

OFFICIAL RECORD OF PROCEEDINGS

Wednesday, 24 October 2007

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

THE HONOURABLE ALBERT HO CHUN-YAN

THE HONOURABLE LEE CHEUK-YAN

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

THE HONOURABLE JAMES TO KUN-SUN

THE HONOURABLE CHEUNG MAN-KWONG

THE HONOURABLE CHAN YUEN-HAN, S.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 LEUNG YIU-CHUNG

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

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

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

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

DR THE HONOURABLE YEUNG SUM, J.P.

THE HONOURABLE LAU CHIN-SHEK, J.P.

THE HONOURABLE LAU KONG-WAH, J.P.

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

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

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

THE HONOURABLE CHOY SO-YUK, J.P.

THE HONOURABLE ANDREW CHENG KAR-FOO

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

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

THE HONOURABLE ABRAHAM SHEK LAI-HIM, S.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

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

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

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

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

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

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

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

MEMBERS ABSENT:

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

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

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

THE HONOURABLE LI FUNG-YING, B.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 WONG YAN-LUNG, S.C., J.P.
THE SECRETARY FOR JUSTICE

THE HONOURABLE FREDERICK MA SI-HANG, J.P.
SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT

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

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

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

THE HONOURABLE DENISE YUE CHUNG-YEE, G.B.S., J.P.
SECRETARY FOR THE CIVIL SERVICE

THE HONOURABLE TSANG TAK-SING, J.P.
SECRETARY FOR HOME AFFAIRS

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

THE HONOURABLE EDWARD YAU TANG-WAH, J.P.
SECRETARY FOR THE ENVIRONMENT

CLERKS IN ATTENDANCE:

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

MS PAULINE NG MAN-WAH, ASSISTANT SECRETARY GENERAL

MRS JUSTINA LAM CHENG BO-LING, ASSISTANT SECRETARY
GENERAL

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>
Declaration of Geographical Constituencies (Legislative Council) Order 2007	186/2007
Companies (Amendment) Ordinance 2004 (Commencement) (No. 2) Notice 2007	187/2007
Financial Reporting Council Ordinance (Commencement) (No. 3) Notice 2007	188/2007
Companies Ordinance (Amendment of Eighth Schedule) Order 2007 (Commencement) Notice	189/2007
Fugitive Offenders (Malaysia) (Amendment) Order 2007 (Commencement) Notice	190/2007

Other Papers

- No. 17 — Traffic Accident Victims Assistance Fund
Annual Report for the year from 1 April 2006 to 31 March 2007
- No. 18 — Annual Report 2006-2007 of the Protection of Wages on
Insolvency Fund Board

WRITTEN ANSWERS TO QUESTIONS

Problems Arising from Partitioning of Residential Flats into Cubicle Apartments

1. **MR LAU WONG-FAT** (in Chinese): *President, some District Council (DC) members have pointed out that the problems of fire safety, electrical*

installation, unauthorized building works and water seepage, and so on, arising from unauthorized conversion by owners of their residential units into cubicle apartments for rental purpose have become increasingly serious. In this connection, will the Government inform this Council:

- (a) *of the number of complaints about unauthorized conversion of residential units into cubicle apartments received by the Government in the past three years, broken down by 18 DCs;*
- (b) *whether it will consider introducing a licensing scheme to regulate the relevant contractors, building materials used, as well as the partition and layout of cubicle apartments, and so on; if it will, of the details; if not, the reasons for that; and*
- (c) *whether it will consider tackling the cubicle apartment problems in individual districts in a targeted manner through co-operation among departments (including the Fire Services Department (FSD), Electrical and Mechanical Services Department (EMSD), Buildings Department (BD), and Food and Environmental Hygiene Department (FEHD)) and the setting up of a joint working group comprising these departments and the DCs of districts in which the problems of cubicle apartments are relatively more serious?*

SECRETARY FOR HOME AFFAIRS (in Chinese): President, our reply to Mr LAU Wong-fat's question is as follows:

- (a) In the past three years, complaints about unauthorized conversion into cubicle apartments were mainly received by the BD, and also the FSD and Home Affairs Department (HAD). The statistics are as follows:

<i>District</i>	<i>1 January 2005 to 31 December 2005</i>	<i>1 January 2006 to 31 December 2006</i>	<i>1 January 2007 to 30 September 2007</i>
Central and Western	15	12	11
Eastern	28	13	41
Wan Chai	27	56	20

<i>District</i>	<i>1 January 2005 to 31 December 2005</i>	<i>1 January 2006 to 31 December 2006</i>	<i>1 January 2007 to 30 September 2007</i>
Southern	5	7	56
Yau Tsim Mong	62	82	116
Wong Tai Sin	5	11	4
Sham Shui Po	108	72	64
Kwun Tong	58	53	60
Kowloon City	45	77	59
Islands	0	0	0
Kwai Tsing	22	15	10
North	3	1	11
Sai Kung	0	0	2
Sha Tin	6	6	3
Tai Po	16	17	2
Tsuen Wan	20	21	5
Tuen Mun	2	1	3
Yuen Long	12	19	13

- (b) Under the Buildings Ordinance (Cap. 123), prior approval from the Building Authority is required for any internal building works carried out in residential premises, including the conversion of units into cubicle apartments, that may alter any approved building elements, affect public means of escape or cause problems to the drainage system. Without such approval, the building works are deemed as unauthorized and are subject to enforcement actions by the BD.

Concerning fire safety, the FSD conducts regular inspections of buildings. Where obstruction of the means of escape, malfunctioning of fire service installations and equipment or storage of excessive dangerous goods is detected, it will take immediate enforcement actions under the Fire Services Ordinance (Cap. 95) or the Dangerous Goods Ordinance (Cap. 295). With the Fire Safety (Buildings) Ordinance (Cap. 572) that came into effect on 1 July 2007, fire safety measures for pre-1987 domestic buildings and composite buildings have also been stepped up.

Regarding the safety of electrical installations, the Electricity Ordinance (Cap. 406) sets out safety requirements for communal

installations in buildings and installations in individual units. Where any unsafe installations are detected upon investigation of public complaints, the EMSD will take appropriate actions under the Electricity Ordinance. Such actions include issuing written warnings to require the owner to repair the unsafe installation, disconnecting electricity supply to those parts of the installation with imminent danger and prosecuting the owner who fails to repair the installation. Common electrical safety problems of cubicle apartments include improper use of multi-adaptors or use of damaged sockets. In general, persons in charge of the premises concerned will rectify the problem shortly after receiving the EMSD's advice.

The FEHD also handles complaints about cubicle apartments and takes appropriate actions to follow up any environmental hygiene nuisances detected. In addition, if the FEHD or BD detects any water seepage problems during inspections or receives complaints about water seepage, such problems or complaints will be followed up through the Joint Office set up by the FEHD and BD.

The problems arising from the unauthorized conversion of residential units into cubicle apartments by altering the internal partitions and structures of the units are already regulated by existing legislation, which include those relating to unauthorized building works, fire safety, electrical installations and water seepage. As regards the introduction of a separate licensing scheme, we consider that at this stage we should continue to take enforcement actions in accordance with the current ordinances to ensure that the alterations concerned do not affect building safety and fire safety. The BD, FSD, EMSD and FEHD will continue to enforce the law to ensure the safety of cubicle apartments.

- (c) As regards law enforcement, government departments will maintain close liaison with each other in dealing with public complaints and handling the problem of cubicle apartments. They will make referrals and take follow-up actions promptly as and when necessary to facilitate relevant departments to take follow-up actions to ensure overall safety of cubicle apartments.

Moreover, in areas where the problem of cubicle apartments is more serious, committees or working groups under the relevant DCs have been following up the issue in the light of the situation of the respective districts. The departments concerned have kept in close liaison and communication with these committees or working groups to take appropriate enforcement actions. Departments concerned will continue to work with the DCs and step up their enforcement efforts.

Marking Scheme for Estate Management Enforcement

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

- (a) *of the effectiveness of the Marking Scheme for Estate Management Enforcement implemented in Public Housing Estates (the Marking Scheme) by the authorities concerned in public housing estates in the past two years, as well as the names of the five housing estates with the most cases of allotment of points; and*
- (b) *given that the Marking Scheme may not necessarily be applicable to estates under the Tenants Purchase Scheme (TPS), of the number of reports received in the past two years by the authorities concerned about misdeeds under the Marking Scheme committed by tenants of such estates, with a breakdown by housing estates, and the measures in place to extend the Marking Scheme to such estates?*

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

- (a) Between 11 October 2005 and 10 October 2007, the Hong Kong Housing Authority (HA) recorded a total of 2 653 allotments of penalty points under the Marking Scheme in its public housing estates. The five estates with the highest number of cases are Kwai Chung Estate (85), Tai Hing Estate (62), Choi Hung Estate (59), Ping Tin Estate (57) and Tsui Ping South Estate (55).

Since the implementation of the Marking Scheme, the environmental hygiene in public housing estates has improved considerably. The latest Public Housing Recurrent Survey shows that tenants' satisfaction over estate cleanliness has increased from 52% in 2003 to 71% in 2007. 81% of the households considered that the Marking Scheme helped improve the cleanliness of the housing estates and 70% considered the penalty reasonable.

- (b) At present, there are about 74 000 public rental housing (PRH) households in the 39 TPS estates. Between 11 October 2005 and 10 October 2007, 89 cases of allotment of points involving 14 TPS estates were recorded. The details are as follows:

<i>Name of Estate</i>	<i>Number of Cases of Allotment of Points</i>
Long Ping Estate	19
Tsui Lam Estate	17
Fu Shin Estate	12
Shan King Estate	9
Tak Tin Estate	8
Po Lam Estate	7
Cheung Fat Estate	6
Lei Tung Estate	4
Hing Tin Estate	2
Cheung Wah Estate	1
Hin Keng Estate	1
Nam Cheong Estate	1
Wah Kwai Estate	1
Heng On Estate	1
Total	89

Since the common area of a TPS estate lies outside the ambit of the HA and is managed by its Owners' Corporation (OC) in accordance with the Deed of Mutual Covenant, the Housing Department (HD) must obtain the relevant OC's consent before it can implement the Marking Scheme to regulate the misdeeds of PRH tenants in the common area of the estate. At present, the Marking Scheme applies to the common area of 15 TPS estates. The misdeeds committed in the flats of PRH tenants in TPS estates are regulated

by the Marking Scheme. The HD would send representatives to attend the meetings of the OCs on a regular basis to report the progress of the implementation of the Marking Scheme and tender advice as appropriate.

Vetting and Approving of Plans of Building Works

3. **MR ALBERT HO** (in Chinese): *President, regarding the vetting and approving of plans of building works by the departments concerned, will the Government inform this Council:*

- (a) *following the adoption of the layout plan of an area by the Planning Department, whether amendments will be made to the relevant Outline Zoning Plan (OZP) to achieve consistency in the planning requirements specified in both plans; if so, of the amendment procedures, and taking Tuen Mun New Town Area 20 Layout Plan No. L/TM/20/1G as an example, why the planning requirements for the different types of residential sites specified therein have not been reflected in the relevant OZP No. S/TM/22;*
- (b) *whether the Building Authority (BA), in vetting and approving a plan of building works, will consider, besides the planning requirements of the relevant OZP, if the plan has contravened the planning requirements of the relevant layout plan; whether he will approve a plan that is in contravention of the height limit requirements specified in the layout plan, and what channels are available for the affected residents to appeal against the BA's decision to approve the plan;*
- (c) *whether adopted layout plans fall within the meaning of "any approved or draft plan" specified in section 16(1)(d) of the Buildings Ordinance (Cap. 123); if not, whether amendments will be made to the legislation to provide that the BA has to take into account the relevant layout plan in vetting and approving a plan of building works; and*
- (d) *whether there are guidelines specifying that the relevant departments have to consult the affected residents in vetting and*

approving plans of building works of redevelopment projects; if so, of the consultation procedures, and the information to be made available to the residents to help them understand how the redevelopment projects will affect them?

SECRETARY FOR DEVELOPMENT (in Chinese): President, my reply to the four-part question is as follows:

- (a) Tuen Mun is a new town developed in the early days. The Tuen Mun OZP sets out only land uses without stipulating their basic development parameters. The control on development intensity and building height of land within the OZP has all along been enforced through the layout plan and development conditions of the individual land leases. Based on previous experience, it is necessary to suitably reflect in the OZP the development parameters stipulated in the layout plan in order to more effectively enforce the development parameters of the latter. The Government is reviewing the OZPs of various areas progressively. In view of the time required for the review, it is not possible to align the development parameters of layout plans and OZPs in a short period of time, such as the Tuen Mun Area 20 Layout Plan No. L/TM/20/1G. I reckon that this may cause confusion and have asked the departments under the purview of the Development Bureau to consider how to improve the current situation.

- (b) and (c)

In accordance with section 16(1)(d) of the Buildings Ordinance, the BA may refuse to give his approval of any plans of building works under application that contravene any approved or draft plan prepared under the Town Planning Ordinance.

OZPs are statutory plans prepared under the Town Planning Ordinance. In vetting and approving building plans, the BA will ensure that the building plans comply with the restrictions stipulated under the relevant OZP.

As layout plans are not statutory plans prepared under the Town Planning Ordinance, the BA cannot, by invoking section 16(1)(d) of

the Buildings Ordinance, refuse to give his approval of the building plans that are not in line with the requirements of the relevant layout plan. We do not consider it necessary to amend the Buildings Ordinance at this stage.

The Buildings Ordinance stipulates an appeal mechanism under which a person aggrieved (where an application for vetting and approving of building plans is concerned, the person aggrieved refers to the applicant for approval of the building plans) by a decision made by the BA in the exercise of a discretion conferred on him under the Ordinance may appeal to the Appeal Tribunal against that decision in accordance with the requirements of the Ordinance.

- (d) The Buildings Ordinance does not require the BA to consult the public when vetting and approving building plans. However, a statutory public consultation mechanism is in place in the process of preparing OZPs. The BA will, in vetting and approving building plans, ensure that the requirements of the relevant OZP are met.

Regulation of Internet Computer Services Centres

4. **MS LI FUNG-YING** (in Chinese): *President, in recent years, Internet computer services centres (commonly known as "Internet cafes") have become one of the major places of leisure for young people and students. In this connection, will the Government inform this Council:*

- (a) *of the year-end number of Internet cafes and the annual number of inspections of such premises by law-enforcement officers in each of the past three years;*
- (b) *of the respective numbers of cases in which the persons in charge or customers of such premises were prosecuted and convicted over the past three years, together with a breakdown by the offences involved and the penalties imposed by the Court on the convicted persons; and*
- (c) *given that Internet games and computer games may contain such objectionable contents as obscenity, gambling and violence, whether*

it has considered introducing legislation, with reference to relevant legislation in neighbouring regions, to regulate the operation of Internet cafes; if it has, of the details; if not, the reasons for that?

SECRETARY FOR HOME AFFAIRS (in Chinese): President,

- (a) Statistics kept by the Home Affairs Bureau (the Bureau) reveal that the number of Internet computer services centres (ICSC) was about 210 in the past three years, fewer than that in 2003 which was about 300.

At present, the Television and Entertainment Licensing Authority (TELA) conducts inspections at ICSC to enforce the Control of Obscene and Indecent Articles Ordinance, and the number of inspections conducted in the past three years is as follows:

2005	2006	2007 (January to September)
2 257	2 579	1 981

Upon receipt of complaints, other relevant government departments (including the Fire Services Department (FSD), Buildings Department (BD), Environmental Protection Department (EPD), and so on) will also take follow-up actions including site inspections as necessary to ensure that the operator has complied with the requirements under the relevant legislation relating to fire safety, buildings safety, environmental protection, and so on. In the past three years (up to June 2007), relevant government departments received a total of 24 complaints involving ICSC and they were mainly related to noise, fire safety, suspected infringement of copyright, and so on.

- (b) According to the statistics kept by the FSD, BD, EPD and TELA, in the past three years (up to June 2007), no ICSC operator was prosecuted for breach of the ordinances enforced by these departments. As regards offences under other legislation, the Administration does not keep separate statistics on the prosecutions and convictions of the persons-in-charge or customers of ICSC.

- (c) ICSC generally refers to premises providing computers and related equipment to customers for using Internet services. The mode of operation and the types of services provided by ICSC are quite diverse, including personal communication centre, network games and browsing of magazine/news on the Internet. In 2002, the Bureau consulted the public (including District Councils) on the regulation of ICSC. The general views were that the Government should not adopt a licensing system lest this would hinder the development of the trade. In August 2003, the Bureau issued the "Code of Practice for Internet Computer Services Centres Operators" (the Code) to provide guidelines on fire and building safety, noise control, public order and crime prevention, Internet content, smoking, ventilation and hygiene for voluntary compliance by the operators. The Bureau reviewed the situation of compliance with the Code in 2004 and found that the operation of ICSC was generally in compliance with the requirements of the Code. The Government currently has no plan to introduce legislation to regulate ICSC.

Preservation of Buildings of Historic Value

5. **DR YEUNG SUM** (in Chinese): *President, in mid-September this year, demolition works were carried out at King Yin Lei, a traditional Chinese-style mansion at 45 Stubbs Road, Wan Chai, which aroused the grave public concern about the current work on heritage conservation. In this connection, will the Government inform this Council:*

- (a) *whether it has assessed the impact of the damage done to King Yin Lei on its future grading and conservation; if it has, of the results;*
- (b) *given that an expert panel under the Antiquities Advisory Board (AAB) has been conducting a heritage assessment of some 1 400 buildings with historic value in Hong Kong since March 2005, which of these buildings have not been graded as historic buildings and the reasons for that, which buildings are being graded or pending grading, please list such buildings by the districts in which they are located; of the number of items assessed by the panel each*

year, as well as the measures to expedite the current progress of heritage assessment;

- (c) whether the authorities have examined which of the graded historic buildings that have not been declared as monuments have strong justifications for being classified as "sites of cultural heritage", so that they can be protected under the Environmental Impact Assessment Ordinance (Cap. 499); if they have, of the results (including details of the justifications); and*
- (d) of the means through which the authorities will assess non-building heritage (for example, the boundary stones of the Victoria City), so that such heritage can be permanently preserved?*

SECRETARY FOR DEVELOPMENT (in Chinese): President,

- (a) According to the initial site inspection by the Antiquities and Monuments Office (AMO), most of the Chinese roof tiles and ornaments in the interior have been taken down. But the building's structure, layout plan and form remain intact. The lintels, brackets and Chinese architectural decorations have also been dismantled, with the building form and structure preserved. However, part of the stone railings and balustrades has been removed. The remaining sections (including balustrades with decorative carvings) are largely intact.

The AMO has initiated a feasibility study for the restoration of King Yin Lei. A task force comprising local and mainland conservation experts will be formed under the AMO. The AMO will consider the results of the study and undertake a comprehensive assessment of King Yin Lei's historical and architectural merits. The AMO will also consider, with regard to the assessment, whether or not it should recommend to the Antiquities Authority declaration of the building as a monument under section 3(1) of the Antiquities and Monuments Ordinance.

On the other hand, King Yin Lei's owner has informed the Government of his intention to restore the mansion by his own

means provided that no infringement of his legal property right would be incurred. The owner also welcomes the Government or experts to propose and introduce to him restoration plans, hoping that the historical appearance of the mansion will be restored as far as possible.

- (b) At present, 1 440 historic buildings are being assessed by an expert panel appointed by the AAB. About 900 of the 1 440 historic buildings are yet to be accorded a grading. Since most of the buildings are held in private hands, we consider it inappropriate to release the list of the buildings in public for the time being. We are studying with the expert panel on the possibility of expediting the assessment. It is hoped that the assessment would be completed within 2008. Before that, however, the AMO has established administrative measures, through which the approving departments will consult the AMO on government and non-government demolition or development proposals which may affect the buildings under review. These measures will provide the buildings with proper protection.
- (c) The Government has studied whether or not graded historic buildings should be classified as "sites of cultural heritage" and hence be protected under the Environmental Impact Assessment Ordinance. However, after detailed deliberations, we have come to the view that the identification process would be extremely complex involving debates on the sites identified, the identification criteria, the gazetting of the identified sites, and the handling of appeals or objections from private owners if affected. The site identification may also render some private owners feeling aggrieved with the decision on having their properties included in the list or by those who consider a specific heritage site should be included in the list but has not been so included. Hence, we do not recommend to pursue this for the time being.
- (d) For declared monuments of non-building type, the Antiquities Authority can consider their preservation pursuant to the Antiquities and Monuments Ordinance, with reference to the AMO's assessment and the AAB's recommendations. Besides, proper protection can be made through administrative measures. Taking the six stones already identified as the boundary stones of the City of

Victoria as an example, administrative measures have been in place to protect them which are situated on Government land and are of historical value, albeit they are not declared monuments. Under the existing administrative measures, the project proponents of any government or non-government works which may affect the boundary stones are required to consult the AMO. The measures will offer proper protection to them.

