and can consume food with greater ease of

mind. It may even create a way out for Hong Kong to achieve a dual economy. In fact, Hong Kong is badly in need of such labour-intensive developments. I hope the Secretary can take this into consideration.

Madam President, in considering the motion and the amendment of today, we shall support the original motion, but not the amendment because Mr Fred LI's amendment has removed the soul of Mr WONG Yung-kan's motion. The soul of the original motion is to urge the Government to formulate a long-term policy for developing the agriculture and fisheries industries, and to criticize the Government for not rendering support to the development of the local agriculture and fisheries industries. However, Mr Fred LI has deleted exactly this comment. Therefore, we have no reason to support an amendment that has removed the soul of Mr WONG Yung-kan's motion. Therefore, we shall support the original motion, but shall abstain from voting on the amendment.

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

MR LEUNG KWOK-HUNG (in Cantonese): President, earlier on, our discussion touched upon social enterprises. I think if we operate social enterprises in Hong Kong, we can surely consider operating such enterprises in the agriculture and fisheries industries. But if we think about the issue in greater depth, we would realize that, given the Government's current economic policies, definitely it will not adopt such a course of action. As mentioned by Mr WONG Kwok-hing, even if people in the agriculture and fisheries sector can develop their own production lines, they will not have any sales lines. Let us consider this: Consortia that monopolize the supermarket business did not sell wet goods in the past; perhaps since the estate we were living in had our own market, so the supermarkets were not allowed to sell wet goods. However, after coining some new terms, they can sell wet goods and chilled meat as well now.

Housing estate markets and ordinary markets are on the demise. Having production lines but no retail outlets equals to something going wrong with a person's digestive system and excretory system. The Government's policy is to bring about the demise of traditional markets, and force customers to shop at supermarkets controlled by major consortia. If this policy remains unchanged, there is nothing we can say about the development of local agriculture and fisheries industries. Small operators can never compete with such large

consortia in terms of manpower, financial strengths and resources. What is the strategy of such large consortia? Their strategy is to monopolize the market — they will first attract customers to buy from them by offering extremely low prices or good concessions, so as to drive small operators out of the market, and they will then raise the prices gradually. I know, not only operators in the agriculture and fisheries sector, who are not organized and without representatives, are being subject to such treatment, even some distributors have to pay display fees when dealing with supermarkets — be they sell books or pigs for a living, they are all subject to such treatment. Therefore, in the face of such a situation, if we do not solve this major problem of monopolization by consortia, everything we say will be in vain.

Our Government does not have any agriculture and fisheries policies. If we say that it does have a hidden agriculture and fisheries policy, then it is a policy of leaving the industries to their own destiny — if they are on their demise, then let them perish; if they can survive, then let them stay. I had once said in this Council that, I had met a friend on the football field (a teammate who played football together with me) who was a fisherman. He once wanted to process with his registration documents in Africa, but he failed probably because the Africans did not know anything about such registration documents. So he brought the worn-out registration documents back to Hong Kong for processing, but he could not do it after trying for a very long time. In the end, he had to give it up. With such government policies, how can the local agriculture and fisheries industries have any development?

On the issue of food supply, the Government's policy is very simple — just leaving it to the market. If the problem cannot be solved by the market, who will eventually suffer? The consumers. All the consequences will be passed onto the consumers. Next on the victim list will be those who do not have adequate financial capabilities and resources.

Members, our political circumstances also pre-determine that the so-called farmer subsidy or fisherman subsidy, which many Honourable colleagues have spoken extensively about, cannot be implemented. Why? How many votes are there in the agriculture and fisheries sector? How many such votes are there in the Chief Executive election? How many such votes will there be in an election by universal suffrage? The answers are evident to everyone. So no one would care particularly for them. However, the Government has forgotten one thing. In trying to solve the unemployment problem or the problem of

expensive living expenses for consumers due to the monopolization of the sales network, or to put it in fairer terms, if the Mainland, being our major supplier of agricultural and fisheries products, fails to maintain the standards of such products by way of exercising quality control, who will be the victims? If such supplies are not supplemented by those from the agriculture and fisheries sector in Hong Kong, which provide some competition, how can the prices in the market be adjusted? We cannot always rely on some outdated policies which allow certain mainland agencies to centralize the purchase and sale of goods, so as to support and ensure the normal supplies, which are also inexpensive to Hong Kong. This is not a good arrangement. In allowing such practices, we are actually taking advantage of our compatriots on the Mainland.

So, who is responsible after all? The Government must abandon the concept of according top priority to the property sector, while the lowest priority to the agriculture and fisheries sector. The Government must also abandon the practice of relying on the large consortia for the supplies of food, which is indispensable among the basic necessities such as clothing, food, housing and travelling. If the Government does not have such policies in place, Secretary Dr York CHOW will have to "cook meals without the cooking ingredients" because even if he agrees with my suggestion, how can he obtain the allocation of funds from the budget to implement the measures? Therefore, this is not a temporary issue. It is an issue of how we treat the situation. If anyone says that it is possible to develop the ailing local agriculture and fisheries industries into some foreign exchange-generating industries, it is just a wishful thinking. If the Government refuses to take even one step forward, and if the consortia also refuse to take one step forward, how can we bring about any development at all?

Therefore, in my opinion, even if Secretary Dr York CHOW cannot call the shots, he still has to tell the SAR Government that it must make an open clarification to Hong Kong people: Is it working for the consortia or for the consumers?

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

MR ALAN LEONG (in Cantonese): President, there is a motion debate on the development of the agriculture and fisheries industries every year in this

Council. After so many years of discussion, though the Honourable colleagues from different political parties and groupings sometimes have completely different political stance, I think they have generally reached a consensus on this matter, that is, having vital local agriculture and fisheries industries that can sustainably develop is not only beneficial to the general public and the local fishermen and farmers, but may also enable the people to enjoy stable, quality and safe food supply.