Environmental Protection Measures in Public Housing Estates and Government Premises

6. **MR LEUNG YIU-CHUNG** (in Chinese): *President, regarding the environmental protection measures implemented in public housing estates (PHEs) and government premises, will the Government inform this Council:*

- (a) of the respective names of PHEs in which there are both used clothing recycling bins and rechargeable batteries recycling bins, used clothing recycling bins only, rechargeable batteries recycling bins only, and none of such bins;*
- (b) whether the authorities will consider providing the above two types of recycling bins in PHEs in which such bins are not yet available, so as to support environmental protection; if they will, of the details; if not, the reasons for that; and*
- (c) whether it has reviewed the effectiveness of each of the existing energy saving measures implemented in all government premises; if it has, of the outcome of the review, and whether it will implement new energy saving measures; if it will, of the details of such measures; if it will not, the reasons for that?*

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

- (a) and (b)*

Used clothing recycling in the Hong Kong Housing Authority (HA)'s PHEs is undertaken by approved charitable organizations.

The HA has put in place a mechanism for managing used clothing recycling activities in PHEs. Any organization intending to hold such recycling activities is subject to qualification vetting by the Housing Department (HD). Only those confirmed as charitable organizations would be included in the list of eligible organizations. The listed organizations may apply to the offices of the estates concerned for holding used clothing recycling activities. Subject to the agreement of the Estate Management Advisory Committee, the HD would give approval for the organizations concerned to place recycling bins at designated points in the PHEs during specified time for collection of used clothing. As the HD has all along been receiving a large number of applications, used clothing recycling bins placed by different organizations are always found in all PHEs.

As regards rechargeable battery recycling, to tie in with the Rechargeable Battery Recycling Programme launched by the Environmental Protection Department (EPD), the HD has placed rechargeable batteries recycling bins in all PHEs. The EPD is responsible for co-ordinating the collection and recycling.

- (c) The Government has been promoting energy conservation. In the past several years, the Government has implemented a host of measures to achieve energy conservation. They include housekeeping measures such as reducing and switching off unnecessary electrical appliances and lights, promoting dressing down at workplace and raising the air-conditioned room temperature to 25.5°C in summer months; using more energy-efficient equipment; and incorporating energy-efficient features in new government premises and retrofit projects where practicable. With the concerted efforts of bureaux and departments, the Government has already reduced electricity consumption by 6.9% from 2003-2004 to 2006-2007. The electricity consumption of major government office buildings in 2006 has also been reduced by 2.9% compared with 2005.

The Government will continue to promote energy conservation, including stepping up the implementation of housekeeping measures, increasing the energy efficiency of government premises and facilities, and conducting regular energy audits at major

government premises, with a view to further reducing energy consumption. Moreover, the Government will continue to incorporate renewable energy features in public works projects wherever practicable. In this connection, the Government already has plans to complete more than 10 renewable energy projects within the next three years.

Pilot Transport Support Scheme

7. **MR FREDERICK FUNG** (in Chinese): *President, the Government launched a pilot Transport Support Scheme (TSS) in June this year to help needy unemployed persons and low-income employees living in Tuen Mun, Yuen Long, North and Islands Districts to work across districts. Low-income employees may receive a Cross-district Transport Allowance of \$600 per month for up to six months, while job seekers and those who wish to change jobs may receive a Job Search Allowance of up to \$600. According to government information, only 4 071 applications were recorded as of the end of this September, accounting for only 5% of the estimated 80 000 applicants, and the amount of allowances involved represented only 0.4% of the commitment set aside for this purpose. In this connection, will the Government inform this Council:*

- (a) how the TSS has been implemented in the districts concerned, including the respective numbers of applicants and beneficiaries as well as the total amount of allowance granted so far in respect of each district;*
- (b) of the number of complaints received so far about the TSS and their subjects, as well as the number of substantiated abuse cases;*
- (c) given the public's lukewarm response to the TSS, whether it will consider conducting a review immediately to find out the reasons for that;*
- (d) whether it will consider immediately stepping up publicity, streamlining the application procedures, increasing the amount of allowances, or relaxing the eligibility criteria, such as relaxing its restriction on district of residence to make it a territory-wide scheme, raising the personal asset limit or income limit, lowering*

the number of monthly working hours required and relaxing the restriction on the districts where the applicants go to work from another district (for example, covering frontier closed areas); and

- (e) *whether it will consider allocating additional resources to provide support for the scheme's participants on various fronts, such as home visits or referral services, as well as extending the duration of the TSS?*

SECRETARY FOR LABOUR AND WELFARE (in Chinese): President, for the purpose of assessing the required expenditure, the Secretariat of the Commission on Poverty estimated that among those eligible, 80 000 persons might apply for allowances under the TSS, and therefore proposed in April this year to earmark non-recurrent funding of \$365 million for the one-year pilot Scheme. The estimate took into account the number of unemployed persons as well as the income and working hours of low-income employees in the four remote districts concerned.

- (a) The pilot TSS was launched in end June this year. As at 15 October 2007, the Labour Department (LD) has received 4 385 applications for assessment of eligibility under the Scheme. The LD has also approved 4 180 claims of allowances involving a total payout of about \$2.29 million. The breakdown by district is set out below:

<i>District</i>	<i>Number of applications received</i>	<i>Number of claims approved</i>	<i>Amount of claims approved (Approx \$)</i>
Yuen Long	1 987	1 755	0.96 million
Tuen Mun	1 463	1 594	0.88 million
North	586	460	0.24 million
Islands	349	371	0.21 million
Total	4 385	4 180	About 2.29 million

- (b) By mid-October 2007, the LD has received 10 complaints against the Scheme. The complaints are classified as follows:

	<i>Number of cases</i>
(i) Related to eligibility criteria	
- working across districts for 18 hours or more per week	2
- not covering self-employed	2
- monthly income ceiling of \$5,600	1
(ii) Related to non-government organizations (NGOs)	
- services provided by NGOs	3
- staff attitude	2
Total:	10

Upon receipt of complaints, the LD will contact the relevant NGOs engaged to implement the Scheme to conduct thorough investigation. The LD and NGOs have put in place a mechanism to expedite the handling of complaints on service quality of NGOs.

The LD has also established a set of procedures to guard against abuses through vetting, counter-checking, auditing, inspection, and so on. For example, a computer programme has been devised to detect duplicated applications automatically. The LD has so far received no complaint or report on abuse cases.

(c) to (e)

As the pilot TSS has been implemented for just over three months, it is premature to comment on its effectiveness at this stage. The Government has undertaken to conduct a comprehensive review of the Scheme in mid-2008 to assess its effectiveness. By that time, the Government will draw on the operational experience as well as views and suggestions from the community to decide on the way forward. We have been stepping up our publicity efforts to promote the Scheme. If the response of applicants in the coming three months is unsatisfactory, we will consider bringing forward the review.

In designing the pilot TSS, the Government has considered applicants' possible need for other support. Therefore, NGOs

engaged to implement the TSS are those with experience in delivering training and employment assistance. Apart from assisting the LD in implementing the Scheme in accordance with specified procedures, these NGOs will offer training advice and employment assistance to applicants as appropriate.

To enhance eligible residents' understanding of the TSS and its arrangements, the LD has launched a series of publicity and promotional activities, including radio broadcasts, bus-body advertising, newspaper advertisements, publicity leaflets, posters, dedicated website and display of wall/street banners in the four designated districts. The LD will continue to strengthen the publicity efforts in promoting the TSS through various channels.

Handling Patient Complaints by The Prince Philip Dental Hospital

8. **DR KWOK KA-KI** (in Chinese): *President, regarding the handling of patient complaints by The Prince Philip Dental Hospital which is subsidized by the Government, will the Government inform this Council:*

- (a) *whether it knows the details of the Hospital's redress system in handling patient complaints (including whether the Hospital has set up an independent committee to handle such complaints);*
- (b) *whether it knows the number of patient complaint cases handled by the Hospital, its percentage in the annual total service caseload of the Hospital and, among them, the number of substantiated complaint cases, in each of the past five years; and*
- (c) *whether the Government will consider putting the Hospital within the purview of The Ombudsman?*

SECRETARY FOR FOOD AND HEALTH (in Chinese): President, The Prince Philip Dental Hospital (PPDH) is a teaching hospital which serves two types of patients. The majority are teaching patients (TPs) and a small number is private fee paying patients (PFPPs). For TPs, they are required to undergo an initial screening upon their first attendance and will be registered as TPs if

their dental problems are found to be fit for teaching purpose. For PFPPs, they are required to have a referral letter issued by a registered medical practitioner or a dentist, recommending a referral for specialized treatment at PPDH.

At present, patient complaints can be lodged with PPDH in writing (either by e-mails or mails), by phone or in person. To facilitate patients' understanding of the complaint channels and the complaint management system of PPDH, PPDH has published a pamphlet on the "Complaint Management System in The Prince Philip Dental Hospital" to explain the details. A complaint form is also attached to facilitate the complainants.

- (a) PPDH currently operates the following two-tier system in handling patient complaints:

First-tier complaint management system

A first-tier complaint management system is in place to deal with the complaints lodged against PPDH's staff or services provided. A Patient Relations Officer is designated by PPDH to deal with all the complaints lodged for the first time and direct the cases to the relevant section-in-charge for follow-up action.

Second-tier complaint management system

A complainant who is not satisfied with the decision made through the first-tier complaint management system can lodge an appeal to the Patient Arbitration/Grievance Committee (PAGC). The membership of the PAGC comprises:

Chairman: Director of PPDH

Members: Comptroller of PPDH

One Faculty member of same discipline related to the patient complaint

An independent external dentist

Secretary: Assistant Hospital Administrator of PPDH

The PAGC is established to carry out investigation into, and adjudicate, patient complaints or appeals lodged directly with it. The mission of the PAGC is to ensure a fair and effective complaint management system within PPDH in which complaints or appeals are considered in an independent, impartial, fair, thorough and prompt manner.

- (b) Statistical data regarding the number of complaint cases handled by PPDH in each of the past five years are tabulated below:

<i>Year</i>	<i>Total Number of Complaint Cases (a)</i>	<i>Number of Partially Substantiated Complaint Cases</i>	<i>Total Patient Attendance (b)</i>	<i>Percentage of Complaint Cases in PPDH's Total Caseload (a/b x 100%)</i>
2003	57	26	109 277	0.05%
2004	77	32	122 496	0.06%
2005	54	25	127 760	0.04%
2006	67	34	123 996	0.05%
2007 (As at September)	58	25	94 434	0.06%
Total	313	142	577 963	0.05%

- (c) According to section 3 of The Prince Philip Dental Hospital Ordinance, the set up of PPDH is for providing training to dentists and other persons in professions supplementary to dentistry. It is a teaching institution instead of a hospital offering public dental services. The Government does not have any plan to put it within the purview of The Ombudsman.

Prosecutions Instituted in Relation to Breeding of Mosquitoes Found on Government and Private Lands

9. **MR ALBERT CHAN** (in Chinese): *President, recently, some members of the public have reflected to me that larvae of mosquitoes had been found breeding in a public housing estate, and the Government had prosecuted, under*

sections 27(3A) and 150 of the Public Health and Municipal Services Ordinance (Cap. 132) (the Ordinance), the person in charge of the cleansing company responsible for the estate's cleansing work for failure to properly remove the accumulation of water. However, the Government had failed to properly deal with the problem of mosquitoes breeding on vacant Government land, while the problem on deserted farmland owned by land developers is also very serious. In this connection, will the Government inform this Council, in the past three years:

- (a) of the number of prosecutions instituted under the above legal provisions each year and, among such prosecutions, the respective numbers of cases involving land owners, property management companies and cleansing companies; and*
- (b) whether it had instituted prosecutions in relation to the breeding of mosquitoes found on vacant Government land as well as private and deserted farmland respectively; if so, of the details; if not, the reasons for that?*

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

- (a) Section 27 of the Ordinance as amended by the Public Health and Municipal Services (Amendment) Ordinance 2006 is designed to encourage private property owners and their property management companies as well as contractors of building sites to take appropriate actions (including removal of accumulated water and any articles that may cause accumulation of water) for the prevention of mosquito breeding. The Ordinance also empowers the Food and Environmental Hygiene Department (FEHD) to institute prosecution against defaulted persons or organizations.

The FEHD will conduct inspections of mosquito breeding black spots from time to time and pay special visits in response to complaints. Where accumulation of water conducive to mosquito-breeding is found on the premises, the FEHD will, as its standard practice, first advise the owner or the property management company to remove the accumulated water and other articles capable of causing accumulation of water. In cases of

more severe mosquito breeding in premises or refusal by the relevant parties to comply with the FEHD's advice, the FEHD will institute prosecution, and take immediate mosquito control actions on the spot and recover the costs from the parties concerned afterwards in cases where the mosquito breeding problem is serious.

The amended Ordinance came into effect on 12 May 2006. As at 30 September 2007, a total of 79 prosecutions had been instituted by the FEHD under sections 27(3A) and 150 of the Ordinance. The numbers of prosecutions involving land owners, property management companies and cleansing companies are as follows:

	<i>Number of Prosecutions 12 May 2006 to 30 September 2007</i>
Land Owners	3
Property Management Companies	66
Cleansing Companies	6
Others (for example, Property Occupiers)	4
Total	79

- (b) Mosquito control on Government land is carried out by relevant government departments (including, among others, the FEHD; Leisure and Cultural Services Department; Agriculture, Fisheries and Conservation Department; and Housing Department) under their respective jurisdictions. The FEHD is responsible for mosquito control in general public areas. As for unallocated Government land, the Lands Department will carry out mosquito control by cutting grass and spraying mosquito larvicidal oil.

If the FEHD finds potential mosquito breeding in places under the jurisdiction of other department(s), it will inform the department(s) concerned of the situation and request the latter to take immediate follow-up action. The FEHD will provide professional advice and technical support if and when necessary.

In addition, District Anti-mosquito Task Forces set up across the territory and chaired by the District Officers concerned will

co-ordinate mosquito control efforts of relevant government departments, school management authorities, management bodies of residential buildings and private organizations, so as to better mosquito control efforts in their respective districts.

As regards farmland, mosquito control on farmland is the responsibility of its occupiers or owners as with other private properties and land. As stated above, where accumulation of water conducive to mosquito-breeding is found on the premises, the FEHD will, as its standard practice, first advise the owner or the property management company to remove the accumulated water and other articles capable of causing accumulation of water. Farmland occupiers or owners are usually receptive to the FEHD's advice and carry out anti-mosquito measures as soon as possible. For this reason, no prosecution against mosquito breeding on farmland had been instituted by the FEHD in the past three years. Nevertheless, in the event that the occupiers or owners in question fail to comply with the FEHD's advice, the FEHD will consider prosecution.

Regulation of Clinical Psychology Consultation Services and Courses Concerned

10. **MR JASPER TSANG** (in Chinese): *President, it has been reported that the Division of Clinical Psychology of the Hong Kong Psychological Society has pointed out that at present, no statutory regulatory mechanism has been established for formulating the professional qualifications of clinical psychologists; there is only the registration regime for clinical psychologists administered by the Society. Some courses have also claimed to be able to help those enrolled gain psychologist qualifications. However, in reality, only the University of Hong Kong and The Chinese University of Hong Kong are currently recognized in Hong Kong for providing courses which meet the standards, while the "qualifications" obtained through the courses available in the community are not recognized in Hong Kong. The existing legislation also fails to regulate the relevant situation. In this connection, will the Government inform this Council:*

- (a) *of the existing regulation of the professional qualifications of people providing clinical psychology consultation services and clinical psychology courses; and*

- (b) *how it will step up regulation of the above, so as to prevent unqualified people from providing the services concerned and unrecognized institutions from offering the courses concerned?*

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

- (a) At present, clinical psychologists are not subject to statutory registration, but they can register with the society-based system. Besides, the majority of clinical psychologists work in the public sector, in which their qualifications and work are already under control.

According to the information provided by the Education Bureau, currently we do not have specific legislation regulating the provision of clinical psychology courses. As regards courses conducted in Hong Kong which lead to the award of non-local higher academic qualifications by a non-local institution or non-local professional qualifications by a non-local professional body, they should be registered under the Non-local Higher and Professional Education (Regulation) Ordinance (Cap. 493). In order that a course can be registered, the non-local institution concerned must be recognized by the relevant accreditation authority in the relevant country, and has in place effective measures to ensure that the standard of the course is maintained at a level comparable with a course conducted in that country leading to the same qualification and is recognized as such by that institution, the academic community in that country and the relevant accreditation authority in that country.

The Education Bureau has pointed out that the recognition or otherwise of individual courses by individual local professional bodies does not fall within the ambit of the above ordinances.

- (b) In assessing whether to strengthen regulation, the Administration will take into account a series of factors, including the possible hazards caused to the public in case of any misconduct or substandard service by practitioners of the relevant professions. If

there is a need to strengthen regulation, higher priority will be accorded to health care professions with a larger proportion of practitioners working mainly in the private sector and having more frequent contact with patients.

Retraining for Unemployed

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

- (a) *the current number of unemployed persons with Secondary Three or lower academic qualifications, and its percentage in the total unemployed population;*
- (b) *the respective numbers of places currently offered by various retraining programmes, as well as the situation of oversubscription of such programmes; and*
- (c) *the measures to provide training to enhance the vocational skills of all those who have sought employment through the Labour Department (LD) but are not employed, so as to increase their chances of being employed?*

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

- (a) According to the latest labour force statistics released by the Census and Statistics Department, in July to September 2007, there were 60 700 unemployed persons with education level of Secondary Three or below, accounting for 38.9% of the total number of unemployed (156 100 persons).
- (b) The number of training places offered under placement-tied courses by the Employees Retraining Board (ERB) in 2006-2007 was as follows:

<i>Major Category of Courses</i>	<i>No. of Placement-tied Training Places offered in 2006-2007</i>
Domestic Helper ⁽¹⁾	15 459
Security/Property Management	17 619
Others ⁽²⁾	3 810
Hotel/Catering	3 407
Health care Assistant ⁽³⁾	3 398
Massage	2 944
Customer Services	1 819
Tailor-made Courses ⁽⁴⁾	1 812
Courses for the disabled and victims of industrial accidents	928
New Courses ⁽⁵⁾	116
Total	51 312

Notes:

- (1) Including post-natal care worker and infant and child care worker.
- (2) Including clerical, assistant electrician, construction worker, beautician, logistics and travel assistant, and so on.
- (3) Including personal care worker and elderly home care worker.
- (4) Employers and groups of employers that experience difficulty in recruiting staff in certain job types may apply to the ERB for the provision of tailor-made training courses if they have 15 or more vacancies. These employers are required to undertake to hire up to 80% of the trainees who complete the tailor-made courses. Examples of such tailor-made courses include security and property management training, cleaning worker training, beauty consultant training, customer service training, personal care worker training, courier training, assistant chef training, shop and sales assistant training, programme assistant training, baggage handling assistant training, hotel room attendant training, travel assistant training, cobbler training and masseur training.
- (5) Examples of new courses include nail technician training, rehabilitation assistant training, catering and banquet server training, hotel cleaning training and digital photography training for the disabled.

In view of the strong demand for the training and retraining services provided by the ERB, eligible applicants will be arranged to attend courses subject to the availability of training places. If a training place is not immediately available, the applicant will be put on the waiting list and given a training place once it becomes available. The average waiting time for training places offered under placement-tied courses in 2006-2007 was about five weeks.

- (c) The LD provides a comprehensive range of employment services through its network of 12 Job Centres. Placement officers at these centres help job seekers evaluate their academic qualifications, job skills, work experience and job preferences; assess their training needs and assist them to look for suitable jobs. They will introduce suitable training avenues to job-seekers where appropriate, including the Employees Retraining Scheme, Youth Pre-employment Training Programme, and Youth Work Experience and Training Scheme.

As announced by the Chief Executive in the 2007-2008 policy address, the Government will examine how best to rationalize, integrate and enhance the employment and training services currently provided by the LD, Social Welfare Department and ERB. A pilot scheme will also be launched to trial a one-stop model of employment support and on-the-job training, with a view to more effectively equipping the unemployed and helping them to secure sustained employment.

Illegal Entrants Committing Crimes in Hong Kong in Order to Receive Medical Treatment in Prison

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

- (a) *of the respective numbers of illegal entrants (IEs) arrested and convicted in the past two years, together with a breakdown by nationality;*
- (b) *of the total amount of medical expenditure incurred for inmates in the past three years, as well as the portion of that for IEs; and*
- (c) *whether it has assessed the prevalence of IEs coming to Hong Kong to commit crimes in order to receive medical treatment in prison, and whether it has explored measures to curb the trend, including discussing with the countries concerned the signing of agreements on the transfer of sentenced persons?*

SECRETARY FOR SECURITY (in Chinese): President,

- (a) The breakdown by nationality of the respective numbers of IEs arrested, as well as those convicted and sentenced to imprisonment in institutions of the Correctional Services Department (CSD) in 2005, 2006 and the first nine months of 2007 is as follows:

The Number of IEs Arrested

<i>Category of IEs</i>	<i>2005</i>	<i>2006</i>	<i>2007 (January to September)</i>
Mainland China	2 191	3 173	2 199
Vietnam	373	598	448
Other regions ^(Note)		273	937
Total	2 564	4 044	3 584

Note: The Administration started to collect data about arrested IEs from other regions in January 2006.