President, unfortunately, there has been no active response to the calls of the Legislative Council in these years. When similar motions were proposed in the past, the Government usually took out a long list to illustrate that a lot had been done. Taking a close look at it, we could see that the Government had actually done a lot of fragmentary works, for instance, developing techniques of organic farming and controlled-environment greenhouse farming, allowing several tens of organic vegetables retail outlets territory-wide, organizing different talks and courses relating to the agriculture and fisheries industries, developing artificial reefs and promoting the schemes of accredited farm and fish farm.

While the number of initiatives is plenty, most of them are implemented in a slapdash manner. In view of the dwindling local agriculture and fisheries industries, we must ask ourselves: What has gone wrong that makes government initiatives impossible to rebuild the local agriculture and fisheries industries?

President, the problem in front of the local agriculture and fisheries industries is how transformation can proceed with a new mindset and new techniques, while initiating a structural reform and using new equipments and machineries. The successful transformation of the local agriculture and fisheries industries hinges on the formulation of comprehensive strategies and holistic policies by the Government, as well as appropriate financial support, and only through which can effective transformation be achieved.

Regrettably, the Government's attitude towards the agriculture and fisheries industries in the past was marked with typical bureaucratic inertia, either for the sake of convenient administration, or making reconciliation under political pressure. With a lack of commitment, vision and planning, it would be impossible to create a win-win or even all-win situation that enables the agriculture and fisheries industries to develop in a sustainable manner. For instance, policies on pig farms and chicken farms were implemented on the

pretext of enhancing the level of environmental protection and hygiene, but were actually a means to eliminate the livestock industry.

President, I wish to shed particular light on the risks and opportunities of the existing fisheries industry. There are indeed 85 coral species within the tiny Hong Kong waters, which even outnumber those of the Caribbean Sea. Also, there are more than 1 000 fish species, among which are valuable species like the Chinese white dolphins. Even the Green Sea Turtles come to Hong Kong for nesting. I still remember that when I was young, the fish I saw was strong and big. Yet, after more than a decade's pollution, reclamation, dredging and overfishing, fish stocks are gradually declining. The precious marine resources are nowhere to be seen now.

President, in fact, the Government was aware of this problem as early as 1998. In the consultancy report commissioned by the Government, it was warned that Hong Kong's fisheries industry was in danger as 12 of the 17 fish species with commercial value were over-exploited. At present, the average weight of a fish being caught is only about 10 g and approximately as big as a five-dollar coin.

The report also recommended the Government to adopt six priority fisheries management measures to rectify the consequences of overfishing, which include: (a) introducing a fishing licensing scheme; (b) controlling the entry of new fishing boats; (c) designating fisheries protection areas, marine parks and marine protection areas; (d) enhancing the fisheries habitat; (e) restoring the fisheries habitat, and (f) implementing a fish fry releasing trial scheme. Unfortunately, President, except for the development of artificial reefs and the occasional release of fish fry, other measures are just empty words. A decade has gone in a blink of an eye. Should the Government grasp the opportunities that offered in the past decade and respond proactively, the situation would be different.

In fact, such crisis pertinent to the fisheries industry is not unique in Hong Kong, but can also be found elsewhere in the world. For instance, the fish catch along the North Atlantic coast in 1999 was only one-tenth of that in 1990. Some scientists even went so far to predict that if the pace of fishing remained constant, it would be impossible for fish stocks worldwide to replenish. Many countries did face this problem proactively and have taken timely intervention to save the fisheries industry. One major initiative is to ban trawling activities that

would catch all fisheries, regardless of their size, with a view to protecting the seabed ecology and preventing practices that over-exploit small fisheries.

President, three or four years ago, the AFCD proposed to amend the Fisheries Protection Ordinance to establish a fishing licence system, designate Port Shelter and Tolo Harbour as fisheries protection areas and implement a "closed season" for fishing. However, the relevant legislative proposal has yet to be seen. There is only four months left in the present term of this Council, and it looks as if the proposed measures will be shelved indefinitely.

The Committee on Sustainable Fisheries, which was established at the end of 2006, is expected to conclude its study and submit a research report to this Council in the middle of this year. I sincerely hope that the Government will grasp this opportunity to squarely formulate a holistic strategy, policy and proposal so as to genuinely rebuild the local fisheries industry.

Thank you, President.

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

(No other Member indicated a wish to speak)

PRESIDENT (in Cantonese): If no other Member wishes to speak, I now call upon Mr WONG Yung-kan to speak on Mr Fred LI's amendment. You have up to five minutes to speak.

MR WONG YUNG-KAN (in Cantonese): Madam President, the amendment proposed by Mr Fred LI has not aroused much controversy among us. The greatest controversy is on his comment that the Government is still very supportive of the development of our industry, which is in fact not the case.

Just now he showed us some photographs. There are red groupers now. They are back because we support the Government's initiative to install artificial reefs and create marine reserves to allow for their return. Besides, there are also sea urchins. These sea urchins are not for human consumption, please do not get it wrong. These are not sea urchins for consumption. They are just a

kind of living organism under water and a member of the urchin family, but they are not edible.

He has also mentioned shellfish trawling just now. In 1996, I remember when I joined this Council — I am not sure whether the Government can still remember — fishermen in Hong Kong were unanimously against destructive shellfish trawling. After I have joined this Council, that is, in 1998, I agreed to work with the Government to introduce a piece of legislation to prohibit shellfish trawling. As a result of shellfish trawling activities, Dapeng Bay and Daya Bay, including the seabed at the Western Waters, had all gone into ruin. We were against the practice of shellfish trawling, and the boat people were against this as well. Therefore, it is not that we are not against some destructive fishing practice. As for bottom trawling, we also agreed to make collaborative efforts with the Government, that is, to install at Port Shelter some artificial reefs, which had never been installed there before.

Because of the artificial reef installation, I, being the representative of the industry, was under fire at all fronts. So when I find the initiative worth supporting, I will lend the Government all my support. However, I have been asking why the Government refuses to care for the fisheries industry as well as the agriculture industry, and give more thoughts to and make more efforts for them. Why do I say so?