The Number of IEs Convicted and Sentenced to Imprisonment in the CSD's Institutions

<i>Category of IEs</i>	<i>2005</i>	<i>2006</i>	<i>2007 (January to September)</i>
Mainland China	1 546	1 577	1 016
Vietnam	200	312	229
Other regions ^(Note)	143	154	167
Total	1 889	2 043	1 412

- (b) According to the CSD and the Department of Health (DH), the total amount of medical expenditure incurred for inmates in the past three years is as follows:

<i>Financial Year</i>	<i>Total Amount of Medical Expenditure ^(Note) (\$ million)</i>
2004-2005	155
2005-2006	150
2006-2007	155

Note: Part of the medical expenditure incurred for inmates is met by the Hospital Authority (HA). Since the HA does not have a breakdown of the relevant expenditure, the above figures represent the expenditure of the CSD and DH only.

Of the medical expenditure incurred for inmates, the CSD and DH do not have a breakdown.

- (c) Any person who breaks the law of Hong Kong shall be subject to court action. We have difficulty in ascertaining the authenticity of reports about IEs allegedly coming to Hong Kong to commit crimes in order to receive medical treatment in prison. The CSD has a statutory obligation to detain persons committed to their custody according to courts' ruling and treat every inmate equally irrespective of his/her status, including the provision of medical services.

While we may not be able to assess whether the objective of IEs committing crime in Hong Kong was purely to receive medical treatment in prison, the Immigration Department and the police have put in place various effective measures to combat illegal immigration at source in handling the problem of IEs coming to Hong Kong.

Immigration officers will guard against suspected persons from entering Hong Kong at the various control points, and step up law enforcement at black spots of criminal activities such as those for illegal employment. The police will also take stringent and effective enforcement measures against illegal immigration. In addition to maintaining close contact and exchanging intelligence with the Mainland and overseas law-enforcement agencies in support of interception operations in the Mainland and around Hong Kong, the police will also monitor the situation closely and co-operate with other law-enforcement agencies to combat illegal immigration proactively.

Hong Kong has so far reached agreement on the transfer of sentenced persons (TSP) with 10 overseas jurisdictions and Macao. The Administration will continue to negotiate with other jurisdictions on the conclusion of TSP arrangements. However, the successful conclusion of such arrangements depends on many factors, including whether the jurisdictions concerned have enacted local legislation which allows TSPs to be made. In addition, even in cases where an agreement has already been signed with the jurisdiction concerned, pursuant to the provisions of the Transfer of Sentenced Persons Ordinance (Cap. 513) and the stipulations in such agreements, a request for TSP could only be processed with the consent of the transferring party, the receiving party and the sentenced person concerned.

Shatin to Central Link

13. **MR ALAN LEONG** (in Chinese): *President, in June 2002, the Kowloon-Canton Railway Corporation (KCRC) was awarded the development right for the Shatin to Central Link (SCL). In August 2002, the KCRC submitted*

a revised scheme proposing to add a station at Tsz Wan Shan; then in September 2004, it submitted a draft final proposal offering to provide an automated people mover (APM) system linking the Diamond Hill Station of the SCL and the Tsz Wan Shan area instead; and yet in July 2005, it submitted a new scheme in which the proposed facilities were abandoned. In this connection, will the Government inform this Council:

- (a) whether it knows the reasons for each revision of the SCL scheme made by the KCRC;*
- (b) whether it has estimated the respective increases in the SCL's construction cost (expressed at today's prices) and time arising from the provision of the Tsz Wan Shan Station and APM system; and*
- (c) given that it has undertaken to finalize the SCL within six months after the legislative procedure for the rail merger is completed, whether it will take steps to enable the residents in Tsz Wan Shan to learn about the details as well as the merits and demerits of different options before the scheme is finalized; if it will, of the relevant details and timetable; if not, the reasons for that?*

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

- (a) In August 2002, the KCRC submitted a revised proposal on the SCL, which includes a station in the Tsz Wan Shan district. Owing to alignment design, the station would have to be located at some 80 m below ground. Thereafter, the KCRC conducted detailed site investigations in the area and found that the geological stratum is highly variable with soft and hard layers, and fault zones have been in existence. Construction of the station would entail extremely high risks. In particular, the structural integrity of the nearby buildings may be affected. Furthermore, the embedment of the station deep inside the slope mass would also make the formulation of a strategy for emergency evacuation for railway operation extremely difficult. In September 2004, when the KCRC submitted the SCL revised proposal, it suggested providing an elevated APM system connected to the Diamond Hill Station to serve the Tsz Wan Shan area.

During the discussion on the rail merger, the KCRC and the MTR Corporation Limited (MTRCL) jointly reviewed the SCL scheme with the aim of formulating a scheme suitable for implementation after the merger, including consideration such as better interchange arrangements. After the review, both Corporations considered that it would not be technically feasible to construct the Tsz Wan Shan Station. They also pointed out that, due to the topography of the area and the limitation of the APM to climb at a gradient of not more than 7%, a station could only be provided at the southern part of Tsz Wan Shan near the Tsz Lok Estate, resulting in a limited service catchment. Residents who live farther away from the system would still need to take feeder transport services or walk some distances to access the APM station, hence a majority of residents in the Tsz Wan Shan area would have difficulty directly accessing the APM system. Furthermore, during previous public consultation, some residents in the area also raised concerns about the visual intrusion and other environmental impacts, especially the noise generated by trains in the evening, which the APM system may cause during its construction and operation.

The railway corporations have also pointed out that there is already a network of Green Mini-buses and franchised buses providing feeder services to the MTR Wong Tai Sin Station and Diamond Hill Station. In view of the foregoing, they suggested that other alternatives be considered to address the transport connection needs for the Tsz Wan Shan area.

(b) and (c)

The estimated construction cost of the Tsz Wan Shan Station is about \$2 billion and that of the APM is about \$1 billion. The answer in part (a) has already pointed out the considerations of whether or not to proceed with the two proposals.

The Administration is now working in earnest to examine the SCL proposal so as to formulate a scheme and implementation timetable for the project for further public consultation early next year. In July 2007, the Administration reported to the Legislative Council on the progress on the planning of the SCL. Thereafter, we have been in close dialogue with different sectors of the community and discussed with them various issues regarding the railway. We will

continue to listen to their views with the aim at formulating a better scheme for the SCL.

Handling Complaints About Plagiarism in Tertiary Institutions

14. **MS EMILY LAU** (in Chinese): *President, a member of the public has complained to me about the way the Hong Kong Baptist University handled an incident of suspected academic plagiarism. In response to my enquiry, the Education Bureau (the Bureau) pointed out that all the University Grants Committee (UGC)-funded institutions have established mechanisms, procedures and guidelines for handling complaints about plagiarism in academic research results. The Bureau further advised that "on the premise that institutional autonomy should be respected, it is inappropriate for the Administration and UGC to interfere in how the institutions handle matters of academic plagiarism". In this connection, will the executive authorities inform this Council:*

- (a) *whether they know the details of the mechanisms, procedures and guidelines of the UGC-funded institutions for handling complaints about plagiarism in academic research results;*
- (b) *how the authorities ensure that the UGC-funded institutions will handle incidents of academic plagiarism or fraud in a fair and impartial manner; and*
- (c) *whether there is currently any organization responsible for investigating complaints about the failure of the top management of the UGC-funded institutions, including their Vice-Chancellors/Presidents, to handle incidents of suspected academic plagiarism in a fair manner, and whether a mechanism is in place to deal with the appeals lodged by complainants aggrieved by the outcomes of their complaints; if there is such a mechanism, of the appeal procedures?*

SECRETARY FOR EDUCATION (in Chinese): President,

- (a) and (b)

The eight UGC-funded institutions are autonomous statutory bodies governed by their own ordinances. They enjoy institutional autonomy in handling issues relating to plagiarism.

The academic community operates on the basis of trust, fairness and equity. All academics should recognize the importance of academic integrity and consider plagiarism a serious misconduct. This is also a fundamental consideration taken into account by institutions when handling issues relating to plagiarism. All UGC-funded institutions have established mechanisms, procedures and guidelines for handling complaints about plagiarism. In general, the institutions will set up inquiry panels for investigation and disciplinary committees for conducting hearings to determine the appropriate disciplinary actions. The inquiry panels are normally composed of academics of related disciplines and management staff of the institutions. Subject to needs, the institutions may also invite outside academics to join the panels or offer advice on the complaints. The institutions have also established their own appeal mechanisms to ensure that the investigation and inquiry are conducted in a fair and equitable manner. For transparency, all institutions have also promulgated among all academic and staff members guidelines or handbooks and codes of practice on academic integrity, clearly explaining their policy on plagiarism and the disciplinary procedures.

- (c) As mentioned above, the institutions have established their own appeal mechanisms to ensure that the investigation and inquiry are conducted in a fair and equitable manner. If the public or other academics are not satisfied with the investigation results, they may make supplementary representations to relevant institutions for their further action.

Electronic Service Delivery Scheme

15. **MR SIN CHUNG-KAI** (in Chinese): *President, regarding the implementation of the Electronic Service Delivery Scheme, will the Government inform this Council:*

- (a) *as the development of wireless technologies is increasingly mature and the Government will provide free Wi-Fi services at government premises in the coming two years, whether it has plans to introduce new technologies or measures, such as location-based applications, in order to deliver e-government services through wireless and mobile channels; if it has, of the relevant details and timetable; if not, the reasons for that;*
- (b) *as the direction of Internet applications is moving towards Web 2.0, whether it has considered applying the Web 2.0 concept in government websites or in the process of delivering electronic public services, so as to enhance public interaction and participation; if it has, of the relevant details; if not, the reasons for that, and*
- (c) *to facilitate the public's handling of various electronic public services provided by government departments and public organizations, whether it has considered establishing a dedicated electronic account system for people to configure, retain, manage and update the records and personal particulars in their own accounts; if so, of the relevant details and timetable; if not, the reasons for that?*

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Chinese): President, regarding the question raised by Mr SIN Chung-kai, my reply is as follows:

- (a) The Government has been deploying mature wireless/mobile technologies in various information technology (IT) initiatives for better electronic delivery of public services. As of today, over 60 bureaux and departments have deployed wireless/mobile technologies in about 200 IT systems. We will continue the deployment of such technologies in IT systems where applicable and suitable. A list of wireless/mobile systems that are being planned or implemented is provided at Appendix A for reference.

While we are working on the programme of providing free Wi-Fi services for citizens, we are planning in collaboration with the ICT industry a proposal for encouraging the development of Wi-Fi

applications for leveraging on the free services so provided. It is expected that, through this collaboration initiative, more Wi-Fi applications would be made available for consideration by the Government and community in general for adoption, and better electronic delivery of public service would be facilitated.

- (b) Web 2.0 brings about a substantial change in the mode of user interaction and service provision, with greater emphasis on collaboration, sharing, user-generated content and social networking effects. Our one-stop e-government portal, GovHK, has incorporated Web 2.0 features like RSS feeds for citizens to subscribe the latest information available from the HKSAR Government and related organizations. Other well-known examples include the blog sites of our Chief Executive and Financial Secretary as well as the online discussion board on the West Kowloon Cultural District set up by the Home Affairs Bureau.

The adoption of Web 2.0 tools and associated modes of interaction is necessarily an evolutionary process. Due consideration has to be given to the needs of citizens and the appropriate channels of communication. The Government will continue to leverage Web 2.0 technologies in order to enhance our interactions with and receive feedbacks from the public. We encourage individual bureaux and departments to follow the Web 2.0 development and make use of the applicable technologies to engage the public and improve public services delivery in their specific policy areas.

- (c) The Government attaches great importance to the user friendliness of the e-government services. To make it more convenient and facilitate the public in using e-government services, the Government has launched the GovHK one-stop portal for the delivery of citizen centric e-government services.

Individual bureaux and departments handle different sets of citizens' information according to their business, legal, security and operational needs. The management of personal data in the bureaux and departments is also governed by the Personal Data (Privacy) Ordinance. As such, currently we have no plan to provide dedicated electronic accounts to the public for using the various e-government services.

Appendix A

Wireless/Mobile Systems being planned or implemented in Government

<i>Bureau and Department</i>	<i>Name of System</i>	<i>Brief Description</i>	<i>Expected Completion Date</i>
Agriculture, Fisheries and Conservation Department	Park Ranger Field Support System	To keep track of field work and to share use of information in the field using Short Message Service (SMS) and Group Calling and Messaging Service.	2007 Q4
Drainage Services Department	Drainage Maintenance Management Information System	To capture inspection results of drainage complaints and conditions of drainage facilities by mobile devices using General Packet Radio Service (GPRS) technology.	2009 Q1
Immigration Department	Application and Investigation Easy System and Electronic Records Programme	To facilitate Immigration Officers to carry out field work for law enforcement through the use of Personal Digital Assistants (PDAs).	2008 Q2
Immigration Department	Mobile Face Recognition System	To enable Immigration officers to search records by facial recognition technology anywhere within wireless network coverage including outdoor environment and in Hong Kong waters.	2008 Q1
Office of the Government Chief Information Officer	Government Wi-Fi Programme	To provide Wi-Fi facilities and wireless broadband Internet access service for free use by the public.	2009 Q2
Water Supplies Department	Slope Management System	To facilitate field work staff to use PDAs to process and transmit photographs and data of slope for on-site slope management work.	On trial

One-way Permits

16. **MR LEUNG YIU-CHUNG** (in Chinese): *President, regarding the issuance of One-way Permits (OWPs), will the Government inform this Council:*

- (a) *of the number of mainland residents who were granted OWPs for entry into Hong Kong in each of the past two years and, apart from family reunion, whether there were other reasons for their being granted OWPs; if there were, of the details; and*
- (b) *whether it will consider reviewing the existing system for the issuance of OWPs (including empowering the Government of the Hong Kong Special Administrative Region (SAR) to approve and issue OWPs) with the relevant mainland authorities, so as to provide more channels for the mainland residents in need to apply for settlement in Hong Kong?*

SECRETARY FOR SECURITY (in Chinese): President, our reply to Mr LEUNG Yiu-chung's question is as follows:

- (a) The OWP Scheme, as we understand it, has been devised to facilitate mainland residents to reunite with their families in Hong Kong. Among the existing 150 daily OWP quotas, 60 places are allocated to children holding Certificates of Entitlement, 30 for those who have separated with their spouses for 10 years or above (that is, long-separated spouses) as well as their accompanying children, and 60 for other applicants covering those who have separated with their spouses for less than 10 years and their accompanying children, unsupported children who need to join their relatives in Hong Kong, persons coming to Hong Kong to take care of their unsupported (that is, with no other children in Hong Kong) aged parents, and unsupported elderly people coming to join relatives in Hong Kong. In 2005 and 2006, the number of OWP arrivals was 55 106 and 54 170 respectively.
- (b) The issue of OWPs is the responsibility of the relevant authorities of the Mainland and falls outside the remit of the SAR Government.

Since May 1997, the mainland authorities have started to assess OWP applications in accordance with the "Points System", under which the eligibility of applicants and the order in which they may settle in Hong Kong are assessed and determined according to objective criteria. The Public Security Bureaux of some mainland provinces also regularly publish information on those who were granted with OWPs such as their names, the reunion types, and the points accorded, on Hong Kong's newspapers.

Although the issue of OWPs is the responsibility of the mainland authorities, the SAR Government will reflect to them Hong Kong peoples' views on the relevant arrangements. In response to the request of the Right of Abode seekers, the SAR Government has invited the mainland authorities to consider allowing more mainland adult children who are in genuine need to apply to come to Hong Kong for settlement and taking care of their parents via the OWP channel. The SAR Government will continue to keep in view the relevant development.

Car Park Adjacent to MTR Sunny Bay Station

17. **DR DAVID LI:** *President, I have learnt that the Hong Kong Disneyland (Disneyland) overflow car park adjacent to the Sunny Bay MTR Station has remained unused since the opening of the theme park. In this connection, will the Government inform this Council whether:*

- (a) *it projects that the above overflow car park will be used by the Disneyland in the foreseeable future; if not, whether there are any plans to put the site in question to better use; and*
- (b) *the agreement with the Hongkong International Theme Parks Limited (HKITP) allows the above site to be returned to the Government or to be used as a temporary car park for non-Disneyland use; if so, under what conditions may such arrangements be made, including but not limited to any payments to the HKITP, and the earliest date of making such arrangements?*

SECRETARY FOR DEVELOPMENT: President, the agreement signed between the Government and the HKITP does not cover the allocation of the site adjacent to the Sunny Bay MTR Station mentioned in the question.

In April 2005, the Lands Department (LandsD) allocated the site to the Transport Department (TD) for use as an "emergency vehicle holding area". This arrangement was made to cater for any sudden surge in the need for parking spaces from visitors to the Disneyland after its opening. The site could then be used as a temporary car park to meet the traffic demand of Disneyland visitors.

The TD has reviewed the use of the site one year after the opening of the Disneyland. As potential contingencies do not occur as frequently as originally anticipated, the TD and the HKITP have agreed to adopt suitable contingency measures for emergencies, that is, in case of a sudden surge of parking demand, arrangements will be made for the tourists' private cars to use the Disneyland's coach parks or the nearby utility yard, or to divert them to other parking facilities in Tung Chung and Tsing Yi. As such arrangements have already been in place, the TD decided to cease the use of the site for parking purpose and returned it to the LandsD in February 2007.

For better utilization of the site, the LandsD together with other bureaux/departments concerned are actively considering possible options to put the site to temporary use. The LandsD plans to let the site by short-term tenancies at full market rental. The proposal will be put to the District Lands Conference for discussion shortly.

Arrangements for Marathons

18. **MR FREDERICK FUNG** (Chinese): *President, following the Standard Chartered Hong Kong Marathon 2007 held in March this year, some academics and runners made the following suggestions: advancing the race day, changing the routes of the event, extending the duration of the race and road closure, setting higher eligibility criteria for joining competitive races, reducing the maximum number of participants, adjusting the starting time for various races to avoid participants from obstructing each other, holding a separate long-distance running carnival for those who just wish to participate, opening some sections of the routes for members of the public to line both sides as spectators and arranging for the event to be televised so as to enhance the atmosphere of*

competition, stepping up efforts to promote correct knowledge of long-distance running, as well as urging participants to adopt a responsible and serious attitude in joining the event and be well-prepared for the race. In its reply to my relevant question in March this year, the Administration said that preliminary results of the assessment by the Hong Kong Amateur Athletic Association (HKAAA) on the aforesaid suggestions were expected to be available in June or later this year. Regarding the future arrangements for this event, will the Government inform this Council:

- (a) whether it knows the aforesaid preliminary assessment results, and which of the aforesaid suggestions will be implemented; if some of the suggestions will not be implemented, of the reasons for that;*
- (b) given that during the Chicago Marathon held early this month, a participant died suddenly, hundreds of runners felt unwell and the event was cut short, whether HKAAA has looked into the causes thereof and drawn on the experience as reference for next year's race; and*
- (c) whether it has, in collaboration with HKAAA, devised a contingency mechanism for next year's race to deal with any emergencies; if so, of the details; if not, the reasons for that?*

SECRETARY FOR HOME AFFAIRS (Chinese): President,

- (a) According to the information provided by the HKAAA, the Event Day of the next Standard Chartered Hong Kong Marathon will be advanced slightly. The tentative date for the event is 17 February 2008 (Sunday).

Regarding the arrangements for the routes, the HKAAA set up a Task Force in May 2007 to study in detail the feasibility of changing the routes of the event with the relevant government departments. After a number of meetings and following a study by a traffic consultant, the Task Force recommended in September 2007 to shift the Finish Area of the event from the Golden Bauhinia Square (the Finish Area in the previous events) in Wan Chai to the Victoria Park in Causeway Bay. The Task Force also recommended to change

the course of the 10-km Run to the Island Eastern Corridor on Hong Kong Island, so that the race will start at the eastbound carriageway of the Island Eastern Corridor in Fortress Hill, with the Turning Point located near Sai Wan Ho for westbound carriageway of the Island Eastern Corridor, and finish at Victoria Park. The HKAAA, relevant organizations and government departments held the Organizing Committee meeting on 18 October 2007 and accepted the new arrangements proposed by the Task Force. The HKAAA believes that the new arrangements can substantively reduce people flow in the Western Harbour Crossing and allow more runners to participate in various races of the Marathon, without the need for extending the duration of the race and road closure. Therefore, the HKAAA does not need to set higher eligibility criteria for joining competitive races, reduce the maximum number of participants, adjust the starting time for the event or add a carnival category in order to control the number of participants. Under the new arrangements, members of the public are allowed to line both sides of the route 1 km before the finishing line to participate as spectators and cheer for the runners, so as to enhance the atmosphere of competition.

The HKAAA also plans to launch a public education and publicity exercise that includes stepping up efforts to promote correct knowledge of long-distance running, as well as urging participants to adopt a responsible and serious attitude in joining the event and be well-prepared for the race.

Regarding the proposed live broadcast of the Event on television, the Administration will not interfere with the business decision between the HKAAA and the relevant television broadcaster(s).

- (b) The HKAAA has learnt that the problems encountered in the Chicago Marathon held early this month is probably due to the high temperature at 30°C on the event day and the lack of water at water points.

The Hong Kong Marathon is held in February or March when the weather is rather cool with an average temperature of around 20°C. Moreover, as the water points set up by the HKAAA have never run

out of water in the past, and the distance between one water point and another is only 2.5 km to 3 km, which is shorter than the requirement of not more than 5 km under the international standard, it is believed that problems similar to those at the Chicago Marathon will not occur in Hong Kong.

- (c) We know that the HKAAA will continue to implement the contingency mechanism that has been effective over the years for the next Hong Kong Marathon to deal with any emergencies, so that participants can enjoy a challenging and safe Marathon. The Administration will continue to liaise closely with the HKAAA and review the arrangements after the event.

Financial Assistance Scheme for Designated Evening Adult Education Courses

19. **MR JASPER TSANG** (in Chinese): *President, it has been reported that the Hong Kong Association for Continuing Education has criticized the Government's present policy of reviewing the Financial Assistance Scheme for Designated Evening Adult Education Courses every three years, and has also pointed out that the results of the review on the three-year Financial Assistance Scheme which has been implemented since the 2005-2006 school year will affect the financial assistance to be received by students enrolled in these courses in the 2008-2009 school year. However, up till now, the Government has not yet provided information on this. The Association has also criticized the inadequacy of the above Financial Assistance Scheme as it only caters for students in Secondary Four or above and subsidizes only 30% of the tuition fees. In this connection, will the Government inform this Council:*

- (a) *whether it has completed the above review; if it has, of the results; if not, when it will announce the results of the review;*
- (b) *of the number of students currently enrolled in the evening junior secondary courses (that is, Secondary One to Three) run by government secondary schools, and how the Government assists those, among such students, who need financial assistance; and*

- (c) *whether it will make the above Financial Assistance Scheme a permanent one, without having to review it again after three years; if it will, of the progress; if not, the reasons for that?*

SECRETARY FOR EDUCATION (in Chinese): President, the Financial Assistance Scheme for Designated Evening Adult Education Courses, to be implemented from 2005-2006 to 2007-2008 school years, was approved by the Finance Committee of the Legislative Council in May 2005. The aim of the Scheme is to provide financial assistance to adult learners in designated evening adult education courses, thereby facilitating the learners to complete mainstream senior secondary school education and sit for the Hong Kong Certificate of Education Examination.

The Scheme covers evening senior secondary courses (Secondary Four to Seven) offered by approved course operators in designated government school centres. Learners meeting the prescribed requirements, such as having at least 80% attendance, are eligible for a reimbursement of 30% of the course fees. Needy learners who are eligible for full assistance under the means test administered by the Student Financial Assistance Agency would be reimbursed in full (100% of the course fees). The number of learners who have participated in the Scheme and the number of those provided with assistance in the past two years are as follows:

<i>School year</i>	<i>Enrolment</i>	<i>Number of learners provided with 30% reimbursement of the course fees</i>	<i>Number of learners provided with 100% reimbursement of the course fees</i>
2005-2006	1 202	516	92
2006-2007	1 119	473	96
Total	2 321	989	188

Our reply to the specific questions raised is as follows:

- (a) When launching the Scheme in 2005, the Administration undertook to conduct a review in the 2007-2008 school year to assess its effectiveness. The review would examine various aspects of the Scheme, including enrolment, implementation period, coverage and subsidy levels. We would consult the learners and the interested

parties in this process, and would present its outcome to the Legislative Council Panel on Education.

- (b) Currently, the Scheme does not cover courses in Secondary One to Three. However, in order to meet the needs of adult learners with low education level (that is, below Secondary Three) who wish to upgrade their educational qualifications, the Administration has subsidized the Vocational Training Council (VTC) to offer a Certificate of Foundation Studies from January 2007 on a pilot basis. About 75 learners have enrolled in the course. Learners facing financial hardship and satisfying the means test administered by the VTC would be fully subsidized (that is, 100% of the course fees would be reimbursed).
- (c) When the Scheme was introduced in 2005, the Administration undertook to conduct a review in the third year of operation (that is, in the 2007-2008 school year) to assess its effectiveness. In this connection, we would conduct a comprehensive review to examine various aspects, including the implementation period of the Scheme.

Suspension of Trading in Stocks of Listed Companies

20. **MR ALBERT CHENG** (in Chinese): *President, currently, trading in the stocks of a number of listed companies has been suspended for a long time and the longest period of suspension is more than three years. As a result, the funds of minority shareholders have been frozen for a prolonged period of time, but in many cases the companies concerned have not disclosed the reasons for such suspensions. In this connection, will the Government inform this Council:*

- (a) *whether it knows the number of listed companies with stock trading suspended for more than 12 months, and the reasons why trading in these stocks has not resumed for such a long period;*
- (b) *whether it knows the criteria adopted by regulatory bodies for deciding on the suspension and resumption of stock trading; and*
- (c) *whether it will review the existing mechanism for the suspension of stock trading of listed companies and adopt measures to enhance its*

transparency, such as disclosing the criteria adopted for deciding on the suspension and resumption of stock trading?

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Chinese): President, the rules relating to the suspension of trading on the Stock Exchange of Hong Kong (the Exchange) are administered by the Exchange. The Exchange's reply to the questions raised is set out below:

- (a) As at 16 October 2007 (and 30 September 2006 respectively), 29 (34) Main Board and 16 (21) Growth Enterprise Market listed companies were regarded by the Exchange to be long-suspended. Thirty-eight out of these companies had been suspended from trading for a period of more than 12 months.

For these companies there are a variety of reasons why trading has yet to resume after such a period. Resumption of trading will depend on the circumstances of each company and its efforts to address the circumstances pertaining to the ongoing suspension.

Most of these companies are experiencing financial difficulties and/or lack sufficient operations to maintain their listing status. The resumption of trading of the securities of a listed company in severe financial difficulty will usually take some time to achieve as it invariably involves rescue proposals with funds and/or asset injections and a compromise agreement with its creditors. These proposals are considered on a case by case basis and often have to undergo a process of detailed scrutiny. If these companies cannot present a viable resumption proposal to the Exchange in accordance with the provisions of the Listing Rules, their listings will ultimately be cancelled. In other cases companies are suspended pending announcement of price sensitive information or where there is delay in release of financial information and/or where the companies in question need to address governance related concerns.

- (b) In carrying out its functions the Exchange considers the need to promote investor confidence in standards of disclosure by listed

companies and in the conduct of their affairs, in particular compliance with the continuing obligations regime.

The continuing obligations are founded on the principles of timely disclosure of all relevant information and equal treatment of all shareholders. They perform an essential role in helping to maintain orderly markets and in ensuring acceptable levels of investor protection. When these obligations are not met the Exchange will consider what remedial steps are necessary to restore an orderly market or, depending on the circumstances, to put a listed company into a position in which it can meet its obligations under the Listing Rules. Where appropriate, the Exchange will also consider what sanctions should be imposed through formal disciplinary procedures.

Power to suspend

Where the maintenance of an orderly market is or may be jeopardized or where protection of investors so requires the Exchange may suspend trading with effect from such time as it may determine and in such circumstances as it thinks fit, whether or not a request is made by an issuer or its authorized advisers. The relevant powers are described in Chapter 6 of the Main Board Listing Rules and Chapter 9 of the Growth Enterprise Market Listing Rules.

The Exchange, in considering whether or not to exercise its powers to suspend trading or to order the resumption of trading, will have regard to the interests of both current shareholders and potential future investors. While concerns are often raised about the impact of suspension of trading on shareholders, in particular minority shareholders, who may be unable to dispose of their interest in the suspended securities, it is equally important to consider whether potential purchasers of those shares will have at their disposal all the information they might need to make an informed investment decision, and can have confidence that the company's circumstances are such that it is able to meet its continuing obligations under the Listing Rules.

Grounds for suspension

The structure of the Listing Rules and the continuing obligations regime places the onus on listed companies to avoid any suspension of trading. Recourse to suspension should be avoided whenever it is reasonably practicable. The Exchange places great importance on the responsibility of the directors of a listed company, not only to ensure proper security with regard to unpublished price-sensitive information, but also to ensure that relevant information is disclosed in a proper, equitable manner, in the interests of the market as a whole, not to the benefit of a select group or individual.

There are circumstances where steps cannot be taken in the time available to avoid a suspension of trading. The following is a non-exhaustive list of examples of circumstances in which the Exchange will normally suspend trading:

- (i) A listed company is unable to publish price-sensitive information;
- (ii) There is or may be a leak of price-sensitive information and the listed company is unwilling or unable to issue an announcement within an appropriate timeframe;
- (iii) There is uneven dissemination or leakage of price-sensitive information in the market giving rise to an unusual movement in the price or trading volume of the listed company's securities;
- (iv) There are unexplained unusual movements in the price or trading volume of the listed company's securities and the listed company's authorized representative cannot immediately be contacted by the Exchange to confirm that the listed company is not aware of any matter or development that is or may be relevant to the unusual price movement or trading volume of its listed securities;
- (v) A listed company appoints receivers or liquidators are appointed;

- (vi) A listed company is unable to assess its financial position and inform the market accordingly;
- (vii) A listed company receives an offer for its securities and the listed company is unable to issue an announcement pursuant to the Takeovers Code within an appropriate time frame;
- (viii) The Exchange considers that the listed company does not have a sufficient level of operations to warrant the continued listing of the company's securities;
- (ix) A listed company fails to meet the continuing obligations of listing in a manner severe enough, in the opinion of the Stock Exchange, to justify suspension. For example, with effect from 1 January 2005, Main Board-listed companies which fail to publish financial results by the due date in accordance with the Listing Rules will be suspended; or
- (x) The Exchange considers there are insufficient shares in public hands.

Resumption of dealings

In the interests of promoting a continuous market for the trading of listed securities, the Exchange stipulates that the period of any suspension be kept as short as is reasonably possible. This means that a listed company and its advisers must produce an appropriate draft announcement for review by the Exchange as soon as possible after the suspension arises. Under normal circumstances, the Exchange will restore dealings as soon as possible following publication of an appropriate announcement, or after specific requirements have been met. In the majority of cases, the resumption of dealings will normally take place at the commencement of trading on the morning if the announcement is published on the HKEx website and the company's own website by 11 pm of the previous night on a business day.

However the procedure for lifting a suspension will depend on the circumstances and the Exchange reserves the right to impose such conditions as it considers appropriate.

As an example, a listed company may be suspended due to qualified audit opinion where the auditor is unable to express an opinion on whether the listed company has been able to maintain proper books and records. Such an opinion raises serious concerns about whether the company has in place adequate compliance procedures, systems and controls to enable the company to meet its financial and other disclosure obligations under the Listing Rules. To protect investors the Exchange will suspend trading pending clarification of the concerns raised and such remedial action as may be necessary. In these circumstances the Exchange may impose as a condition for resumption of trading that the listed company undertake a review of its systems and controls and obtain an independent confirmation that the directors have established procedures which provide a reasonable basis for them to make proper judgements with respect to the company's continuing obligations under the Listing Rules.

Rejection of a proposal for the resumption of trading

During any period of suspension the listed company may request the lifting of the suspension. The Exchange will not entertain a request by a listed company to resume trading if it is not satisfied that the circumstances prevailing at the time warrant resumption of trading. Usually a decision to reject a request for a lifting of suspension is made by the Listing Division.

Where the Listing Division rejects an application by a listed company to lift a suspension of trading which has been in effect for more than 30 days, the listed company has the right to have that decision referred to the Listing Committee for review.

Where the Listing Committee endorses, modifies or varies the Listing Division's decision, that listed company shall have the right to have that decision reviewed by the Listing Appeals Committee,

whose decision shall be conclusive and binding on that listed company.

These arrangements provide safeguards to ensure that the Listing Division exercise their powers and carry out their day to day administration of the Listing Rules in a professional and impartial manner.

- (c) As is noted in The Listing Committee Report 2006, at the Policy Meeting held in January 2006, the Listing Committee noted that a lack of co-operation or responsiveness from listed issuers was a main cause for the prolonged suspension of a number of listed issuers and the lack of transparency in the process. The majority of such suspended listed issuers either delayed the provision of relevant information or provided incomplete and piecemeal information regarding the problem that led to the suspension. Without the full co-operation of the listed issuers, the Exchange would be denied information necessary to form a complete picture of the extent of the problems faced by a listed issuer. Furthermore, an appropriate regulatory response would be a balancing act of on the one hand ensuring that a suspended listed issuer is allowed to resume trading after investors are fully informed and, on the other hand, ensuring that the listed issuer's suspension is for the shortest possible period.

To provide greater transparency about suspensions the Listing Committee supported the Listing Division considering whether or not to apply one or more of the following options; (i) the Exchange publishing the conditions imposed for resumption; (ii) requiring the suspended issuer to publish a weekly update for temporary suspensions or a monthly or quarterly update for long suspensions; and/or (iii) automatically invoking the delisting procedure if a security has been suspended for a prolonged period of time without the issuer taking steps to achieve resumption.

The Listing Division has adopted this guidance in its current working practices.

MEMBERS' MOTIONS

(Continuation of the unfinished part of the motion moved at the last Council meeting)

PRESIDENT (in Cantonese): Members' motions.

Council will now continue with the unfinished part of the motion on "Development of the convention and exhibition industry".

DEVELOPMENT OF THE CONVENTION AND EXHIBITION INDUSTRY

PRESIDENT (in Cantonese): At the last meeting, I had put the following question to you: That the amendment, moved by Mr WONG Ting-kwong to Mr Andrew LEUNG's motion, be passed. In this connection, Mr Albert HO had claimed a division.

PRESIDENT (in Cantonese): In accordance with the Rules of Procedure, Council now proceeds to a division. The division bell will now ring for three minutes, after which the division will begin.

PRESIDENT (in Cantonese): Will Members please check their votes. If there are no queries, voting shall now stop and the result will be displayed.

Functional Constituencies:

Dr David LI, Dr LUI Ming-wah, Ms Margaret NG, Mr CHEUNG Man-kwong, Dr Philip WONG, Mr WONG Yung-kan, Mr Howard YOUNG, Ms Miriam LAU, Mr Abraham SHEK, Mr Tommy CHEUNG, Mr Vincent FANG, Mr WONG Kwok-hing, Dr Joseph LEE, Mr Daniel LAM, Mr Jeffrey LAM, Mr Andrew LEUNG, Dr KWOK Ka-ki, Dr Fernando CHEUNG, Mr WONG Ting-kwong, Mr CHIM Pui-chung, Mr KWONG Chi-kin and Miss TAM Heung-man voted for the amendment.

Geographical Constituencies:

Mr James TIEN, Mr Albert HO, Mr Fred LI, Mrs Selina CHOW, Mr James TO, Miss CHAN Yuen-han, Mr CHAN Kam-lam, Mr LEUNG Yiu-chung, Mr Jasper TSANG, Dr YEUNG Sum, Mr LAU Kong-wah, Miss CHOY So-yuk, Mr TAM Yiu-chung, Mr Frederick FUNG, Ms Audrey EU, Mr LEE Wing-tat, Mr LI Kwok-ying, Mr Alan LEONG, Mr CHEUNG Hok-ming, Mr Ronny TONG and Mr Albert CHENG voted for the amendment.

THE PRESIDENT, Mrs Rita FAN, did not cast any vote.

THE PRESIDENT announced that among the Members returned by functional constituencies, 22 were present and 22 were in favour of the amendment; while among the Members returned by geographical constituencies through direct elections, 22 were present and 21 were in favour of the amendment. Since the question was agreed by a majority of each of the two groups of Members present, she therefore declared that the amendment was carried.

PRESIDENT (in Cantonese): Mr Andrew LEUNG, you may now reply and you have one minute 59 seconds.

MR ANDREW LEUNG (in Cantonese): Madam President, first of all, I have to thank the 12 Members who spoke last week. The overwhelming majority of them support this motion. They have pointed out the challenges confronting the convention and exhibition industry now and in the future and called on the Government not to delay any longer the construction of new infrastructure facilities for conventions and exhibitions, so as not to let the neighbouring cities catch up with Hong Kong's leading position in the convention and exhibition industry.

I am also grateful to Secretary for Commerce and Economic Development Frederick MA for his support and active response to the motion and for having listed the large-scale international convention and exhibition projects that he will

actively secure for Hong Kong. On 12 October, a cross-sector steering committee led by Financial Secretary John TSANG and Secretary Frederick MA held its first meeting, in which four areas, including promotion efforts, upgrading the Hong Kong brand, training of talent, and convention, exhibition and hotel facilities, were identified for follow-up. I also hope that relevant government authorities can more expeditiously respond with concrete actions so that the construction of infrastructure facilities can be finalized as soon as possible.

Lastly, allow me to say a few words about my feeling. It is out of my expectation that this motion has taken two weeks to complete, but on the positive side, this motion which has straddled the week can arouse interest and commitment of Members in the development of the convention and exhibition industry. May I call on Members gathered here today, the Chief Secretary for Administration, the Secretary for Justice as well as other Bureau Directors present here to support the development of Hong Kong into the international convention and exhibition centre in Asia.

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

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Mr Andrew LEUNG, as amended by Mr WONG Ting-kwong, be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority respectively of each of the two groups of Members, that is, those returned by functional constituencies and those returned by geographical constituencies through direct elections, who are present. I declare the motion as amended passed.

(Motion to be moved at this Council meeting)

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

In each session, I will first call upon those Members who wish to speak to speak. Council will then be suspended for 10 minutes for the Administration to co-ordinate its response. Only designated public officers may speak when Council resumes. The total speaking time limit for designated public officers in each session will depend on the number of speakers, but the minimum is 45 minutes.

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

PRESIDENT (in Cantonese): I now call upon Ms Miriam LAU to speak and move her motion.

MOTION OF THANKS

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

Madam President, this is the fifth time that I move the Motion of Thanks. I wish to point out here that this motion is not directional, but is merely a traditional practice required by the Rules of Procedure of the Legislative Council to enable Honourable Members to express their gratitude to the Chief Executive for his policy address. However, as usual, some Members intend to move amendments to this motion.

While I respect Members' decision and right to move amendments, I also hope that Members will speak to their hearts' content during the debate sessions on the Chief Executive's policy address in the days to follow.

I have been calling on the Administration to attach importance to and improve the relationship between the executive and the legislature in my speeches made for the previous Motions of Thanks. Unfortunately, however, it seems that my efforts have failed to yield satisfactory results. Given that this policy address is waving the banner of "A new direction for Hong Kong", I would rather highlight the heartfelt wishes of Legislative Council Members and the importance of strengthening communication than playing the same old tune.

Members of this Council, who are returned by elections, are representatives returned by either functional constituencies, or geographical constituencies through direct elections. Hence, their representativeness is indisputable. Whenever Members discovered that certain policies have deviated from the right track, found room for improvement in laws being drafted or noticed any problem relating to the people's livelihood which warrant urgent action, it is all too natural that discussions with the Administration will be expected for the purposes of enhancing the quality of governance and seeking appropriate solutions to the problems. The channels through which discussions can be conducted are often the Chief Executive's Question and Answer Session and Legislative Council meetings, during which questions will be put to the Chief Executive and Principal Officials. Also, there are various committee meetings where discussions will be held with the government officials.

It has been the Members' wish to get to the root of the problem through constructive discussions and by gaining an understanding of the stance or limitations of the Administration, with a view to coming up with a solution that is acceptable to all parties concerned.

However, the sincerity and diligence of Members are often misinterpreted as criticisms, challenges and malicious comments against the executive authorities, or even regarded as a show to canvass votes. So long as government officials have such a wrong perception, they will tend to uphold the Administration's established policies and resist Members' views. What is even worse is that they will refrain from attending the relevant committee meetings by all means. Such a resistant or evasive attitude of the Administration will

naturally arouse Members' discontent and create a confrontational situation between the executive authorities and the legislature.

It is precisely because Members noted such an unsatisfactory situation that they have requested the government officials time and again in every Session of this term to strengthen communication between them, and increase their attendance at various committee meetings. Members' request had also been reiterated when the Deputy Chairman of the House Committee and I met with the Chief Secretary for Administration. Besides, Members have amended the Rules of Procedure to the effect that government officials do not only respond to Members' views towards the end of the debate, but also speak in the early part of the debate so as to give Members a better understanding of the Administration's stance on the subject at an earlier stage.

I would like to take this opportunity to stress again that Members often give constructive views and well-intentioned comments to the Administration. Such views and comments, however, do not represent Members' personal views, but reflect the heartfelt wishes of Hong Kong people. I hope that the Chief Executive and his team will listen carefully, think twice, open their minds and break away from their conventional mindset, and strengthen communication with Members of this Council, so as to create a better future for Hong Kong people together.

Not only is communication with Legislative Council Members has to be enhanced, I also hope that the SAR Government will help strengthen the communication between Members and the Central Government. When our State leaders visit Hong Kong in the future, I hope that the SAR Government will earnestly arrange for their meetings with Legislative Council Members to discuss issues of mutual concern. And I hope all the more that the SAR Government will make every effort to arrange for Members another visit to the Mainland to strengthen liaison with the Central Authorities.

Madam President, this is the last Motion of Thanks debate of the current term of the Legislative Council. Nonetheless, this motion debate will be followed by one whole Session's outstanding legislative work. I hope that the Administration will bear in mind the tight legislative programme and table the bills to this Council early this Session, so that Members can have ample time for examination.