I have just mentioned that I have recently visited a pig farm at Hung Lung Hang. The Government has already revoked its licence. But before that, I had asked the Government whether the farm could continue to engage in organic farming. Up till now that is a piece of government land. I am not sure about the rent, neither do I know whether a green house has been granted. Nevertheless, that piece of land is now being used for organic strawberry farming and other organic farming, such as carrot farming and so on. The farm owner is now investing an additional of two million-plus dollars on infrastructural facilities. As a farmer, why would he put in such a large amount of money if he does not want to engage in this business? When the licence has already been revoked, what is the point of making all these efforts? Nonetheless, he is still investing in it. This shows that members in the industry are neither reluctant to operate this business nor unwilling to pay efforts. The problem is good policies and concrete support have all along been lacking.

What I mean by good policies is not the pointless disbursement of money by the Government to support our development. This is not what I mean. Take the government loan for fishermen as an example, just now Mr Fred LI also asked why no one would like to take out the loan after the Government has made the provision. It is because the threshold is too high, so much so that virtually no one can get the loan. It is just like putting \$190 million here, but the fishermen are not able to reach for it at all. Regarding the loan I mentioned just now, in fact there are seven loan arrangements, some charge simple interest while others charge compound interest. Please try to imagine. Either simple or compound interest is charged. The interest rate for some arrangements can be 3.5%, for others, it can be 2%, and for some others, it can be 2.5%. If the loans cannot be repaid this year, the interest rate will be as high as 7% and 8%. With such interest rates, who dares to take out the loans? Besides, they still have to mortgage their houses and flats in order to obtain the necessary funds. For a steel fishing vessel with a trawling net that is worth \$7 million, the mortgage loan obtained can only be one and a half million dollars. How can the industry take the Government's loan arrangements? Therefore, the industry is in despair and is at a loss as to why the Government has to treat our industry in this way. To protect food safety, we are willing to make more and better efforts.

Besides, I would like to comment on the speech delivered by Mr CHEUNG Hok-ming. I know that some colleagues in the Heung Yee Kuk of the New Territories have relayed to him that some sites which are very near to the roadside are being used for storing containers. They asked whether these sites can be used for constructing low-density buildings. This is their opinion. However, just now I heard the Chairman, Mr Daniel LAM, say that this is not their policy at all. He will continue to support the development of this industry. But the problem is: What is the 65% or 64% of the land available being used for? It is used for developing country parks, while the rest cannot be utilized at all.

Therefore, I hope you will not think that we do not set our mind on protection. We certainly want to protect various trades in the industry, and we also hope that the industry will prosper. High value-added development is our future aspiration as well as our call. I hope the Government can continue to work with us towards this direction and make efforts to sustain the development of the agriculture and fisheries industries. Thank you, Madam President.

PRESIDENT (in Cantonese): When Mr WONG Yung-kan was delivering his speech, Miss CHAN Yuen-han requested to speak in this motion debate. I am not empowered by the Rules of Procedures to disallow Miss CHAN Yuen-han to speak. However, it is not the first time in which Miss CHAN Yuen-han is out of this Chamber when a motion debate is in progress and comes back when the Member who moves the motion is speaking on the amendment after the debate is over.

I would like to let Miss CHAN Yuen-han know that the last time a Member who was not in the Chamber during a five-hour debate also requested to speak at this stage. At that time, I requested him to provide an explanation but he did not. He only criticized me for being unfair to him because I had allowed Miss CHAN Yuen-han to speak. Therefore, I hope that Miss CHAN Yuen-han can explain to us in her speech why she was not in the Chamber just then.

MISS CHAN YUEN-HAN (in Cantonese): Just now I was dealing with a series of things upstairs because I was just back from Beijing last night. President, I am sorry. Just when I saw Mr Alan LEONG speaking, I hurried down the stairs. Probably because I walked slowly, when I arrived I found that Mr WONG Yung-kan was speaking. Nevertheless, I offer my apology for putting the President in a difficult position. I hope that I can handle this better in future. In fact, I was watching the television. But I did not handle it well. Thank you, I am sorry.

President, a couple of days ago, there was a wide coverage in a newspaper that a family, a family of three — two parents with a daughter — which represents itself to be a "LOHAS" family, chooses to create land in a remote village at Tuen Mun and carry out organic farming in order to practise healthy eating and grow crops which can ease the burden of the earth. From the photographs, we can see that their child is smart and lively, and happy as well. I believe this is the result of their healthy lifestyle brought about by their daily consumption of organic food. In fact, there are numerous similar cases like this. I can also see that more and more parents are making conscious efforts to improve the health of their children and family members through various activities and involvement, and organic farming is one of their major activities.

In the urban area, the Government has also made some policy arrangements in places like Wong Tai Sin to designate areas for the public to

practise organic farming. I think that apart from making people understand that crop growing is hard work, more importantly, it enables people to appreciate food in the process. Unfortunately, however, resources in this regard are indeed very limited in Hong Kong.

In recent years, the occurrence of food incidents one after another has aroused public concern about the issue of food and eating. Very often, when we find that there is something wrong with certain food, the cause is probably the chemicals used. Frankly speaking, we also have to learn the names of those chemicals such as nitrofurans, malachite green, and this and that toxins. It always gives people a headache pronouncing their names. We think that human beings have all along been creating various chemicals and abusing them at the same time. Eventually, we will be the victims of our own deeds. In our daily life, we can find that a lot of food contains substances like these. Sometimes, it is indeed worrying. Therefore, occasionally people will ask what else is still edible. However, I believe this is not the subject in question today.

In fact, we have conducted a lot of debates on these subjects. In this connection, I have to thank Mr WONG Yung-kan. Because of the sector he belongs to, very often, he would speak in the relevant debates. I myself often wish to speak on this subject. It is because I can see that when human beings behave like this, we will ultimately be penalized by nature. But very often we, especially city dwellers, including the Government, are so used to it that we will not give the issue any careful thought. Although Mr WONG Yung-kan has repeatedly raised these motions for discussion, very often, my conclusions or my sentiments have received no response at all. Is there any improvement to the situation? Yes, but not much. Is there any change? Yes, but not much. If the Hong Kong Government does not address this problem squarely, not only will human health be affected, but there will also be a battle for food supply among human beings soon. I will discuss this in detail later. Therefore, in my view, the problem will become very acute if we do not give any thought to it now.