On the other hand, this is the first policy address of the third term SAR Government. I welcome the undertaking made by the Chief Executive in the policy address that the SAR Government is determined to work closely with this Council, and will seek Members' views as early as practicable when formulating important government policies. I am very pleased to see that the Principal Officials, who just resumed office in early July this year, have attended various panel meetings at Members' request. The Chief Secretary for Administration even attended a special House Committee meeting immediately after the delivery of the policy address to discuss with Members issues of mutual concern at the first instance. This is an encouraging start, which is good, and I sincerely hope that the Chief Executive and Principal Officials of the SAR Government will deliver the mission of strong governance, manifest the spirit of accountability and treasure the opportunities to communicate with the legislature, with a view to serving Hong Kong people with its best effort.

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

Ms Miriam LAU moved the following motion: (Translation)

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

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

Mr Albert HO, Mr Andrew CHENG, Mr Frederick FUNG, Ms Emily LAU, Mr Albert CHAN and Mr LEUNG Yiu-chung will move amendments to this motion respectively, and Mr Fred LI will also move an amendment to Mr Albert HO's amendment. At the conclusion of the five debate sessions, I will call upon them to move their amendments.

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

PRESIDENT (in Cantonese): We now proceed to the first debate session. The policy areas for this session are "administration of justice and legal services, constitutional affairs, public service, security, district administration and civic education".

DR PHILIP WONG (in Cantonese): Madam President, on behalf of the Chinese General Chamber of Commerce, I support the first policy address delivered by the Chief Executive after his successful re-election. This is also a policy address released before the District Council Election to be held by the end of this year and the Legislative Council Election to be held next year. I understand that colleagues who have to canvass votes may make a lot of criticisms of this policy address. Frankly speaking, how can they canvass more votes if they do not blast the Government today? This is indeed a very helpless situation.

Nonetheless, I find that this policy address has at least two merits: first, it proposes a pragmatic direction of administration for Hong Kong right at the beginning, which insists on promoting economic development as our primary goal; second, it is comprehensive and gives people an impression that the Government is sincere, confident and determined, such that the initiatives are solid enough to withstand all tests.

I wish to elaborate three viewpoints of mine.

First, I very much applaud the principle of "big market, small government" proposed by the Chief Executive.

Hong Kong people are the most pragmatic and market-minded, and they attach great importance to the economy and the people's livelihood. In the face of intense competition in the global market, under which Hong Kong will be left behind if it is not moving ahead, it is essential for the Government, enterprises and individual citizens to revitalize the economy, develop the community and build a harmonious society. All these three parties are indispensable. Each of us should give play to our respective functions and roles, and perform our duties. Initiatives ranging from expediting the pace of infrastructure development to consolidating our position as an international financial centre; from protecting our ecological environment to catering for the disadvantaged groups; from upgrading our population and strengthening the families to reforming our education, and developing a democratic system that suits the actual situation of Hong Kong according to the Basic Law, all require the active participation of different strata of society.

After all, Hong Kong is a commercial city that follows the principle of free market. Enterprises must establish a strong foothold in order to maintain their power to compete with the neighboring regions, and make contribution to the

prosperity of Hong Kong by increasing job opportunities and helping society make progress. For the more controversial issues, such as fair competition and minimum wage, I eagerly hope that the Government will pay heed to the voices of the business sector and gain a better understanding of the difficulties and challenges faced by the enterprises.

I welcome that the recommendations made by different trade associations have been adopted by the Government, which has undertaken to improve the business environment, streamline the approval procedures, and help the small and medium enterprises that are either operating in Hong Kong or the Mainland to integrate into the National 12th Five-Year Plan by upgrading their environmental protection technologies, reducing power consumption and enhancing social efficiency.

Second, I am very appreciative of the initiatives in education and health care as proposed in the policy address.

This policy address meets the expectations of people from all walks of life by introducing a series of measures which include providing 12-year free education, implementing small-class teaching, expanding the international school sector, attracting excellent talents and introducing health care reform.

Education is the foundation of the people's livelihood and also the mainstay of economic development. I agree that the Government should be people-oriented in nurturing talents, promoting health and building a harmonious and stable city of vitality. While our economy has picked up, I think that the Government should understand and sympathize with the hardships of the people, narrow the disparity between the rich and the poor, make effective use of the surplus, reduce tax for the benefit of the people, improve public service, increase investments in education and health care, assist social enterprises, make more effort in helping the poor and encourage self-reliance by starting business, with a view to enabling Hong Kong people to share the fruits of economic development.

PRESIDENT (in Cantonese): Dr Philip WONG, I have to interrupt you. Is your present speech comparatively short?

DR PHILIP WONG (in Cantonese): I just wish to speak once and it will take about three minutes.

PRESIDENT (in Cantonese): I have to ask you first so as to let every Member know. Should a Member speak only once, I will allow him to speak more on other issues.

DR PHILIP WONG (in Cantonese): I will only speak once.

PRESIDENT (in Cantonese): If your speech focuses on a specific topic, it should be confined to issues relating to the debate session concerned. Dr Philip WONG, please continue with your speech.

DR PHILIP WONG (in Cantonese): Thank you, Madam President.

Third, I very much applaud the concluding part of the policy address, which calls on the promotion of the Basic Law, reinforcement of national education and pursuance of excellence in governance.

I think that it is essential for Hong Kong people, especially civil servants and young people, to gain further knowledge and a better understanding of our Motherland, as well as a sense of our national and cultural identity. This carries a positive meaning in enhancing people's sense of national identity and maintaining social stability and harmony, so as to tie in with the main theme of our country's development. I hope that the Government will deploy more resources to enable the departments and bodies concerned to join hands and organize a wide variety of activities in a systematic way, with a view to promoting exchanges between Hong Kong and the Mainland, and achieving actual effects.

Since there is still a lack of political talents in Hong Kong at present, I support the Government's proposed creation of the posts Deputy Director of Bureau and Assistant to Director of Bureau, which ensures that the implementation of the policy address is fully supported by the government team.

I also support the relevant authorities' action to clarify the incident concerning infringement on academic freedom so as to boost the morale of civil servants and encourage closer communication between government departments and different sectors of the community. I think that a true academic should

have no fear of infringement, neither will infringement be possible. Academics being involved in individual cases of hijack of "academic freedom" and claimed to be "interfered" cannot in anyway be called a true academics.

All in all, I consider that this policy address is in stark contrast to those delivered by the British politician deployed to Hong Kong before the reunification, for he had been indulged in talks which were unrealistic. Surely, in order to implement the various initiatives proposed in this policy address, it is necessary for the general public to share the same vision. Just as the Chief Executive has said, the rise of our country brings new opportunities for our development, and also ushers in a new era for Hong Kong. I hope that Members will stay alert to the challenges ahead and engage no more in empty talks, but to "act when you should act, and stop when you should not press on" with a view to joining hands to bring Hong Kong economy to a new height. I hope to tender this to Members as mutual encouragement.

Madam President, I so submit.

MR LEE CHEUK-YAN (in Cantonese): President, two incidents have occurred after the delivery of the policy address by Donald TSANG. One is related to people's livelihood while the other is related to democracy. These two incidents may be described as a cruel political reality which has pointed to the truth that what Donald TSANG mentioned in the policy address are mere sweet words and honeyed phrases from a politics.

What is the incident related to people's livelihood? When the policy address was announced on 10 October, a family of three in Tin Shui Wai jumped to death on 14 October. Let us imagine what is in contrast to the tragic scene, a family of three jumping to death. It is in contrast to Hong Kong's golden decade in the future mentioned by Donald TSANG. In fact, this has revealed one thing: What will happen to Hong Kong as a whole? It is a scene which can be described as "meat and wine go to waste behind TSANG's doors while out on the road lie the bones of people who jumped to death. (曾門酒肉臭，路有跳樓骨)". It is proposed in the policy address that profits tax and salaries tax will be reduced. But regarding salaries tax, it is proposed to cut the standard tax rate instead of the salaries tax payable by the average middle class. Donald TSANG's proposal of reducing the profits tax and standard tax rate, which will cost the Government \$5 billion, is obviously a gift to the consortia and the rich.

The golden decade mentioned by Donald TSANG is in fact a gift of 100 000 taels of gold to the consortia. But meanwhile, the Government remains stingy to the grassroots. Apart from the \$250 health care vouchers, the "fruit grant" and Comprehensive Social Security Assistance payment for the elderly will not see any increase. This is in sharp contrast to the \$48 million tax savings to be pocketed by LI Ka-shing's Cheung Kong (Holdings). As for the working class, the legislation on minimum wage has dragged on with their plight being ignored. Ours is a government which attaches importance to the rich with petty benefits for the ordinary people.

Paragraph 6 of the policy address reads like this: "Without economic prosperity, people cannot make a decent living and all visions are just empty talk." And in paragraph 8, it says: "..... with different strata of people sharing the fruits." May I ask Mr TSANG whether he blushed when reading these two paragraphs? By borrowing the well-known line from LEUNG Yiu-chung in 1996, "foul grass out of foul vase", to describe the new direction of Donald TSANG's policy address this time around, I think it is most appropriate to say that the new direction is to attach importance to the rich with minor benefits for the poor. Why is it like "foul grass out of foul vase"? Because Chief Executive Donald TSANG returned by a 800-member small circle is now showing gratitude to his electors by proposing a \$5 billion tax cut in his policy address to benefit the rich. So, the people of the middle and lower strata need not feel angry other than sighing that they are poor and have no votes.

Secondly, his commitment to democracy in the policy address is also questionable. Donald TSANG has put forward his theory on the Cultural Revolution, citing the Cultural Revolution as an extreme example of the consequences of people taking power into their own hands. Today, I am not going to further comment on this because a blizzard of criticisms has been made. But today I would like to point out what I am most worried about. President, it is his remarks at a seminar held by the Hong Kong Federation of Youth Groups. He said that a politician sometimes had to speak from his heart. This means that his theory of the Cultural Revolution comes from his heart. If so, his sincerity in promoting universal suffrage in a democratic manner is highly questionable. As I said, Mr TSANG's theory of the Cultural Revolution is a Freudian slip because he basically does not have any sincerity to promote universal suffrage. So, President, the part related to universal suffrage in the

policy address, in my opinion, has failed to deliver and the strategy is to put the blame on others.

How did he put the blame on others? Whenever I talked with Secretary Stephen LAM about dual elections by universal suffrage in 2012, he would employ a tactic, which is also the tactic of Donald TSANG, and that is, to raise the question as to whether it will be supported by two-thirds majority of the Legislative Council. After putting the blame on the Legislative Council, he needs not do anything. How easy. So, the style of Donald TSANG's governance is basically the usual tactics of Hong Kong people, that is, to withdraw from his commitment and to put the blame on others.

In a nutshell, it is to refrain from doing any difficult task and put the blame on someone else. So, when Mr TSANG said that he would get the job done, it actually referred to the style of Tai Chi Master CHEUNG Sam-fung, meaning "I get this job done the Tai Chi way". To put it simply, everything is shunned and every responsibility is shifted onto the others on the pretext that there is difficulty and it is impossible to win the support of two-thirds majority of the Legislative Council.

If this is the case, his job is really a very easy one. In case the target is not achieved, he can say that he is pragmatic and at his wits' end. He can then urge everybody to be pragmatic by postponing the date for implementing universal suffrage. In doing so, it will be very easy. He can always play delaying tactics and refrain from shouldering any responsibility. He needs not put forward any vision. So, in my opinion, Mr TSANG's style of governance is most disappointing because it lacks commitment and vision.

In respect of governance, President, national education is another important issue at which Mr TSANG has dwelt at length. I do not oppose national education, but I oppose the brainwashing style national education or mainland-style national education. What we need is national education blended with Hong Kong uniqueness. What is national education blended with Hong Kong uniqueness? It is patriotism with independent thinking. It is patriotism with respect for the rule of law, human rights and freedom because this is for the good of our country. And because of our patriotism, we will strive for democracy for our country and Hong Kong.

I cannot agree more with Mr TSANG's remarks, that we should detach ourselves from our status as Hong Kong people when looking at the development of our country as a whole. However, Hong Kong people have basically detached themselves from the development of the country as a whole and money is the only thing in their eyes. They are looking for money-making opportunities only. I do not blame them for such behaviour because "money-making" has been part of Hong Kong people's life. But in my opinion, money-making alone is not really patriotism. To be truly patriotic, we should detach ourselves and look at things from the perspective of our country as a whole and strive for democracy.

Lastly, I would like to talk about the Civil Service. One of the aspects concerning the Civil Service which I have also raised in the Public Service Panel is the proposal that prospective civil servants are required to sit for a paper on the Basic Law in the recruitment examination. I can only think of the word "senseless" to describe such a requirement, particularly for positions which are non-political in nature or at the junior clerical level. This is precisely the style of Hong Kong. In a nutshell, everything has to go through examination which is regarded as the equivalent of education. This is a low-intelligent approach. I hope the Secretary for the Civil Service can really consider whether this is necessary. Does it mean that the civil servants will have a better knowledge of the Basic Law after sitting for the examination? Hong Kong people are best at forgetting everything after examination. Such a practice should not be encouraged. What should be encouraged is creativity, but such a practice lacks creativity.

Concerning another issue about the Civil Service, I would like to emphasize one point by reading out paragraph 78 of the policy address to Secretary Denise YUE. This is dedicated to her and Chief Executive Donald TSANG. In this paragraph, Chief Executive Donald TSANG said, "I call on our enterprises to share the fruits of their success with their staff to maintain their service level and retain quality staff." I hope Donald TSANG can tell his department heads that among the 16 000 employees on non-civil service contract terms, some have not been given any salary increment while some have not been given any increment so that they can get equal pay for equal work as their counterparts in the Civil Service. I hope Donald TSANG can read this paragraph carefully.

I really hope that the Government will not preach one thing and does another. While calling on the private sector to increase the salaries of the employees, it has not done the same. I am particularly aware of the situation of the Hongkong Post after discussion with its staff. Among the 2 000 employees on non-civil service contract terms, none of them has received any pay rise, not even one cent. President, although it is a profitable department with a huge surplus on its trading fund, its staff do not enjoy any pay rise. I do not know whether the Government will feel ashamed for that.

Thank you, President.

MR RONNY TONG (in Cantonese): President, this policy address of the Chief Executive can be described as a perfunctory policy address that deals an insulting blow to democracy and completely ignores justice. When I describe it as an insult to democracy, I have in mind its propositions on constitutional development. When I say that it ignores justice, I have in mind its proposed policies on aiding the poor. And, when I refer to it as perfunctory, I have in mind the economic policies advocated by the Chief Executive. President, I of course will not dismiss the policy as entirely useless. But it is a pity that from my standpoint, that is, regarding the aforesaid three issues for which I am responsible in this Council, the Chief Executive has failed to deliver.

President, has he done a satisfactory job in other issues? I shall leave other Members belonging to the Civic Party to give their comments when they speak on these other issues later on. President, my present speech will focus solely on constitutional development. And, later on, I shall speak on aiding the poor and economic policies.

President, the title of the policy address is "A New Direction for Hong Kong". However, if the proposed policy on constitutional development is really a new direction for Hong Kong, all supporters of democracy will certainly feel a chill down their spine. President, the first paragraph about constitutional development and administration is paragraph 102. I believe it is no exaggeration to say that when all supporters of democracy or people aspiring to democracy learn of the proposed policy on administration in the several paragraphs starting from paragraph 102, they will not only be disappointed but will also be infuriated. Democracy is the cornerstone of good governance rather than a hindrance to good governance. However, in paragraph 102, the

Chief Executive says, "In the course of democratic reform, we should not ignore the issue of governance. As the quality of governance has a direct bearing on people's daily lives, the efficiency and effectiveness of our governance must not be compromised by constitutional development." This is a very stern warning, the implication of which is that the development of democracy may compromise the effectiveness and standard of governance. But what is even more infuriating is that when asked by the mass media to clarify the actual meaning of this paragraph, he even went so far as to advance his "Cultural Revolution Theory".

President, the Chief Executive has already made a written apology for his "Cultural Revolution Theory". However, in response to a question asked by some secondary students a couple of days ago, he said, "To begin with, to err is human." By this, he actually meant that his inappropriate remark was nothing but just a common slip of the tongue. He then went on to remark, "But I was just speaking my mind." President, we do not mean so much to ask the Chief Executive to tender an apology, because an apology meant solely to salvage one's political image is meaningless. We only want the Chief Executive to explain clearly his personal views on democracy — why he thinks that democracy is something negative, something that may compromise the quality and standard of governance, lead to lawlessness in society and adversely affect people's quality of life. If the Chief Executive's intention was just to steer a middle course, he should not resort to such provocative and totally wrong language and example.

President, if our Chief Executive holds such a distorted interpretation of democratic development, how can Hong Kong people ever implement universal suffrage as promised in the Basic Law? However, more importantly, as the leader of the Government and society, he should clearly explain his personal views on such an important issue. If he does not agree to what the public have so far perceived to be his views on democracy, or if he thinks that he has been misunderstood, I hope that he can make a clarification as early as possible.

President, paragraph 102 is not the only disappointing or even infuriating paragraph. One major proposal regarding constitutional reform in the policy address is about political appointments. The Chief Executive proposes to create two new tiers of politically appointed positions, namely, Deputy Directors of Bureau and Assistants to Directors of Bureau, so as to groom a greater number of political talents who can lead our social development. However, President, there is a very fundamental conflict here — any systems of appointment and

democracy are bound to be mutually exclusive, and the former actually runs completely counter to the development of the latter. Yesterday, I exchanged views with Secretary for Constitutional and Mainland Affairs Stephen LAM in this Chamber, but he repeatedly emphasized, presumably with the approval of the Chief Executive, that the positions concerned would be handed out to people holding the same political beliefs as that of the Chief Executive. Has it ever occurred to the Chief Executive that under such a system, the only outcome will be the emergence of a "one-voice" government financed by public money? Such a proposal will only do harm to democratic development and indirectly attests to his negative views on democracy. And, such a development will also become an obstacle to democratic development in the future. What is more, instead of promoting democratic development, the proposal will make us spend public money on treading a path that runs counter to that of democratic development. To many people, this is just like sprinkling salt on their wounds. Given such a policy address, and at this critical moment of the development of a democratic political system, how can we have any faith that the Chief Executive will honour the promise he made during his campaign for re-election, the promise of fighting for democracy for the people of Hong Kong? This is indeed a very great pity.

President, I hope that the Chief Executive can offer the public a clarification and explanation on this very issue, explaining why he holds such a biased view on democratic development. If not, it will be very difficult for the Civic Party to support this motion. Thank you, President.

MR ALBERT HO (in Cantonese): Madam President, the guiding principle of Chief Executive Donald TSANG's policy address is the concept of "Progressive Development". It seems that he is trying to emulate President HU Jintao, who has put forward the notion of "Scientific Development".

Certainly, my intention today is not to comment on whether President HU's notion is genuinely scientific. But I must strongly question whether there are really any elements of progress in the Chief Executive's concept of "Progressive Development". Following our comprehensive analysis of his notion of "Progressive Development", we can only make two comments: in concrete terms, the concept of political development he has portrayed is conservative and even counter-progressive; and, the notion of economic development he has in mind is completely devoid of any social justice. Regarding the latter, I shall explain in detail during the third session of this debate how the policy address is severely short of any policies on tackling our

social problems, especially the difficulties faced by the poor and the disadvantaged. The focus of my speech today is his counter-progressive and conservative concept of political development.

As rightly pointed out by the several Members who have just spoken, including Mr LEE Cheuk-yan and Mr Ronny TONG, his remarks on this very topic, expressed both in the policy address and in his responses to journalists' questions, are totally opposite to any notion of progressive development.

It seems that the Chief Executive is unwilling to admit that Hong Kong is a highly mature civil society with very advanced socio-economic conditions. Still less is he willing to admit that there are many fine citizens in Hong Kong. For all these reasons, when compared with many other countries in the world which have successfully implemented democracy, Hong Kong is actually more than able to practise the most modern and advanced form of democracy — not the most extreme form of democracy, I must say, though I am not quite sure what is meant by "most extreme". First, all is just about the question of conviction. He simply does not have such a conviction. Second, he does not have the correct notion that only a democratic system is the true assurance of sustained economic development and long-term social stability, the cornerstone of national prosperity, harmony and peacefulness for the people. Rather his expressions always betray him, showing that he has no faith in democracy and is doubtful and wary of it.

It is mentioned in paragraph 101 of the policy address that the implementation of universal suffrage is a complicated social exercise having far-reaching implications on Hong Kong's long-term stability and prosperity. But if he takes a look at many other advanced economies, he will realize that a democratic political system is actually an integral part of society. Why can he not notice all such historical records and incidents concerning the progressive development of mankind?

In paragraph 102 of the policy address, as also emphasized by Mr Ronny TONG just now, the Chief Executive once again shows his worry that democratic reform may compromise the efficiency and effectiveness of governance. The truth is that the only one thing that causes unnecessary wastage in many cases is nothing but the absence of democracy. As we can observe, many a time, if a government rejects public opinions and is not checked by any democratic forces in the system, wrong decisions will be made

repeatedly, and the many resultant disputes will lead to wastage of time. There have been many such examples, one of which being the West Kowloon Cultural District project. We can observe that had the Government been genuinely willing to heed public opinions and answer the aspirations of the various political parties and groupings on the single-tender approach, would it have been necessary to waste so much time?

Madam President, the third point is about the Chief Executive's conservatism over the issue of democratic development. During his election campaign, he made an emotive and lofty promise. But today, when the time comes for him to take concrete actions, he is unable to keep his words in many ways. It can even be said that he is unable to honour his cheque of political promises.

Members can remember very clearly that during his election campaign, the Chief Executive once remarked somewhat heroically that he wanted to solve the problem of universal suffrage in Hong Kong. He said that he would advance three mainstream proposals and would even base everything on public opinions. But we can see that today, he simply keeps talking about the need for obtaining final approval from Beijing, about the necessity of getting the agreement of two thirds of Legislative Council Members, and about how nothing can be achieved without all this.

We are certainly not ignorant of the mechanism for introducing constitutional reforms. But we must still ask him what commitment he is prepared to make and what his personal conviction is. Will he base himself firmly on the mainstream public opinion, fighting for the cause with Beijing and doing his utmost to lobby for the support of those Members and political parties that are resistant to democracy? All this makes us doubt whether his concept of "Progressive Development" is really progressive in spirit.

Madam President, regarding the further expansion of the system of political appointment, there were in fact detailed discussions at the meeting of the Panel on Constitutional Affairs yesterday. The Democratic Party is highly sceptical of such a system, maintaining that it is a regressive step in the course of democratization. We hold that the system of political appointment will only add strength to the governing team of a Chief Executive devoid of sufficient and legitimate public support himself. As a result, instead of an overly executive-led political situation, we may see the frequent occurrence of

downright executive hegemony. All this, together with the Chief Executive's frequent references to treating people differently according to affinity, gives us sufficient reasons to feel worried that the following undesirable consequences may result from the further development of the political appointment system to add some new positions, namely, Deputy Directors of Bureau and Assistants to Directors of Bureau:

First, such a system will make the governing team, which is not subject to any democratic accountability, stronger and more powerful. It will be even more unlikely that the team will ever co-operate fully with and hold itself accountable to the Legislative Council, an institution underpinned by public opinions.

Second, we have reasons to believe that under such a system, the Chief Executive may offer high emoluments to the appointees at the expense of the public coffers, so as to induce people with similar political convictions as his, that is, political parties and figures that will give him steadfast support, to join his ruling regime. This will give rise to unfair policy bias and partiality. Actually, the appointments to many existing statutory committees and advisory bodies are already a very clear manifestation of how people are treated differently according to affinity.

Third, we do not think that such a system can help Hong Kong groom the political talents it requires. Political talents cannot be groomed by high emoluments, still less by any appointments made by the Chief Executive from high above. Rather, political talents can be nurtured only when people with sincere political convictions and commitment, instilled with political ethics, are prepared to undergo the tests of democratic procedures, including elections. These people will then reach out to the various social strata, especially the grassroots, in order to experience the realities of democratic elections. It is only in this way that they can become truly liberal-minded and receptive in personality. But I do not believe that such political talents can ever be groomed under the proposed system of political appointments. The last point is of course about the impacts on civil servants. The proposal may lead to chaos between politics and administration. I do not think that this needs any further explanation.

In regard to national education, we of course think that it is necessary to do a good job. But we are worried that the expressions used by the Chief Executive, such as having a strong sense of pride as nationals of China and

aspiring to winning honour for our country, are concepts characterizing a much too utilitarian and parochial approach to patriotic education. We think that he must be more broad-minded, broad-minded enough to allow people to look at our country with an objective and critical attitude. I must of course add that such an attitude should also embody our concern about our country, history and also fellow countrymen.

In any case, no one must criticize us for not loving Hong Kong and our country because of our divergent political views. This idea must be clearly explained through national education. The nurturing of a democratic disposition is an important part of civic education, which should be much more comprehensive in scope. Civic education can make us aware of our legitimate rights and obligations. It can make us realize that while loving our country, we must also be broad-minded enough to show our concern for the world and to love nature, our families, neighbours and our communities. Such should be the more comprehensive kind of civic education characterized by the nurturing of a democratic disposition and humanism. I hope we can go about the task in this direction.

Thank you, Madam President.

MR LAU WONG-FAT (in Cantonese): Madam President, a couple of days ago, Chief Executive Donald TSANG announced his first policy address since his re-election. In this policy address, he sets out the blueprint for the Third Term Government of the Special Administrative Region (SAR) in the next five years. From the concepts of a new direction for Hong Kong and new Hongkongers to the 10 major infrastructure projects and the idea of developing an Islamic bond market; from the new goals and new opportunities to the decisions on 12-year free education and revitalizing historic buildings, it is clear that the SAR Government under Mr TSANG's leadership is determined to really do something in respect of Hong Kong's software and hardware.

Since Hong Kong has been reunited with the Motherland for quite some time, it is only right for the Government to step up training on Basic Law knowledge for civil servants and enhance national education among young people, so as to instil in them a love for our country and Hong Kong. All such efforts should merit our commendation and support. I am of the view that the Government should extend its efforts and invest more training resources in

enhancing District Council members' and Legislative Council Members' knowledge of our country. The Government may consider the possibility of organizing training programmes for them in the Mainland or inviting mainland experts and academics to give lectures to them in Hong Kong. Given the increasingly close ties between Hong Kong and the Mainland, a deeper understanding of our country will certainly help them know what situations they are in and thus better discharge their responsibilities.

District Council members will have to face a greater challenge starting from next year, because the Government has decided to fully implement the proposal of enhancing their functions and allowing them to participate in the management of designated district facilities starting from the coming new term. The pilot scheme put in place early this year has already proved that District Councils are capable of performing their enhanced functions. For this reason, I think that District Councils are entirely able to bear yet greater responsibilities. The Chief Executive has himself required accountability officials to reach out to the community and strengthen their interaction with society, right? When it comes to contact with the masses, are there any others who are more capable than District Councils and their members? District Councils can definitely play an active and constructive role in this exercise. I hope that during the first summit on district administration in May next year, I can hold further discussions with relevant government officials on this matter.

Another remarkable initiative of the Chief Executive is his concept of "Progressive Development" as a means of attaining his new goals and as the basis of forging social consensus. The overtone of modern mainland parlance in the term "Progressive Development" is novel to both Members and the public. The Chief Executive intends to adopt this concept as the theoretical basis of his new policies, but its efficacy has yet to be tested by practice.

Madam President, to make sure that the various social sectors will rally to this new concept, the Government must, first and foremost, fully introduce and explain what is meant by "Progressive Development" to the general public. And, it must also listen to their views on it. Consequently, I propose that the government officials concerned should pay visits to all District Councils in Hong Kong for the conduct of two-way communication. This can gauge the responses to this new concept and also manifest the policy requiring accountability officials to reach out to the community.

Madam President, the Chief Executive's wish for forging social consensus in Hong Kong is expressed time and again in the policy address. Maybe, we must still wait until sometime in the future before this well-intentioned goal can be realized, but for the time being, if people belonging to different parties and groupings can be less self-centred and less confrontational on highly contentious issues, if they can be more tolerant and more concerned about the overall situation, it will not be long before we can achieve the goal.

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

MR CHIM PUI-CHUNG (in Cantonese): President, before I start speaking, I wish to ask you whether I can spend all the 30 minutes on one single speech.

PRESIDENT (in Cantonese): Mr CHIM Pui-chung, you may do so. But this is only the first session of the debate. Mr CHIM Pui-chung, I think you are also aware that according to the decision of the House Committee, the policy areas for this session are "administration of justice and legal services, constitutional affairs, public service, security, district administration and civic education". Other policy areas will be debated in other sessions.

MR CHIM PUI-CHUNG (in Cantonese): In other words, I may not do so, only that you have stopped short of making this explicit. I do not think that I should discuss all policy areas now, and I want to express my views on four of them only. However, if you permit me to use all the 30 minutes, I will talk about everything now. Although Mr WONG only spent six to seven minutes just now, President, you still made a ruling on the same ground

PRESIDENT (in Cantonese): Mr CHIM, let me tell you this. I respect the House Committee's decision, but I must still clarify that no provision in the Rules of Procedure provides that you must not do so. That said, I suppose you will still respect other Members' decision.

MR CHIM PUI-CHUNG (in Cantonese): Yes.

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

MR CHIM PUI-CHUNG (in Cantonese): President, in principle, I will adhere to the decision made by Members in the House Committee. I shall speak on policy areas such as constitutional affairs, district administration and legal services.

President, the Chief Executive once remarked that, born and brought up in Hong Kong, he has been progressing with the times — speaking of this, he might actually be born in Macao. In any case, it does not matter. It has been 58 years since the Chinese Communist Party liberated China in 1949. According to our Chief Executive, he is already 63 this year. This means that he started to witness Communist rule in China when he was just several years old, so he should have been influenced by Communist education. On the other hand, of course, he has also been influenced by colonialism. All the opportunities available to him during his years of development were provided by the colonial administration. Therefore, his thoughts, mindset and words and deeds are all compatible with the current situation of Hong Kong.

President, speaking of the constitutional system, I think the Government of the Special Administrative Region (SAR) has all along failed to tell everybody very firmly that Hong Kong is neither an independent city nor an independent state (There have just been some occasional, broken utterances on this). For this reason, I must say that the SAR Government has made a big mistake here. It must tell everybody unequivocally what the actual situation of Hong Kong is. Currently, for example, the SAR wants to use public opinions, so it has conducted various opinion polls. But by using public opinions, what outcomes does it want to achieve? As I once mentioned in various Legislative Council meetings, it is stated very clearly in the Basic Law that three steps must be taken before any constitutional or other reforms can be implemented. First, there must be the agreement of two thirds, or 40, of all Legislative Council Members. This is very clear. Second, there must be the approval of the Chief Executive. He will naturally have his personal views, but I am convinced that the Chief Executive will not possibly say no if a decision is passed by 40 Legislative Council Members. Third, there must be the acceptance of the Central Government. Any proposal or reform must be reported to the Central Government for the record and accepted by it.

The Government now says it wants to consult the public and there is a very large-scale exercise. However, the Basic Law does not mention any need for consulting the public. Therefore, the Government is actually misleading the public, trying to conceal the Basic Law from them. The reason is that the Basic Law does not mention anything in this regard. Why does the Government want to do so? This is an altogether wrong decision. Such an erroneous decision will lead to disputes and arguments in society because what the Government is doing has no legal basis at all. How can it lead public opinions? Therefore, President, I think the SAR Government has created conflicts and antagonism in society, wittingly or unwittingly.

In this connection, we must realize one point. In the context of Hong Kong, no one will possibly say no to democracy, not least because everybody has been enjoying a high degree of freedom. However, people do interpret democracy differently. Do we want the British system of democracy? Or, do we want the American system of democracy (which can be described as aggressive in nature because under such a system, sovereign states can be occupied in the name of democracy)? To put it simply, similar to every Hong Kong family which will love the children or grandchildren it has, everybody will treasure democracy. But then, people's interpretations of democracy and their mindsets and inclinations will depend on their respective intellectual levels, the kind of education they have received and other objective factors. While advocating its policy on constitutional development, the Government has, however, failed to face the realities — this is my personal view. Actually, the SAR Government must calmly assist all the 60 Members. Although some of the 60 Members will automatically render their support and will not put up any resistance, many others will automatically do the opposite. Therefore, the Government's policy must simply aim to unite all the 60 Members, so that they can join hands to explore which system of democracy should be adopted. For example, some Members prefer the introduction of dual elections by universal suffrage in 2012, but many others oppose this idea. But whether they support or oppose the idea, I can tell them that there is actually no legal basis for their positions. The reason is that any decision must be made by following the three steps set out in the Basic Law before it can become valid, before there can be any outcome. For this reason, constitutionally speaking, the present situation resulting from such excessive efforts is actually totally unsound.

I very much hope that the SAR Government can realize that even if there is really an outcome, it may not be accepted by all sides (It must understand this

point especially because Chief Executive Donald TSANG has boldly announced his determination to tackle this issue during his term of office). In a similar fashion, he did assert that the package he put forward in 2005 would certainly be passed. But in the end, it was still voted down, because such were indeed the objective factors and actual situation that existed at that time. No one should be blamed, nor should anyone be criticized for causing such a situation. Therefore, the Government must make genuine attempts to begin honest dialogues. I am convinced that if everybody can adhere strictly to the Basic Law, the outcome of dialogues will certainly be universal suffrage. However, there is no legal basis for over-emphasizing the process. Basically, I can assert boldly that the Government has so far been totally misleading the public. Besides, it has also made the Legislative Council more divided. The outcome will not be in the interest of all Hong Kong people, the Central Government and the SAR Government.

Well, I naturally hope that the Government can pragmatically handle the issue of constitutional development, especially in respect of the upcoming District Council Elections on 18 November. The SAR Government should tell District Council members and all prospective candidates that, like Legislative Council Members, they may also have the power to select the Chief Executive, whether in the present 800-strong Election Committee, or in a future Election Committee with 1 600 members. However, the Government has not said anything like this. For this reason, the Government has actually broken the law. If the Government can make this point clear, those who aspire to such a power may decide to run in the elections. But it will break the law if subsequently gives them such rights and powers without first making it all clear. What is more, the Government must also study and consider this issue very carefully because it intends to vest an additional power in District Councils. As we can observe, under Article 98 of the Basic Law, District Councils are not supposed to become another centre of power. There is only one centre of power. It is wrong to entice District Council members in this way and even give them a power not provided for by the law in the future. As I once remarked in a certain District Council, if the SAR Government continues to adopt an attitude of neglect, discrimination and contempt, it must be held totally responsible. The Government must therefore clearly explain the power to be vested in District Council members. And, it must also be stated that any government attempt to give them any additional power during their term of office will be totally against the spirit of the elections.

President, when it comes to the administration of justice and legal services, I have always emphasized that there are differences between the Basic Law and Hong Kong's judicial system. In some ways, the former is not in line with the latter. However, the SAR Government has all along slighted the importance of this. Why do I say so? I can cite a very simple example here. In the Basic Law, there is a provision on what may be done to a Legislative Council Member who is convicted and sentenced to imprisonment for one month or more for a criminal offence. On the other hand, we know that under the common law practised in Hong Kong, there is actually a three-tier system comprising first trial, appeal and final appeal. But the Basic Law makes no mention of this three-tier system. Why are there no studies on whether the first trial, the appeal or the final appeal should be considered for the purpose of invoking this provision? The whole thing will be very easy, but there must be attempts to achieve convergence. However, the Government has simply shunned the problem. Any other ordinary cities, countries or places may always do so, but Hong Kong has always emphasized the rule of law, so I think it is necessary for the SAR Government to conduct a review to ascertain whether we should go by the three-tier system under the common law practised in Hong Kong or simply the single provision in the Basic Law. Clarity is required, and whichever the case may be, it will just do. The Government may well decide that since a provision like this is found in the Basic Law, it must be observed. But we must at the same time bear in mind that a three-tier system is after all practised in Hong Kong.

We must also note that many people have been using the judicial system to achieve their ulterior purposes, including political purposes. But what the SAR Government has been doing is just to bully the weak and bow to the strong. Why do I say so? Some people are actually on the verge of breaking the law, doing whatever they like, but owing to their political background or ability to mobilize political party support, the SAR has never dared to take any actions. On the other hand, however, others are frequently taken to task and have no channels to redress their grievances. I have received many such complaints, but I can only reply that I can do nothing because I am not even able to help myself, not to speak of helping others. A fair and law-abiding government should think carefully whether it should gloss over the whole thing whenever it encounters political pressure. The public can all notice what is going on very clearly. We do respect and obey Hong Kong's judicial system and laws, but we cannot allow it to gloss things over either.

There is still another problem. Why are the Courts and public money of Hong Kong being used by some people to institute civil lawsuits? And, why should all taxpayers in Hong Kong be made to bear the costs concerned? Why does the Government, that is, the administration under the Chief Executive, not amend the laws to require that all costs of civil proceedings must be borne by the litigants concerned? The public simply should not be made to bear such costs. Yes, court fees are indeed paid by both parties to a lawsuit. But I also understand that apart from lawyers' professional charges and court fees, there are still many other kinds of fees associated with a lawsuit. I strongly object to turning our Courts into venues of achieving any ulterior political purposes or seeking personal gains. I therefore urge the Government to squarely address this problem.

Concerning district administration, particularly in respect of the issue of District Councils I have just mentioned, I strongly hope that the SAR Government can require all relevant government officials to pay heed to their accountability. I maintain that if any Secretaries of Departments or Bureau Directors have any intention of making a personal fortune or building up their personal clout, they should be advised to leave the political arena and step down. Holders of such posts will be addressed as Secretaries of Departments or Bureau Directors. They are in a way quite like Legislative Council Members, who are invariably flattered when being addressed as such. But since they hold such high-ranking posts, they must realize that they must never show any bias towards any particular interests. People who want to serve the community should have a sense of mission. After receiving their salaries, they must have a sense of mission. Naturally, different people may understandably attach varying degrees of importance to a sense of mission. But in any case, the Chief Executive should instruct all the Bureau Directors and Secretaries of Departments that they must have goals in mind. It is only in this way that everybody can work happily. If they have no sense of mission, when they are questioned by the mass media and people in society and the Legislative Council, they will find everything pointless.

I strongly urge the SAR Government to require Secretaries of Departments and Bureau Directors set a good example. If they want to work in the private sector to make "big money" after retirement, they should forego their pensions. The Government may of course conduct studies on this issue. I must make it a point to reiterate that I am not dissatisfied with any individual government officials or retirees. My only message is that their conduct will be of public concern, so their conduct must be respectable. Members all know that the

salaries and benefits of civil servants in Hong Kong are higher than those of ordinary people. People with financial skills are of course an exception. That being the case, I hope that the SAR Government, especially the Chief Executive, can remind civil servants that they should take pride in being public servants respected and held in esteem by the public. Civil servants must be further reminded that they must make improvements and preferably refrain from working in the private sector immediately upon retirement, because this is actually another form of accepting bribes and collusion with the business sector. A civil servant might not have accepted any undue advantages before retirement, but by working in the private sector immediately upon retirement and, maybe, by ringing up their "ex-colleagues" for assistance, they may actually benefit more greatly than accepting advantages directly. Since the SAR Government has already position itself for leveraging on the Mainland while engaging itself globally, I hope that it can create for itself yet better conditions.

President, I have used half of the time allowed of me.

MR TAM YIU-CHUNG (in Cantonese): President, the theme of this year's policy address is "A New Direction for Hong Kong". It is pointed out that the promotion of economic development should be our primary goal, and that development must be sustainable and capable of bringing about social harmony. With a view to implementing this new direction, the policy address advances such specific objectives and goals as "insisting on promoting economic development as our primary goal", "promoting economic development through infrastructure projects" and "pushing ahead with 10 major infrastructure projects as we embark on the 21st century". In brief, the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB) considers this year's policy address is correct in direction and marked by pragmatic and proactive measures.

Besides, the policy address also reflects that the Government is willing to listen to people's views. Earlier on, the DAB put forward proposals on "five major focuses" and "10 major infrastructure projects" for inclusion in this policy address. The Chief Executive has responded positively to and accepted most of these proposals. For example, clear dates of works commencement are now set down in the policy address for controversial projects such as the Shatin to Central Link, the South Island Line and the Tuen Mun Western Bypass. The DAB has been advocating for years the proposal of strengthening co-operation with Shenzhen in developing the Frontier Closed Area. The proposal has now

been accepted by the Government and included in the 10 major infrastructure projects set out in the policy address. Furthermore, the Government has accepted the DAB's other proposals on the provision of 12-year free education, the implementation of small-class teaching and the development of Hong Kong into a regional education hub. Concerning environmental improvement, the policy address has also accepted the DAB's proposals on lowering development density and conducting conservation and beautification works in various areas such as Tuen Mun and Yuen Long. The DAB welcomes all this.

However, the DAB still finds it worth noting that although the policy address commands a record-high level of opinion support, it is nonetheless inadequate in three aspects. First, it is inadequate in its measures to relieve people's difficulties in living, particularly in respect of caring for the elderly. Second, it is also inadequate in terms of infrastructure construction. And, third, the policy address still fails to respond in any great depths to the question of how Hong Kong should face up to the competition posed by its neighbouring places. Other Members belonging to the DAB will dwell on all these several issues later on in this meeting.

In the meantime, I shall speak on constitutional development on behalf of the DAB. In all recent discussions on Hong Kong's future constitutional development, the focus is invariably on the methods of selecting the Chief Executive and forming the Legislative Council. Actually, discussions on these two topics were held as early as the 1980s, during the drafting of the Basic Law. At that time, in-depth studies and exploration on various schools of thought were already conducted by the Basic Law Drafting Committee (BLDC). In the end, the BLDC decided that a timeframe for constitutional development after the SAR has been established for 10 years should be set in the light of the actual situation and in accordance with the principle of gradual and orderly progress. It was also pointed out in very clear terms that the ultimate aim should be the introduction of universal suffrage. Consequently, the development direction followed by the SAR Government is the introduction of universal suffrage, and the approach adopted is adherence to the principle of gradual and orderly progress. The consultation exercise and discussions on constitutional development currently conducted by the SAR Government should conform to the aforesaid drafting intent of the Basic Law. In other words, a timetable marked by gradual and orderly progress should be formulated to achieve the aim of implementing universal suffrage step by step, and the form of universal suffrage

should be decided in accordance with the relevant principle set down in the Basic Law.