In order to consume healthy fishes and crops, a lot of people actually want to put in their efforts, as can be seen from the example or incident I mentioned just now. However, even if we want to engage in farming, how can we do so without any land? Nevertheless, if you want to eat healthily, there is a way to do so, that is, such food is available at some large supermarkets, but the price is very high. The food is so expensive that even families with a monthly income of tens of thousands will not be able to afford too much of it. Even though they

want to eat healthily, they do not have the means to do so because the prices are high. Such high prices are attributable to factors such as transportation costs. To be frank, whether people can eat healthily depends on whether they have the means. Therefore, people will find it hard to improve their health even if they want to do so.

Under these circumstances, President, I will speak even if it means provoking your criticism because I really want to say that I am also a victim. Very often, we really do not know where the illnesses come from. No matter how healthy a person is, he or she may fall victim to them. For example, when the President saw that some of us were not well, she suggested that we should eat "five-vegetable soup". She also recommended to us some food for the prevention of cancer, but we still fell victims to it in the end. Even though we took food for the prevention of cancer, we still fell victims to it. In fact, you may not know where you get those illnesses and what diet will cause them. Therefore, it is a serious problem indeed.

I consider that besides caring for our health, in fact we have the means to develop organic farming if the Hong Kong Government intends to do so. But the question is whether it has the confidence — or whether it has the determination, not confidence — to do so. It is only a matter of determination. From the perspective of needs, we can see that a lot of people have undergone a silent revolution over the past decade or so. I have also become acquainted with a large group of people who practise organic vegetable farming and healthy cultivation of fisheries. These are the things that we can notice.

In fact, there are still plenty of sites in the New Territories. If we really address this issue a bit more squarely, we can surely develop our own agricultural produce. The problem is whether the Government has the determination to appreciate this problem. I believe Mr WONG Yung-kan also knows that throughout the years, I have been trying such fishes in the New Territories whenever I have the time. In fact, I have come to know a group of people as a result. They have acquired certain techniques in this regard, and a lot of people have also received assistance from farms such as the Kadoorie Farm. I regard that we have already met a lot of the conditions. We have the land and this group of people, that is, these pioneers. In fact, Taiwan is one of the neighbouring places which have out-performed us in this regard. It has even made organic health food a theme for the development of tourism. We can also organize tours with the theme of organic farming and post them on the Internet in order to attract tourists to visit these places. Local people will be

interested as well. In other words, with this group of people and such a common goal among Hong Kong people, and when we have the land (places in the New Territories have been developed), why does not the Government take these into consideration?

Just now I heard that the Secretary has briefly responded to Mr WONG Yung-kan's comment in just a few sentences, indicating that the matter will be accorded importance. What is this claim of according importance? The Government has in fact never accorded importance to it, nor has it responded to issues of concern — healthy eating and happy way of living — among the people of Hong Kong. Frankly, I hope that there will be a healthy development in Hong Kong in this respect, and I also hope that the SAR Government can solve this problem. Thank you, President.

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

MR ALBERT CHAN (in Cantonese): President, thank you for giving me this opportunity to express some views even though I have missed the speaking arrangement.

President, regarding policies on agriculture and fishery industries, I have in fact put forward many concrete proposals to the Government over the past decade or so. In particular, I have proposed that being a unique region, Hong Kong should formulate a set of comprehensive policy on agriculture and fisheries industries. It is because a number of regions, countries or topographically-distinct places have also formulated their own strategic policies. For example, many places would require that the local production of food such as rice and meat has to meet 10% or 20% of the local demand so that they will not have to totally rely on import.

I have previously put forward a proposal to the Secretary Dr York CHOW, particularly when pig farming licences were recovered, suggesting that the Government should set up a central breeding compound so as to maintain pig farming and production in Hong Kong and to avoid the abrupt substantial soaring of prices as a result of the manipulation of pig supply from other places. Recently, the substantial increase in the price of pigs is also directly related to external monopolization. The Government has received some views but it has

remained impassive. Neither has it introduced any change in policy. In fact, the formulation of strategic policies is of primary importance. In order to formulate the relevant policies, both determination and vision are required, while the eagerness for quick success and instant benefits should be avoided.

Nevertheless, I believe that policy formulation is not a matter for the decision of the single bureau under the leadership of the Secretary Dr York CHOW. This is a matter of the established guidelines and policies for the Government as a whole. However, I do not think that Mr Donald TSANG, as the Chief Executive, will be interested in these issues. He may be more interested in marketing and promotion, as he used to be a salesman but not an expert in strategy. That is why he also lacks the breadth of mind and the vision of an expert in strategy. After discussing this for more than a decade, it seems that we have chosen an inappreciative audience. I hope that we can express these views through the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB), which is the Government's political ally. It is because even if the Chief Executive personally does not like these views, he will give face to the DAB. Under the leadership of the Chief Executive, almost all of the Secretaries and Directors of Bureaux of the three Secretaries of Departments and 12 Directors of Bureaux attended the celebration reception of the 15th anniversary of the establishment of the DAB. If the Chief Executive does not take on board the views proposed by the DAB, the DAB will vote against the policy address, which may pose some threat to the Government and will in turn cause the Government to take their views on board.

President, policies on the fisheries industry are very important. The wording of "rebuilding" used by Mr WONG Yung-kan could have significant implications. I do not know on what basis the rebuilding can be implemented. Now, I am not sure whether the Government's original policies on the fisheries industry can really facilitate its healthy development. As a matter of fact, the fisheries industry in Hong Kong has been shrinking. The situation is very serious for inshore fishing, while that for offshore fishing is even more pathetic. The situation is indeed appalling. The fishermen on Cheung Chau have left one after another, and they have also sold their vessels. Many even sold their "P" vessels, not to mention ocean-going vessels, and their numbers are dwindling.

In face of these circumstances, the Hong Kong Government seems to be heartless and indifferent. It has told us that subsidies and loans have been provided. However, in order to develop an industry, there must be a set of

complete and comprehensive strategy and policy, including administrative management support, financial subsidies and assistance in scientific research. The budget this year has put in billions probably tens of billions of dollars for some academic institutions to conduct scientific researches. But I am not sure how many of these researches will be useful to the agriculture and fisheries industries in the end. The Agriculture, Fisheries and Conservation Department keeps saying that these and those fishes, species and products can be cultivated in Hong Kong. It seems that a lot of researches have been conducted, but the actual help on product development is indeed minimal.

Therefore, if the Government maintains its previous approach and attitude in the development of the fisheries industry, I believe the request made by Mr WONG Yung-kan for rebuilding the industry will in no way be entertained. The fisheries industry, including inshore and onshore fishing as well as pisciculture, will only keep shrinking.

I have repeatedly asked the Government a very simple question: As the growth of inshore fisheries in Hong Kong has been seriously affected by inshore fishing operations, will the Government stop these fishing operations which are harmful to the growth of the inshore fisheries in Hong Kong by way of acquisition or compensation? The Government has not responded to it at all.

Besides, regarding fish farmers, the fish farmers in Hong Kong have been hard-hit by this cold front. At many rafts, all the fishes were dead. Fish farmers were thus left helpless and alone, and their investments have all gone down the drain. However, the Government will only provide them with loans but not any other subsidies or relief. I think the Government should look into this problem, or the impact of this cold front on the fish farming industry in Hong Kong could be disastrous. Some raft operators may even be forced to close their business, leading to the further shrinking of the fish farming industry. In fact, the Government can consider making use of Hei Ling Chau. As the typhoon shelter on Hei Ling Chau has been abandoned and no vessel will be harboured there, we might as well use such a good place on Hei Ling Chau Island for fish farming — Mr WONG Yung-kan will strongly approve of it — so that a large part of the Hong Kong waters can be reserved for fish farming purposes to enable the survival and development of fish farmers.

I hope the Secretary can learn from this bitter experience and take forward the rebuilding of the fisheries industry in Hong Kong. Thank you, President.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): If no other Member wishes to speak, I will invite the Secretary for Food and Health to speak.

SECRETARY FOR FOOD AND HEALTH (in Cantonese): Madam President, I wish to thank Members for speaking on the motion and giving their valuable advice. In the motion debate today, the speeches made by Members are focused mainly on two aspects. First, how assistance can be given to enable the local agriculture and fisheries industries to sustain their development; second, on the strategies for food supply in Hong Kong. I will first respond to the topic on the development of the agriculture and fisheries industries, then I will respond briefly to matters concerning food supply.

When I spoke on the motion for the first time, I said that the SAR Government had always been striving to draw up proper and feasible policies and measures to promote the development of the agriculture and fisheries industries in Hong Kong. Our strategy can be divided into the following five parts:

1. promote the sustainable development of the agriculture and fisheries industries;
2. co-ordinate and liaise with the mainland and our neighbouring governments to convey to them the concerns and views of local fishermen and farmers in order to help them make investments in other places;
3. provide support in respect of upgrading technology, manpower training and capital. As competition in the agriculture and fisheries industries intensifies, if new technologies are not introduced, the industries cannot hope to survive in the face of global competition;
4. assist the industries to establish quality brands and market their products; and

5. offer emergency relief when needed (such as in case of a natural disaster).

Now I would like to briefly talk about the highlights of our work in promoting the development of the local agriculture and fisheries industries.

With respect to promoting the sustainable development of the agriculture and fisheries industries, in late 2006 we set up the Committee on Sustainable Fisheries with the Director of Agriculture, Fisheries and Conservation Department (AFCD) as the chairman. The Committee is to study into the long-term development strategy for the fisheries industry. Mr WONG Yung-kan who proposes the motion debate today, Mr Vincent FANG and Mr Fred LI are members of the Committee. I understand that the Committee has reached a preliminary consensus on the major direction of the sustainable development of the fisheries industry. It is also exploring viable proposals for the survival, protection, conservation and restoration of marine ecology and fishing resources and in offering assistance to fishermen to switch to sustainable development. Mr WONG in his motion proposes that assistance be given to the local capture fishery to develop in the offshore direction, developing the local aquaculture industry and the logistics for the aquaculture industry. Mr LI in his amendment proposes that fisheries protection areas and "no-take zones" be designated in Hong Kong. All these proposals are measures being studied by the Committee. We remain open about these proposals. I think the three Members and other members in the Committee will continue to be active to voice their opinions. It is hoped that the Committee will submit a full-scale report in the middle of this year for consideration by the Administration.

With respect to the poultry and livestock keeping industry, as public demand on the environment and public hygiene becomes increasingly higher, quite a large number of poultry and livestock farms have taken part in the voluntary scheme to return their licences. Now there are 43 pig farms and 50 poultry farms in Hong Kong. We will draw up a code of practice for those farmers who choose to continue with their operation, with a view to enhancing livestock and poultry keeping standards and heading towards sustainable development. The code of practice for chicken farmers was implemented in February 2003. Next Tuesday the AFCD will brief the Legislative Council Panel on Food Safety and Environmental Hygiene on the latest developments in the proposed Code of Practice for Pig Farming. We should bear in mind that Hong Kong is a densely populated city and problems should not be approached as if Hong Kong were a country or a large region. In the planning of the state,

there are differences in directions of development for different regions. For Guangdong Province, some of the rearing industry is relocated to the north and far away from the urban areas and county towns. We should note the developments in this aspect when deciding on the future positioning of Hong Kong, especially with reference to the poultry and livestock keeping industry.

Mr WONG suggests studying the zoning of designated areas for exclusive use by the agriculture and fisheries industries as well as further developing organic farming in Hong Kong. Under the existing Town Planning Ordinance, quite a large amount of land is zoned for agricultural (including pond fish culture) uses. Unless prior approval is obtained from the Town Planning Board, no one is allowed to change the land use. So with respect to land use planning, there is already a considerable amount of land in Hong Kong for agricultural use. With respect to mariculture, under the Marine Fish Culture Ordinance, 26 fish culture zones have been designated in Hong Kong waters. We will study carefully Mr WONG's proposal to designate areas for exclusive use by the agriculture and fisheries industries. We will also gauge the demand of the industries and assess the feasibility of the project.