It is now 10 years into Hong Kong's reunification with China. By now, the SAR Government should have grasped and taken stock of the development experience over the past 10 years. Things that are good should be perfected and retained. As for things that are not conducive to Hong Kong's development, we should spend time on reflections and improvements. Throughout the discussions on constitutional development, we have been pointing out that to implement universal suffrage by tackling the easy aspects before the difficult ones should be the best and most effective approach after learning from and taking stock of the experience in the past 10 years. We maintain that if Hong Kong is to implement universal suffrage satisfactorily and quickly in accordance with the Basic Law, it must be admitted that 2017 is in fact a feasible and suitable year that can command the support of the Central Authorities and Hong Kong people. We hold that it is not conservative to advocate the year 2017. The selection of this particular year is actually in line with the Basic Law and Hong Kong's political and economic development. This particular year can also command the support of all social sectors more easily. Consequently, the DAB will do its utmost to fight for electing the Chief Executive by universal suffrage in 2017.

Also, we want to fight for the election of the Chief Executive by universal suffrage in 2017 because we have learnt a lesson from the vetoing of the constitutional reform package in 2005 by the opposition. I believe that if the constitutional reform package had been implemented in 2005, the Hong Kong SAR would have been able to fight for electing the Chief Executive by universal suffrage in 2012. Such a viewpoint was also reflected in the appeal made at that time by Deputy Secretary-General of the Standing Committee of the National People's Congress, QIAO Xiaoyang. In December 2005, when QIAO attended the Seminar on Hong Kong's Constitutional Development held in Shenzhen and met with figures from various social sectors, including Legislative Council Members, he remarked that the constitutional reform package represented a major step towards the implementation of universal suffrage. He explained that if this step was not taken, Hong Kong would miss a very valuable opportunity in its democratic development. QIAO's remarks can show that had the SAR Government been able to implement the 2005 constitutional reform package, there would have been positive effects on Hong Kong's constitutional development. It can thus be inferred that there could have been the possibility

of electing the Chief Executive by universal suffrage in 2012. It is a pity that all prospects of constitutional development have been frustrated by the negative votes of the opposition.

Furthermore, the political development in the past 10 years can also attest to the important role of functional constituency Members. It is especially worth noting that in the legislature, these Members can give full play to their professional expertise, thus augmenting the Legislative Council's role of monitoring the administration of the Government. They possess in-depth knowledge of individual policy topics involving professional expertise, and they also have close connections with their respective industries. Owing to their backgrounds, they can always reflect the opinions and views of different sectors in a timely manner and put forward various proposals. In addition, the professional backgrounds of functional constituency Members also give them considerable representativeness. With the presence of Members from various functional sectors, the Legislative Council is just like the miniature of society comprising different functional sectors.

Such are the views held by many functional sector constituents. In the recent consultative meetings of the Legislative Council Panel on Constitutional Affairs, the representatives of many deputations all expressed recognition of functional constituency Members' contribution. And, these representatives also expressed the concern that the retention or otherwise of functional constituency seats would have a bearing on whether or not the voices of professional bodies or functional sectors could continue to be truly echoed. We also observe that according to the findings of opinion polls, many people are in support of the retention of functional constituency seats. All these findings can to a certain extent reflect the views in society. As a democratic and receptive society, Hong Kong will of course listen to such voices and conduct discussions and studies, so as to ensure that a consensus can be reached by seeking common grounds and tolerating differences. The DAB therefore maintains that people concerned about the constitutional development of Hong Kong should really give thoughts to any reform package that seeks to introduce universal suffrage while retaining elements of functional sector representation, and society should also conduct further discussions on this subject. When it comes to retaining elements of functional sector representation, we are of the view that this may actually be done by altering the electoral system for functional constituency seats. For example, candidates may be nominated by electors having functional sector backgrounds. Following this, elections based on universal suffrage can be held.

Although such a system of nomination will involve many technical problems, such as the qualifications of functional sector electors, it may well be a feasible alternative that can provide a new way out to our future constitutional development.

The DAB hopes that all people and political parties and groupings concerned about Hong Kong's constitutional development can reach a consensus as early as possible, so that Hong Kong people can proceed in the direction of universal suffrage at an earlier time. This will be conducive to Hong Kong's future development because in that case, we will cease to waste our time and energy on constitutional reform disputes. It is believed that this will have a positive bearing on enabling the SAR Government to focus on economic development, improving people's livelihood and other issues of administration.

The late DAB Chairman, Mr MA Lik, was very concerned about the promotion of national education in Hong Kong, and he also put forward many proposals. In a bid to realize the goal of the late Chairman and promote patriotism and love for Hong Kong, the DAB has established the Ma Lik National Education Fund, in the hope of mustering the forces of various organizations in society to promote the activities and work related to national education. In the policy address of this year, the Chief Executive says that the promotion of national education is a social exercise involving all, and that the Government will call upon all social sectors to join hands to promote national education in different ways and through different channels. The Government's active efforts and measures actually signify its recognition of the late Chairman MA Lik's past efforts. They can also encourage us in our work of operating the Ma Lik National Education Fund. For this reason, the DAB will certainly continue to actively promote national education, so as to foster the nationalistic sentiment of loving our country and Hong Kong.

The DAB also supports the proposal in the policy address on enhancing Basic Law training for civil servants. We hold that it is indeed necessary to do so. Civil servants belonging to the higher echelons, in particular, should have a comprehensive and correct understanding of the Basic Law.

Thank you, President.

MR LEE WING-TAT (in Cantonese): President, I shall put forward three viewpoints concerning the policy areas specified for this session of the debate.

The first viewpoint is about constitutional development. In this connection, the position of all of us in the Democratic Party is very clear. I shall make no repetition here. However, I still wish to express my views on the latest developments over the past few days. To begin with, yesterday, a candidate running in the Hong Kong Island Legislative Council Election talked about the method of nominating candidates for the Chief Executive Election. Under the proposal, the number of functional sector constituents required for making a nomination is to be increased to roughly 10% (in any case, a certain prescribed percentage) of each functional sector. I think Secretary Stephen LAM is also aware that debates on such a proposal were already held many times in the last term of the Commission on Strategic Development (the Commission).

I can remember that during one of these discussions, one of the members of the Commission, Prof Priscilla LEUNG of the City University of Hong Kong, suggested that whether or not candidature in the future should first be approved by the Central Authorities. At that time, I made severe criticisms of it. First, the proposal is in contravention of the Basic Law. Second, any excessive second-guessing relating to the Central Authorities' intentions, or to put it in more vulgar language, any excessive "shoe-shinning", will drag them into the trouble of making a mistake, as this is against the Basic Law. Fortunately, both the Chief Executive and Secretary Stephen LAM have never responded actively to this suggestion on any occasions. If they do, they will drag themselves into the situation of contravening the Basic Law.

The second debate I can remember that it was initiated by Ms Maria TAM. Ms Maria TAM, who is a member of the DAB, proposed that any persons wishing to run in the Chief Executive Election must first be nominated by a prescribed number of Deputies to the National People's Congress before they can become election candidates. Even in the Commission, this proposal was already opposed by a member from the Liberal Party (not just by me, as the Secretary can also remember). This member argued that no individual functional sectors should enjoy the privilege of screening candidates or deciding who should run in the election. I can remember that this member was Mr LIE-A-CHEONG Tai-chong. During the discussions in the Committee on Governance and Political Development of the Commission, not many members

seconded Ms Maria TAM's request or proposal. Therefore, the proposal was eventually not pursued in the Commission.

Actually, the proposal made by Ms Regina IP yesterday is even more conservative than that of Ms Maria TAM. She proposes to require the prescribed percentage not only for the political functional sector but also for all other functional sectors. Following repeated discussions in the Commission, I came to the view that since all such extremely conservative proposals have failed to receive any support from the various sectors, the Government should not give any active consideration to them. And, my proposal to the Government is that Actually, after all the discussions in the last couple of years, the Government should have grasped the demands of the general public and various political parties and groupings.

To put it simply, supporters of democracy all hope that candidates for the Chief Executive Election can be nominated without any screening, and that they can represent the whole spectrum of political opinions. This should be the general principle. As for the design of the electoral system, there are of course many different possible forms. I hope that when considering Ms Regina IP's opinion, the Secretary can take account of this question: Since two similar proposals were already rejected by the Commission, is her proposal still worth any further examination?

I have listened to DAB Chairman TAM Yiu-chung's views on constitutional development, and I also wish to say a few words. First, he talked only about the Chief Executive Election in 2017. So far, the DAB has refused to say Although the DAB is a major political party in the Legislative Council Up to this moment, I still do not know what proposals the DAB wants to make for the nomination of Chief Executive Election candidates. Is it going to adopt Maria TAM's proposal (She raised the proposal as a Deputy Chairman of the DAB), which involves screening by the National People's Congress? Is it going to adopt a proposal similar to that made by Regina IP? Or, is it going to adopt a proposal resembling the one put forward by Prof Priscilla LEUNG of the City University of Hong Kong, whereby nominations must be screened or decided by the Central Authorities? Up to this moment, I do not know what the views of the DAB are. Maybe, Members from the DAB can try to tell us their views on the nomination of Chief Executive Election candidates. I read the newspapers every day, but so far, I have failed to know their views on how to nominate candidates. Do they want unrestricted

nominations? Nominations subject to screening? Or, restricted nominations? I think that as a major political party, it should really present its views frankly.

Second, what shocks me even more is that when he spoke just now, Mr TAM Yiu-chung said that he had a special fondness for functional sectors. I heard him loud and clear. He spent as long as two to three minutes commending functional sectors and justifying their value of existence. I hope Chairman TAM can remember that under the Basic Law, functional sectors shall ultimately be abolished and replaced by fully democratic arrangements. If he intends to argue that certain arrangements should be adopted as a transitional measure, I will still agree that further debates and discussions may be conducted. But if he means to say that functional sectors should be here to stay, until eternity, or if he thinks that functional sectors are really a new way out, people will certainly be shocked.

As the Chairman of a major political party, he has, up to this moment, still failed to put forward a timetable for electing all Legislative Council Members by universal suffrage. When does he think there should be universal suffrage anyway? Suppose he really thinks that the Chief Executive can be elected by universal suffrage in 2107, can he tell us when the Legislative Council Election can follow suit? In 2020? Or, in 2040? Or, he simply does not have any timetable in mind? The public certainly have the right to ask the DAB to put forward a constitutional reform package. I also find something very odd. Under the Basic Law, the ultimate aim is to introduce pull-scale universal suffrage. That being the case, how can Chairman TAM Yiu-chung refrain completely from discussing the DAB's views on a timetable for introducing universal suffrage for the Legislative Council Election?

President, the second area I wish to discuss covers the system of political appointment and the development of political parties. I do have some views to express. Our party chairman, Albert HO, already made some criticisms just now, so I shall make no repetition here. I only hope that the Government can note one point. I think the Government's remarks on political appointments are often marked by partiality. The Secretary is in fact also aware of this criticism.

First, I know that the Central Government does not favour the emergence of a ruling party at the moment. But all along, it has been known to us that even during the drafting of the Basic Law, the then Deputy Director, LU Ping, already expressed his dislike for party politics. However, it has been some 17 years

since the Basic Law was promulgated, and frankly speaking, the Secretary will be telling a lie if he claims that there is no party politics in the Legislative Council. As the political system progresses, as it becomes more and more democratic, something quite independent of any individual's will is bound to emerge. What I mean is that certain political parties are bound to form a ruling coalition with the Government, or the Government is bound to establish a certain form of partnership with some political parties. Officially, the existence of a ruling party may not be publicly admitted, but a certain form of political alliance will surely emerge. This is exactly the case with LU Ping. Seventeen years ago, he did not favour party politics, but now, 17 years on, I am sorry to say that if he ever visits Hong Kong, he will find that things which he disliked will all happen.

According to the theory of dialectical materialism upheld by communists, things will often develop in a way independent of any individual's will — I can see that Secretary TSANG Tak-sing is smiling now. Once material conditions have reached a certain level, or once certain developments have taken place, no one can possibly say no. For example, when the national economy is in good shape, the people's demand for choices and participation in government will necessarily increase, independent of the dislike of President HU, the Premier or any others. The people's will will not thus be changed. I therefore hope that the Secretary can realize that sooner or later, a certain form of government-political party alliance is bound to emerge. There will emerge a certain form of political partnership with some political parties, or even a ruling coalition. Such a development of the situation will be independent of any individual's will. Nor can it be changed just because it is not favoured by the Central Government.

Therefore, I must advise the Secretary that apart from marketing the system of political appointment, he must at the same time tell this legislature and society as a whole how the development of party politics can be promoted. Chairman James TIEN has in fact mentioned this point many times before. He was most dissatisfied that there has been no discussion on how to foster the stronger development of party politics. I wish to offer you three pieces of advice on what you must do, in addition to the system of political appointment costing tens of million dollars. First, you must allow people from different political parties to play a greater part in government policy-formulation and to join different statutory bodies and advisory committees. We are not trying to specify how you should do so. But since you want to include different political

parties with considerable political power in society and people with divergent political views in the process of government policymaking, so that their views can be absorbed in the early stage of policy formulation, that is, if you want to reduce the impacts of formulated policies on political parties, political figures and the Government, you should absorb their views as early as possible. One alternative is to encourage Bureau Directors and government officials to allow more people from different political parties to join the various policy committees and statutory advisory bodies.

The second point is about resource support. In this connection, I must of course commend the Secretary for accepting the many views put forward by political parties and offering financial assistance to election candidates. But as the Secretary also knows, for many years already, Germany has adopted the practice of offering assistance not only to election candidates but also to their political parties if the former can get a prescribed percentage of votes in the Bundestag election. I am not saying that whenever a political party takes part in an election, it must be offered assistance. Rather, I mean to say that assistance should be offered only if it can get a prescribed percentage of votes. This is actually a very significant recognition that a government (or the ruling party) should give to a political party not in power when it manages to receive a certain percentage of popular support.

This is no new system, for it is already implemented in many countries. Such a system is an appropriate expression of the broadmindedness that should be shown towards political parties not in power, or opposition parties. Even in the case of the Public Accounts Committee of the United Kingdom (I am not saying that you should follow suit), it is specified that the Chairmanship must be reserved for the opposition (as the Secretary also knows). You can of course argue that since there is no such thing as a ruling party in the context of Hong Kong, there cannot be any such alternative. I can well understand such sophistry, such a clever argument, of yours. But you should also note that in democratic countries, political parties not in power can be given such a degree of recognition. The Public Accounts Committee of the United Kingdom has the power to audit government accounts, and it is specified that the Chairman must not come from the ruling party. In other words, no Labour Party members are currently allowed to become the Chairman of the Public Accounts Committee of the United Kingdom. Only Tory members can do so. I am not asking you to do all these things right now. But I must add that all this is our observation.

Third, the Secretary may establish more conventions in respect of political parties not in power, or in his own words, opposition parties. There is actually one such convention; or, at least, there used to be one. During the colonial times, when Chris PATTEN was the Governor, he would gather the leaders of political parties for a brief consultation session before announcing his policy addresses. Has our SAR Government done so after its establishment? As far as I can recall, the answer is "sometimes yes, but sometimes no". So, I simply do not know whether there is still such a convention. I can remember somewhat vaguely that when I was the Chairman of the Democratic Party, I was asked by the Financial Secretary to meet with him on the Budget or some other matters. He politely told me, "Chairman LEE Wing-tat, we are going to say this or that this morning, and the present focus is on so and so. But you are not supposed to disclose anything to the press." There might be such a convention in the past, or it might not be any at all. But then, it was not entirely absent. I think it is actually possible to establish such conventions of respect for political parties not in power. What I mean is that before announcing any major policies, Bureau Directors should be required to give some sort of briefings to the relevant spokesmen of the various political parties. The condition, understandably, is that they should not inform the press immediately after such briefings. Moreover, before initiating debates on any major policies, the authorities must conduct more communications to reach a consensus. Actually, such customs, that is, democratic customs meant to show respect for political parties not in power or opposition parties, are not found in one single country only. Such customs are found in many countries. They are found in the United Kingdom and many other countries. I hope the Secretary can pay heed to my three pieces of advice.

The third area I wish to talk about is governance, a topic which I have brought to the attention of the Chief Secretary for Administration and the Financial Secretary with special emphasis. I can of course observe the crisis awareness shown by the Government in many areas of its work now. In contrast to the TUNG Chee-hwa administration, the present Government has indeed responded to crises much more quickly. This cannot be denied. Sometimes, the speed of its response is even totally beyond our expectation. But still, we can observe from many major social crises and incidents that many government departments are not yet able to break the "constraints".

I may cite two examples to illustrate my point. The first example is the incident that happened in Tin Shui Wai. There had actually been a similar

incident before that. In the aftermath of this incident, we should in fact allocate additional resources for improving the provision of social welfare and assistance in the area. My personal view is that in many cases, all such problems should necessitate inter-departmental co-operation. In response to such a serious crisis, the Chief Secretary for Administration should really formulate appropriate policies in the policy committee, so that this special case of Tin Shui Wai can be tackled properly. The reason is that the case involves many different issues such as the revitalization of the local economy, strengthening of resource support, improvement of education and even the participation of the Leisure and Cultural Services Department and NGOs. All this is beyond the capability of one single Bureau Director.

During the process of policy formulation, the Government, especially the Chief Secretary for Administration, must first set down a policy. If they think that there is not any serious problem with Tin Shui Wai anyway, they may adhere to the present policy. If they think that there is inadequate resource support, for example, they may assign five more social workers to the area and set up several more hotlines. But I do not think that these are any real solutions. If we are to boost the working population in the area, we may need to formulate special policies on business operation, land and even licensing, so that the economic activities in the area the indices relating to the working population, employment opportunities and economic activities in the area can increase by 20% to 30% in the coming five years.

But then, the Government will say, "In that case, the policies for this area will be different from those for other areas." I must say that I do agree that there should be such differences. It is actually not necessary for the Government to formulate identical policies on all policy issues for all places in Hong Kong. The \$5-billion fund for assisting small and medium enterprises set up by the Government several years ago is a very good illustration. Since there is already a consensus in society that this particular area is in need of special policy support, it will be necessary to introduce changes to the policies on land, business operation and licensing, rather than simply allocating additional resources to Secretary Dr York CHOW for, say, the employment of 10 more social workers. This can never tackle the case of Tin Shui Wai. Every government department must pitch in and every individual must do some thinking, with a view to breaking the constraints faced by government departments.

There is another example. I once visited a district with a comparatively large population of newly-arrived citizens. Many parents there are newly-arrived citizens, and they have not resided in Hong Kong for seven years. Some of them are still speaking Cantonese with their native accents. At the meeting of the Commission yesterday, I raised the following point. Many parents in this district want their children to receive education, but there are no community halls and tutorial schools in the entire district. These parents only want their children to receive extra tuition after school. But it is very difficult for children to receive such tuition. This is the case in Tin Shui Wai, Tung Chung and even my constituency, Kwai Chung Estate. I have referred the case to the Chairman of my District Council, and he has held discussions with the Social Welfare Department and the Education Bureau. But the outcome is that nothing can be done until one year later, although it is just a very simple matter. Can the District Officer do something to break all these "constraints"?

At the meeting of the Commission yesterday, a Deputy Secretary for Education replied that it would be alright, as the schools under the Education Bureau might accept applications for the operation of tutorial schools, tutorial classes and even NGOs. Secretary, would you please try to find out — I have not done so myself, of course — in which districts attempts have been made to shatter the constraints binding the Education Bureau, Social Welfare Department and Home Affairs Department, so that all such very modest indeed very modest requests can be entertained. They are not asking for any money. They only hope that their children can improve themselves academically. If all these constraints can be shattered, then vacant school premises Very simply, children will be able to receive extra tuition after school, or they can receive guidance from senior students.

I hope the Secretary can realize one point. The Government seems to have changed its mindset, but once we try to find out what attempts have been made in all the districts to shatter the constraints binding different government departments, we must say with regret that the progress has been very slow, as evidenced by our conversations with local residents. Unless the Secretary and the Chief Executive accord special treatment to this matter, the progress cannot be expedited. One example is the Chief Executive's visit to Yue Wan Estate in Chai Wan. An elderly resident there told the Chief Executive that the Housing Department had been talking about the construction of lifts in the housing blocks for a very long time. The President may also be aware of the problem because she is a directly elected Member. The housing blocks there are seven-storeyed

or eight-storeyed, so elderly residents are not able to climb all the stairs. Once this problem was brought to the Secretary's attention, the plan for lift construction was completed within just four months. The Chief Executive and the Secretary will not normally personally handle cases of such a trivial nature. That is why District Officers must be authorized to do the job.

I hope that in all future discussions on major district problems, there can be better communication between government departments. That way, greater improvement will be possible. Thank you, President.

MR LI KWOK-YING (in Cantonese): Madam President, I shall speak on the administration of justice and legal services on behalf of the DAB.