With respect to further developing organic farming, the AFCD has since 2000 been actively offering assistance to the industry in developing organic farming. The AFCD also provides technical support to the local organic farms to help them solve technical problems in plant diseases and pests, gardening, soil management, seed retention and so on. Now there are 106 vegetable farms joining the scheme. The AFCD also works through the Vegetable Marketing Organization (VMO) to assist the industry in opening up the organic vegetables market. At present there are over 30 retail points selling organic vegetables distributed through the VMO, including supermarkets, health food stores and so on. Also, the VMO has funded the non-profit Hong Kong Organic Resource Centre to draw up a set of standards applicable to local organic agricultural produce; it also provides certification service and engages in the promotion of the accredited trademark. We welcome views from the industry on promoting organic farming.

The SAR Government also takes active steps to convey views from the industries to the governments of the Mainland and nearby regions. We also liaise with them from time to time on the impact of their agriculture and fisheries policies on our farmers and fishermen. In response to aspirations of local pig farmers who want to set up pig farms on the Mainland, we have specifically

liaised with the Central Authorities and the relevant local government and we have obtained their consent in allowing local pig farmers to set up pig farms on the Mainland. Now there are six pig farms run by Hong Kong investors operating on the Mainland. We have all along maintained close contact with the governments and relevant fishery companies on the Mainland and from nearby regions for the purpose of getting information on their fishing and aquaculture industries as well as other marketing and sales information for reference by Hong Kong fishermen.

With respect to technical support and manpower training, apart from helping local fishermen and farmers introduce new products, the AFCD also frequently organizes technical seminars, on-site demonstrations and distributes leaflets to fishermen and farmers on new crop growing and breeding technology. In order to broaden their international perspective and increase their understanding of the developments in the agriculture and fisheries industries in other places, the VMO organizes overseas study tours from time to time. This year, some Hong Kong vegetable farmers will join a tour to Malaysia to engage in experience sharing with the farmers there. In order to assist fishermen from the local capture fishery industry to switch to other trades and upgrade the present state of aquaculture technology, the AFCD is liaising with the Guangdong Ocean University to run a one-year course on aquaculture with specific reference to local conditions. The AFCD is now consulting the industry and the Marine Fish Scholarship Fund Advisory Committee with respect to course arrangements and contents. Eligibility criteria for scholarship for those intend to enrol in the course are also being drawn up. When necessary, the AFCD will discuss with other educational institutions on offering other courses such as those on offshore fishing, leisure fishing, processing and logistics. These are aimed at training up local professionals in the agriculture and fisheries industries.

The amendment proposed by Mr LI suggests that the Government should set up a fund to help the transformation of the local agriculture and fisheries industries and develop non-exploitative ecological and leisure activities. Now the fishermen and fish farmers can apply for low-interest loans from the Fisheries Development Loan Fund for transformation into related trades of sustainable fisheries. Also, the Fish Marketing Organization (FMO), the VMO and the Kadoorie Agricultural Aid Loan Fund offer low-interest loans to help farmers and fishermen in their production and development. We will act in response to views from farmers and fishermen and conduct reviews of the

eligibility criteria for various loan funds. However, as there are differences in the aims, loan amounts and risks for these loan funds and owing to the fact that these loan funds involve the use of public money, we think that it is not the most appropriate practice to adopt an across-the-board flat interest rate to manage these loan funds.

As I have said, the future development of the local agriculture and fisheries industries lies in producing quality and safe items of fresh produce in order to build up good reputation and open up markets. In view of this, the AFCD has launched the Accredited Fish Farm Scheme and the Accredited Farm Scheme in order to promote good breeding and growing practices and facilitate members of the public to identify safe and quality agricultural and fishery products. Ever since the launch of these two schemes, they have obtained the support of the agriculture and fisheries industries. Now there are 193 farms and 70 fish farms in Hong Kong which have joined these schemes on a voluntary basis. There are also many people who join the trade and become novice farmers. The FMO and VMO will continue to help promote local quality agriculture and fishery products. In the second FarmFest held at the beginning of this year, I recall the President of the Legislative Council and a number of Members attended the fair. I hope more Members will attend the FarmFest next year. On that occasion, a total of 146 local agricultural and fishery products traders joined the fair and more than 120 000 people attended. Some products were sold out well before the end of the fair and it can be seen that there is a huge demand for these local products. Also, the AFCD also encourages the vegetable direct marketing cooperatives in the New Territories to hold farm fairs in Tai Po and to arrange the direct sale of fresh vegetables to consumers. These two direct sale channels are found to be well-received by the public.

During the cold spells in early February, the crops and fish of some of the fishermen and farmers were affected. The culture fish farmers were the ones hardest hit. The Government has a well-established mechanism and procedures to offer emergency relief to fishermen and farmers affected by natural disaster. Such emergency relief is offered to the victims based on the equity principle. This will help them restore their operation sooner. With respect to the cold spells, the AFCD activated the emergency relief fund and offered some financial relief to the fish farmers affected. As at 29 February, the AFCD received 794 applications from mariculturists and 89 applications from pond fish culturists. Starting from 22 February, a subsidy was offered to eligible fish farmers. I agree with what Mr Fred LI has said that the Government should

offer assistance to those affected by natural disaster in a prudent manner under the principle of effective use of public money. We will study into all workable proposals, including those made by Mr WONG Yung-kan and the fish farmers earlier so as to help those farmers and fishermen affected resume their operation soon.

In the motion debate today, Members have also mentioned food supply and the mechanism for mainland supply of food to Hong Kong and the relevant control measures. I would like to make a brief response here.

Madam President, Hong Kong by itself does not produce a large amount of food and most of the foodstuffs, including fresh produce, come from various places in the world. The Mainland is of course a major source of imported food while other places such as Europe, North America, South America as well as places in Asia, all have various kinds of live and fresh produce imported into Hong Kong.

The food policy of the SAR Government is chiefly concerned about ensuring food safety and a steady supply. Earlier on, due to the extreme cold weather on the Mainland, the supply and prices of some of the fresh produce such as vegetables or food animals such as live cattle fluctuated. The Administration took speedy and effective action to ensure a steady supply of food to Hong Kong. In the long run, we would encourage the trades to adopt a flexible sourcing strategy based on the major premise of food safety. This would ensure greater diversity in imported food. When food shortage appears in certain places, this would lessen the impact on local food supply and prices.

We will also monitor the supply of various kinds of food and keep in close touch with the major food suppliers. We will take measures as appropriate and when needed to stabilize food supply. Hong Kong is a highly open economy and with respect to imported food, we are to abide by the principles of free trade. We believe that with the working of the market forces, the variety and prices of food here can be diversified and food can be made available to members of the public with different levels of purchasing power.

Madam President, the agriculture and fisheries sectors have worked hard in the past and they are well-recognized for their endurance, innovation and perseverance, as well as their efforts in seeking opportunities and overcoming challenges. They have created the Hong Kong brand of quality food. We will

continue to devise feasible measures to help the sectors develop in a sustainable manner. I am grateful to Members for their speeches made today and we will study the viability of their suggestions with great care.

Madam President, I so submit.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the amendment moved by Mr Fred LI on Mr WONG Yung-kan's motion be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raised their hands)

Mr WONG Yung-kan rose to claim a division.

PRESIDENT (in Cantonese): Mr WONG Yung-kan has claimed a division. Voting shall take place after the bell has rung for three minutes.

PRESIDENT (in Cantonese): Will Members please proceed to vote.

PRESIDENT (in Cantonese): Will Members please check their votes. If there are no queries, voting shall stop and the results will now be displayed.

Functional Constituencies:

Mr CHEUNG Man-kwong, Mr SIN Chung-kai, Mr Tommy CHEUNG, Dr Joseph LEE and Dr KWOK Ka-ki voted for the motion.

Dr LUI Ming-wah, Mr WONG Yung-kan, Mr Abraham SHEK and Mr WONG Ting-kwong voted against the motion.

Mr WONG Kwok-hing, Mr Daniel LAM, Dr Fernando CHEUNG, Mr CHIM Pui-chung and Mr KWONG Chi-kin abstained.

Geographical Constituencies:

Mr Albert HO, Mr LEE Cheuk-yan, Mr Martin LEE, Mr Fred LI, Mr James TO, Dr YEUNG Sum, Mr LAU Chin-shek, Ms Emily LAU, Mr Albert CHAN, Mr Frederick FUNG, Mr LEE Wing-tat, Mr LEUNG Kwok-hung and Mrs Anson CHAN voted for the motion.

Mr LAU Kong-wah and Mr CHEUNG Hok-ming voted against the motion.

Miss CHAN Yuen-han, Ms Audrey EU, 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, 14 were present, five were in favour of the amendment, four against it and five abstained; while among the Members returned by geographical constituencies through direct elections, 20 were present, 13 were in favour of the amendment, two against it and four 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): Mr WONG Yung-kan, you may now reply and you have one minute 19 seconds.

MR WONG YUNG-KAN (in Cantonese): Madam President, just now I have claimed a division. It is indeed a very distressing decision to make. Anyhow, judging from the speech of the Secretary or those of various Honourable colleagues, I believe that the majority are in favour of developing this industry and hope that it will prosper. However, the question is although the Government has made some efforts, such efforts are not comprehensive enough. A long-term policy is also lacking. Although the Government is trying to shift its responsibility to me, Mr Fred LI and those who have joined the Committee on Sustainable Fisheries, this is not justified as we have not expressed any views in relation to the agriculture industry. The Government should adopt a comprehensive approach instead of just attending to the superficial phenomenon. I always bring up the question: The Government wants to achieve food safety, but how can we ensure food safety? When there is no local production, how can we formulate any policies? Therefore, we suggest that the Government should ensure that there is some local production so that it can establish food safety policies for other imported food to facilitate development.

Madam President, I hope that Honourable colleagues can support my motion.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Mr WONG Yung-kan 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)

Mr Fred LI rose to claim a division.

PRESIDENT (in Cantonese): Mr Fred LI has claimed a division. The division bell will ring for three minutes, after which the division will begin.

PRESIDENT (in Cantonese): Will Members please proceed to vote.

PRESIDENT (in Cantonese): Will Members please check their votes. If there are no queries, voting shall now stop and the result will be displayed.

Functional Constituencies:

Dr LUI Ming-wah, Mr WONG Yung-kan, Mr Tommy CHEUNG, Mr WONG Kwok-hing, Dr Joseph LEE, Mr Daniel LAM, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Mr WONG Ting-kwong and Mr KWONG Chi-kin voted for the motion.

Mr CHEUNG Man-kwong, Mr SIN Chung-kai, Mr Abraham SHEK and Mr CHIM Pui-chung abstained.

Geographical Constituencies:

Mr LEE Cheuk-yan, Miss CHAN Yuen-han, Mr LAU Chin-shek, Mr LAU Kong-wah, Mr Albert CHAN, Mr Frederick FUNG, Ms Audrey EU, Mr Alan LEONG, Mr LEUNG Kwok-hung, Mr CHEUNG Hok-ming, Mr Ronny TONG and Mrs Anson CHAN voted for the motion.

Mr Albert HO, Mr Martin LEE, Mr Fred LI, Mr James TO, Dr YEUNG Sum, Ms Emily LAU and Mr LEE Wing-tat abstained.

THE PRESIDENT, Mrs Rita FAN, did not cast any vote.

THE PRESIDENT announced that among the Members returned by functional constituencies, 14 were present, 10 were in favour of the motion and four abstained; while among the Members returned by geographical constituencies through direct elections, 20 were present, 12 were in favour of the motion and seven abstained. Since the question was agreed by a majority of each of the two groups of Members present, she therefore declared that the motion was carried.

NEXT MEETING

PRESIDENT (in Cantonese): I now adjourn the Council until 11 am on Wednesday, 12 March 2008.

Adjourned accordingly at four minutes past Six o'clock.

Appendix I**WRITTEN ANSWER****Written answer by the Secretary for Home Affairs to Mr LEUNG Yiu-chung's supplementary question to Question 2**

As regards whether schools have adequate resources for the promotion of arts education, the Government has provided schools with varied and adequate financial resources for operation. For instance, starting from the 2000-2001 school year, there is an increased flexibility for schools in the form of the Operating Expenses Block Grant (OEBG), which gives schools greater control over their operating expenses in achieving their school-based educational objectives. For an aided secondary school with 30 classes, its OEBG amounts to around \$5 million per year. The OEBG is but one of the funding sources for the operation of a school. Schools will allocate funds from the OEBG and other sources available to them for arts education in accordance with the needs of students and the schools' own priorities such as purchasing equipment and necessary materials for the arts, and subsidizing students to participate in arts learning activities. In addition, schools can apply for support under the Quality Education Fund to organize a wide range of arts programmes and activities for students. From 2005-2006 to 2009-2010, the Education Bureau has also set aside some \$5 million for the purposes of providing arts professional development programmes for teachers and developing teaching resource materials.

Appendix II

WRITTEN ANSWER

Written answer by the Secretary for Home Affairs to Dr Joseph LEE's supplementary question to Question 2

As regards, statistics on graduates of performing arts disciplines engaging in arts and cultural education and promotion in primary and secondary schools, according to information provided by the Hong Kong Academy for Performing Arts (HKAPA), statistics on their graduates engaging in teaching or related professions are as follows:

<i>School of HKAPA</i>	<i>Full-time teaching (including arts administration/arts outreach programmes. The figures in brackets represent the number of persons teaching in primary and secondary schools)</i>	<i>Remarks</i>
School of Music	6 (1)	(1)
School of Dance	21 (4)	(2)
School of Drama	No recent data available	
School of Film/TV	4	(3)
School of Theatre and Entertainment Arts	No recent data available	
<p>Remarks:</p> <p>(1) School of Music — In 2006, the School conducted an unofficial survey with graduates of the Bachelor of Music degree programme (BMus) from 2000 to 2006 on their employment situation in the year. The figures in the above table are the results of that survey. The total number of graduates of BMus from 2000 to 2006 is 121 and 116 of them responded to the survey.</p> <p>(2) School of Dance — In 2006, the School conducted an unofficial survey with Dance graduates of the post-secondary and undergraduate programmes from 2000 to 2006 on their first placements after graduation. The figures in the above table are the results of that survey. The total number of Dance graduates from post-secondary and undergraduate programmes between 2000 and 2006 is 557 and 208 of them responded to the survey.</p> <p>(3) School of Film/TV — the School conducted four unofficial surveys with graduates of the School in recent years. A survey was carried out in 2004 with graduates of the Bachelor of Fine Arts in Film and Television programme (Film/TV BFA) from 2000 to 2004 on their employment situation in the year. Subsequently, an annual survey was carried out in 2005, 2006 and 2007 respectively with graduates of the respective years on their employment situation. The figures in the above table are the aggregate result of those surveys. The total number of Film/TV BFA graduates between 2000 and 2007 is 183 and 171 of them responded to the surveys.</p>		

The HKAPA explains that due to the special nature of performing arts, many of its graduates work as freelance arts workers. With an increased emphasis being placed on arts education in the primary and secondary school curricula, and the enhanced demand for teachers of the arts subjects, the HKAPA envisages that the proportion of its graduates engaging in arts education in primary and secondary schools will also increase. In view of this, the HKAPA has initiated curriculum reform so that besides pursuing studies in their core programmes, students of different disciplines will receive some training in

WRITTEN ANSWER — *Continued*

teaching the arts. Starting from this academic year, the Academy's newly established Performing Arts Education Centre has been actively promoting the development of performing arts education, such as organizing workshops for teachers in primary and secondary schools.

Relevant information on the graduates from the other tertiary institutions is not available.

Appendix III**WRITTEN ANSWER****Written answer by the Secretary for Development to Mr LEE Wing-tat's supplementary question to Question 3**

As regards information on the amount of additional gross floor area (GFA) granted in return for the dedication of the outdoor and covered open space for pedestrian passage and passive recreation to Times Square, the additional GFA granted was 15 088.54 sq m.

Appendix IV

WRITTEN ANSWER**Written answer by the Secretary for Security to Ms Margaret NG's supplementary question to Question 5**

As regards whether the police had previously opposed the admission of defendants to bail in the prosecutions of the offence of publishing obscene articles, pursuant to section 21(1)(a) of the Control of Obscene and Indecent Articles Ordinance (Cap. 390), any person who publishes any obscene article, whether or not he knows that it is an obscene article, commits an offence. From 2005 to 2007, the police instituted prosecutions regarding the above offence in 363 cases, out of which they opposed the admission of defendants to bail in 57 cases.

Appendix V**WRITTEN ANSWER****Written answer by the Secretary for Security to Ms Emily LAU's supplementary question to Question 6**

According to the information available, neither the Correctional Services Department nor the Social Welfare Department received any complaints from prisoners or rehabilitated offenders who "had asked for assistance on welfare matters but to no avail" during the period from 2004 to 2007.

Appendix VI**WRITTEN ANSWER****Written answer by the Secretary for Security to Dr Fernando CHEUNG's supplementary question to Question 6**

As at 31 March 2008, the Correctional Services Department had a total of 100 welfare and programme officers responsible for providing counselling services to prisoners. Counselling services are provided to all prisoners at least once a month, and the current penal population stands at about 10 500. The caseload of each officer depends on the response of individual prisoners, as well as the nature and complexity of their problems. The officers will provide follow-up counselling to individual prisoners or refer their cases to clinical psychologists for follow-up actions where necessary. Front-line uniformed staff and Prison Chaplains will also assist prisoners to cope with adjustment, emotional or psychological problems during imprisonment. In addition, social workers of non-governmental organizations will provide counselling to prisoners who wish to receive such services.