Madam President, Hong Kong is a metropolis and its legal system has long since won the recognition and trust of the international community. This explains why Hong Kong can still preserve its status as a world centre in the course of globalization. However, if I mention a policy which has never been comprehensively and thoroughly reviewed since it was first put in place more than a decade ago, Members may ask, "How can this policy keep pace with Hong Kong's rapid economic and social development?" The ossified policy I am referring to concerns the review of the amounts of legal aid for criminal cases which have never been substantially adjusted since 1992. Despite the emphasis on "investing for a caring society" in the policy address this year, society must nonetheless question how the Government can still attract quality and experienced lawyers to help legal aid applicants uphold the cause of justice when the amounts of criminal legal aid have never been adjusted for more than a decade. When the general public are deprived of quality legal aid services, all references to a "caring society" will be reduced to mere empty slogans.

I must point out that it is not true to say that there has never been any review of the system of criminal legal aid. The only problem is that although the review concerned has been underway for years, society can just "hear noises but cannot see any concrete policies". The root cause is that the Government's consultation and review are not comprehensive enough. Its consultation and review have so far focused on the fee discrepancies between lawyers representing the Government and those representing legal aid applicants, and between barristers and solicitors participating in the legal aid system on a voluntary basis. These issues are no doubt worth discussing, but this does not

mean that the Government's review should totally refrain from looking at issues such as the major principle of offering reasonable rewards to lawyers, the lack of any adjustments of criminal legal aid amounts since 1992 and the huge fee discrepancies between criminal legal aid and civil legal aid. Since the Government has never conducted a comprehensive review of the whole legal aid system, it is of course impossible to reach any consensus on its reform proposals. In that case, how can any concrete measures be formulated?

Under the fee system of criminal legal aid, there are many cases of legal aid lawyers failing to receive appropriate rewards after the actual and reasonable completion of their jobs. The Administration should be well aware of these cases. But why is the Government so indifferent? The amounts of criminal legal aid have not been adjusted. We naturally do not want to make any wild speculations about the underlying reasons. We do not want to speculate whether it is indeed true, as rumoured, that since the Government has always thought that legal aid cases are just handled by legal clerks on behalf of lawyers, the fees should thus be set at lower levels. Such a rumour is of course unfounded, so we should really examine and review criminal legal aid fees with a pragmatic attitude.

As a matter of fact, the criminal legal aid system has long since been dismissed as outdated by the two professional bodies of the law profession. And, the Panel on Administration of Justice and Legal Services and the Legal Aid Services Council have also rendered their support, urging the Government to conduct a comprehensive review. For this reason, the Government must not put up any further delay. It should promptly rectify the anomalies of the present criminal legal aid system. Currently, criminal legal aid amounts are far lower than the levels of civil legal aid fees. We maintain that this is unreasonable. Therefore, the Government should raise the relevant amounts, so as to attract quality and experienced lawyers to take up criminal legal aid cases. That way, the standards of criminal legal services in Hong Kong can be upgraded. Thank you, Madam President.

PROF PATRICK LAU (in Cantonese): Madam President, speaking of this first policy address announced by the Chief Executive after his re-election, I think that it can basically meet the demands of different sectors, disregarding the fact that it cannot alleviate the wealth gap problem in society and its repayment to the past contribution of senior citizens is far too unreasonable. What my functional

sector and I support most strongly is the implementation of infrastructure projects. And, there are clearly enhanced efforts to perfect our city in the directions of heritage conservation, environmental protection, planning, architectural design and sustainable development, issues that have been my concerns all along.

To begin with, many people are concerned about Hong Kong's constitutional development. I have consulted my functional sector on this issue, and my constituents have expressed various views to me. One of the views is that if there can be a consensus, the arrangement of electing the Chief Executive by universal suffrage should be implemented as early as possible (in 2012, perhaps, but in any case not later than 2017). My functional sector also hopes to retain the participation of functional sectors in the Legislative Council. It proposes to reform the electoral system or adopt other means, so as to fight for the introduction of universal suffrage for returning functional constituency seats in the Legislative Council. In this way, functional constituency Members can be retained and continue to play the role of liaising with industries. And, more importantly, they can also continue to reflect the views of industries to the authorities.

With regard to the creation of the positions of Deputy Directors of Bureau and Assistants to Directors of Bureau, I agree that the rationale behind the grooming of political talents and enhancement of communication is indeed very sound. But we must bear in mind that the creation of new politically appointed positions is meant to groom new political talents. This means that the appointees will not be highly experienced. What is more, the Government will not set any academic requirements. But then, the salaries are so high. I am afraid that this will create resentment among civil servants, thus producing negative impacts on co-operation and co-ordination.

The salary of a Deputy Director of Bureau is four times that of a Legislative Council Member. A Legislative Council Member is not even entitled to any retirement and medical benefits, so the "wealth gap" is indeed much too wide. Sooner or later after the implementation of this proposal, political talents are bound to be attracted more to the side of the Government, thus further weakening the Legislative Council's function of monitoring the Government. From the perspective of long-term democratic development, this is clearly undesirable. I therefore think that the remunerations and benefits for Legislative Council Members should be enhanced, so as to induce more talents to

play an appropriate monitoring role and deliver more professional services to the public.

With regard to district administration, I support the Government's move to enhance the roles of District Councils. The \$300 million block vote for district minor works will speed up community building. But I must say that \$300 million is certainly too small an amount for all the works in the 18 districts. More funding should be allocated, so that greening and beautification works in various districts can be completed as soon as possible. We must bear in mind that we must make good preparations for the Olympic Games next year.

I think that if the authority of District Councils can be further enhanced to allow them to take part in community planning and the conservation of heritage, historic buildings and old markets, planning work will be better able to reflect the respective features of the 18 districts, because District Councils, as local administration authorities, are most well-versed in the local situations and residents' genuine needs. They can thus propose "district-based and people-based" planning and construction projects. It is only when we can start to tackle the problems of inadequate community facilities and resource mismatch right from the planning stage that we can work out any fundamental solutions.

Besides, I think we should also allocate additional resources for enhancing District Council members' community liaison function, so that they can organize more district functions and reach out to the elderly, women, problem families and the needy in their districts. They may thus, for example, establish voluntary home visit teams, reach out to residents and identify problem families at an early stage. That way, with the additional resources, professional social workers can take follow-up actions and provide timely emotional counselling. I believe that this can prevent tragedies at the district level and enable District Council members to play their role in the community more effectively. Thank you, Madam President.

MR JAMES TIEN (in Cantonese): Madam President, I rise to speak in support of the Motion of Thanks. Madam President, you have reminded us that this session of the debate is on the administration of justice and legal services, constitutional affairs and district administration. For this reason, I shall now expound the Liberal Party's views on constitutional affairs and district administration.

With regard to constitutional affairs, what I am about to say now has in fact been said many times before. But for the record, I must now repeat all these points here. The Liberal Party supports the idea of electing the Chief Executive by universal suffrage in 2012. Of course, from the perspective of tackling the easy before the difficult, we also think that there should be a higher threshold. But this does not necessarily mean anything as serious as screening, a word used by some Members just now. I actually think that it is very difficult to define both "screening" and "a higher threshold". I hold that a higher threshold for the first Chief Executive Election based on universal suffrage may ensure that the elect can command the greater confidence of the Central Government and the business sector. But we may still conduct further discussions on whether the threshold for the second election based on universal suffrage should be lowered or even abolished.

With regard to electing all Legislative Council Members by universal suffrage, the Liberal Party does not think that universal suffrage should be implemented for both the executive and the legislature all at the same time. For I think that so doing will create all sorts of uncertainties. We maintain that all should start from the term immediately following the first Chief Executive Election based on universal suffrage. In other words, if the Chief Executive can be elected by universal suffrage in 2012, functional constituency (FC) seats in the Legislative Council should start to be abolished step by step starting from 2016. We propose, as we stated in the Commission on Strategic Development and on many other occasions before, that the abolition of FC seats should be spread over three terms, with 10 seats abolished in each term. Honestly, the Liberal Party and the business sector both think that in cases where there is a greater hope of success after the implementation of universal suffrage, the seats concerned can be abolished at an earlier time, and in opposite cases, the seats concerned should be abolished at a later time. We do know the issue is highly controversial. Some Members think that FC seats should be replaced by seats returned by universal suffrage. The Liberal Party totally agrees that during the transitional period, the electorates of FCs should be expanded by, for example, introducing company executive votes or director votes. All will have to depend on the actual situations of individual functional sectors. We may consider what approach to adopt in the several years of transition.

Madam President, I wish to make a key note on district administration and the standard of governance. The Liberal Party has always thought that since the Government does not have any votes in the Legislative Council, it must count on

political parties on friendly terms with it. We have advised many times that a ruling coalition should be formed. A ruling coalition can take many forms. We do not hope that the Government will hold discussions with all of us in the "friendly" parties only after it has made a decision, or has made a decision based on consultation with outsiders. The reason is that all of us in the "friendly" parties are all elected Members and our constituents will also put forward their views to us. We think that if we can refer all the views we receive from our constituents to the Government and it can make a final decision after also considering all such views, the true spirit of a ruling coalition can be realized.

Understandably, some opposition parties or political parties holding different views from that of the Government may find this model undesirable and argue that the Government should also consider their views. I think it is only correct for it to do so. This is especially true when it comes to the "fruit grant", which is under frequent discussions these days. I observe that there is actually a consensus among all Members, be they from the ruling coalition, the pan-democratic camp or other political parties or groupings. All Members think that the "fruit grant" should be increased. But of course, there are still divergent views on how much the increase should be.

Regarding the standard of governance, the Liberal Party has always had some reservations about whether or not the new government proposal of creating the positions of Deputy Directors of Bureau and Assistants to Directors of Bureau can effectively enhance the standard of governance. On the other hand, however, we also agree that from the executive-led point of view, the Government does need to create these positions. We maintain that if the positions of Deputy Directors of Bureau must really be created, we must ask, "What are their roles? Will they replace the Permanent Secretaries or Deputy Permanent Secretaries who are now responsible for explaining bills or other issues in the Legislative Council? Will there be any overlapping of responsibilities?" If no, we do not think that there will be any problems at all. But if there is overlapping of responsibilities, we must ask, "After creating the positions of Deputy Directors of Bureau, will the Deputy Permanent Secretaries take up the duties of Deputy Directors, and will the Assistant Permanent Secretaries be promoted to fill the positions thus vacated? Is there really a need to create the positions of Deputy Directors?" We hope that the Government can give more careful thoughts to all these questions. The Government has promised that there will not be anything like promoting one person just to fill a

senior position, but if there are any overlapping of responsibilities for the posts below the level of Permanent Secretaries, if responsibilities are shifted to Deputy Secretaries, the Government will look at individual posts, departments and Permanent Secretaries and conduct further discussions and studies. We support this approach.

Concerning district administration, we hold the same views as other political parties. In other words, we think that more powers should be devolved to the district level, including real administrative powers. Minor works projects should also be put under District Councils (DCs). All district issues such as bus stops and refuse collection points should be put under them. And, District Officers should also be given real powers. Apart from more resources, that is, more money, they should also be given more real powers. In this way, political parties can better train their DC members, or the second rung of their succession ladders. DC members will then have a stronger sense of involvement. If they do not have any real powers, they will feel that the only thing they can do is just to turn up at meetings and then leave. In that case, it will be very difficult for us to groom them into truly accountable DC members. Sometimes, we see that although certain DC motions are not so appropriate, there is no objection to them. Why? Because they know only too well that the Government will not accept and pay any attention to these motions. As a result, they will just pass the motions, knowing that the Government will not take any actions anyway. I do not think that this is a good attitude. But it will be helpful to the Government if we can attach more importance to DCs and give them the power of policy formulation.

Madam President, I support the motion and I must now stop and say "I so submit", because if I go on, I must touch upon other policy areas, and this is not appropriate. Thank you, Madam President.

MR CHEUNG MAN-KWONG (in Cantonese): After delivering the policy address, Donald TSANG made some astounding remarks about the Cultural Revolution being caused by democracy. It is not only a misinterpretation of history and misconception about the Cultural Revolution, but also a revelation of his prejudice against democracy. Democracy is basically a means to thwart dictatorship. It is basically a means to perform checks and balance on the government. It is basically a means to restrict powers. It is the most peaceful force of the people to choose their government and a legitimate means for people

to oppose and even replace the government. The absence of a democratic system will only put us on the path to anarchism and despotism, or to high-handed rule under which there is only silence and muteness. This is also the deepest lesson in history that China has drawn from the Cultural Revolution.

This bitter lesson that we have learnt should give us a stronger reason to strive for democracy. But Donald TSANG's democracy is nevertheless going in the opposite direction, advocating that government powers are most superior and that governance and efficiency are top priorities. Democracy is merely an adornment to a government's governance, efficiency and powers. Moreover, too much democracy will lead to chaos and even the Cultural Revolution when it goes to the extreme. This is sheer prejudice against democracy and when such prejudice prevails, the so-called true universal suffrage or the so-called dual elections by universal suffrage in 2012 will only be wishful thinking, for its chances of realization in reality are slim.

Some people said that the Government has not yet ruled out the possibility of dual elections by universal suffrage in 2012. Yesterday, Mrs Regina IP put forward a proposal on the election of the Chief Executive by universal suffrage in 2012. She even proposed to expand the Election Committee to 1 800 members and that candidature in the Chief Executive election will require nominations from 10% of members of each of the four sectors (including the commercial sector). This is obviously a retrogression of democracy. Even in the Chief Executive Election which has just been completed, the candidate from the democratic camp could still contest the election after obtaining 100 nominations, disregarding from which sectors the nominations were obtained. Now, the threshold of nomination is raised by requiring nominations from 10% of members of each of the four sectors, instead of accepting nominations from the four sectors as a whole. This requirement is devised exactly because the industrial and commercial sectors, for the sake of their business and future prospects, will not go against the wish of the Central Authorities in the choice of candidates by nominating candidates from the democratic camp. Alan LEONG's campaign in the election is a case in point. Among his subscribers there was not even one representative from the commercial sector. Is it that members of the commercial sector do not support democracy? It is not necessarily the case. The most important reason is that the commercial sector does not dare to antagonize the Central Authorities. Nor do they dare to go against the wish of "Grandpa". As their sole objective is to make a living, why should they ask for troubles by nominating candidates from the democratic

camp? As such a mindset prevails, this hurdle of requiring nominations from 10% of members of each of the four sectors is precisely pinpointing the weakness of the commercial sector of not daring to oppose "Grandpa's" choice. They will then screen out the democratic camp under the pretext of "balanced participation", slamming the door in the face of candidates from the democratic camp and barring them from running in the election. This is making use of the commercial sector as a borrowed knife to kill the democratic camp for Grandpa. It is a case of "I do not kill democracy, but democracy will die because of me". Once this proposal is put into practice, the democratic camp will stand no chance of running in the election and the public will lose an important option, or at least they will lose an option in the democratic camp. The election will degenerate into something exclusive to the pro-government parties, with all the candidates being their own people. In that case, what is the meaning of election?

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

Some people said that before universal suffrage is implemented, the democratic camp must learn how to govern because a government incapable of governance will only create chaos. But the political appointment system now promoted by the Government only seeks to expand the powers of pro-government parties and Donald TSANG. It is a give and take of powers on the sly. It is political pie-sharing. Think about this: A Chief Executive returned by a small circle has appointed a governing team consisting of 40 members including himself who are in one way or another connected with each other. They are not returned by universal suffrage. Nor do they have the people's mandate and yet, they are claiming that they represent an executive-led system and arrogating to themselves the power to rule the 7 million Hong Kong people. How could this be democracy? How could it be said that political appointment aims to pave the way for universal suffrage? This is not the right way to govern, but a road which runs away from democracy. The only criterion for appointment is that the appointees must be pro-government and support the platform of Donald TSANG. This is not devolution of powers. Rather, this is centralization of powers. It also explains why these appointed Deputy Directors of Bureaux and political assistants can only be appointed by the Chief Executive. This is exploiting the loophole of the Basic Law and at the same time narrowing the powers of the Directors of Bureaux.

If the Government truly wishes to nurture political talents and talents for governance, why does it still keep on belittling the Legislative Council which is returned by the people and keep on excluding political parties, especially suppressing the room of survival for the democratic camp? If the Government is willing to accept the motions and consensuses endorsed by the Legislative Council collectively and even accord equal importance to the opinions put forward by political parties, political parties will be able to nurture more political leaders who are well versed in politics in the course of policy facilitation and implementation and also from their success and failures in the process. Political parties have over 15 years of experience in politics, but this is completely neglected by the Government and what is more, the Government has worked behind closed doors and created the political appointment system which will extend and expand the powers of the Chief Executive and continuously put emphasis on the difference in affinity with the Government. This is not nurturing talents for governance, but nurturing and rewarding his own subordinates and rewarding the pro-government parties. This is only giving favour to a selected few, not accommodating differences and allowing diversity in politics.

The Chairman of the DAB, TAM Yiu-chung, said earlier that they would make the utmost effort to strive for the election of the Chief Executive by universal suffrage in 2017. Drawing on past lessons, I only wish to ask a few questions: Is this a position firmly held by the DAB, or is it a spring which allows it to retreat and regress again and again, just as what happened to their position on implementing universal suffrage in 2007? Is it a goal that the DAB will spare no effort to attain, or is it just a stop-gap measure which aims to put things off repeatedly and which goes against democracy? It is because their proposal only mentioned the year of electing the Chief Executive by universal suffrage, without mentioning the method of nomination. Have they been hiding something behind it, or are they waiting for instructions? We will leave it for the DAB to explain to us clearly in this debate later. Besides, the DAB's proposal only mentions the election of the Chief Executive by universal suffrage. It does not state the timetable for the election of the Legislative Council by universal suffrage but on the contrary, it stresses the value of functional constituencies. This is not equal and universal suffrage, but an old tune which aims to protect the privileges of functional sectors. This is a regrettable defect which casts doubt on the DAB's sincerity in striving for universal suffrage.

That said, I still think it is better that the DAB has made a proposal, rather than not suggesting anything. There should be rational discussions and exchanges on different proposals, in order to forge the greatest consensus in society.

I all the more hope that the Chief Executive can address squarely the public's aspiration for democracy. I hope that he can deeply reflect on his prejudice against democracy and come up with a proposal on true democracy as soon as possible, so that the question of democratic government which has bothered Hong Kong people for 20 years can be resolved in a way in line with public opinions and democracy, thereby answering the efforts persistently made by Hong Kong people to fight for democracy over the past two decades. Thank you.

MR ABRAHAM SHEK: Deputy President, I am so glad that I can speak to a record vacancy of this Chamber.

I speak in support of the Chief Executive's policy speech. Speaking in his first Question and Answer Session of his second term, the Chief Executive said that constitutional reform was the biggest thorn in society's flesh for the last 20 years, and that it was time to put an end to these conflicts. In addition, he also reiterated that he would try his utmost to forge a consensus on the implementation of universal suffrage in accordance with the Basic Law within the third term of the Hong Kong Special Administrative Region Government, and that he would also strive to secure the Central Authorities' trust and understanding for its early implementation.

I have no doubt about the Chief Executive's sincerity and goodwill in promoting democracy and implementation of universal suffrage, but surely, this is an uphill battle every inch of the way. The diversity of views in the community has been the major hurdle to forging consensus. Over the last 20 years, countless debates have been conducted on interpreting the Basic Law, implementing universal suffrage and democratic development. Just within the last 10 minutes, we have witnessed that but we are still poles apart in our understanding of the core elements of local constitutional development. Thus, I sincerely hope, and I am sure, that the Chief Executive is fully aware of the complexity and difficulties involved in forging consensus. In addition, he will also ensure that the report which he is about to submit to the Central Authorities

will adhere to the principle of gradual and orderly progress, facilitate the development of the capitalist economy, meet the interests of the different sectors of society and be appropriate to the actual situation in Hong Kong.

Regarding the consultation on the Green Paper on Constitutional Development, I insisted in my submission that functional constituencies (FCs), particularly those representing the business sectors, must be retained in the ultimate implementation of universal suffrage. My rationale behind this pragmatic proposal for retaining the FCs is well expounded in my submission to the Green Paper's consultation, and here, because of time, I shall not be repetitive. Social harmony and economic development are synonymous. Without economic prosperity, we have witnessed the dark days of the economic downturn years between 1997 and 2005. Economic growth and political development are also synonymous with the sustainable development of the business sector in Hong Kong in providing Hong Kong with prosperity and stability, and in providing the very foundation of this capitalist existence under the "one country, two systems" concept which we are now enjoying. In Hong Kong, we must develop our own brand of democracy. We should not follow blindly the Western concept of liberal democracy, as being practised in the United States and England. In Hong Kong, we are different. We live in a society which is surviving on the "one country, two systems" concept, and we have to be very pragmatic and careful.

Regarding the further development of the Accountability System, the Executive Council last week approved the creation of two new tiers of politically appointed positions, namely the Deputy Directors of Bureaux and the Assistants to Directors of Bureaux. I support the additional political appointments. I believe the key issue about these appointments is not about developing political talent, or about embarking on the road to democracy. I support the proposal on the very basis and consideration that the Chief Executive needs a good team for effective governance in bringing about ultimate good for the people of Hong Kong. That is the crux of the Accountability System, and giving the Chief Executive, whom we have elected, the necessary tools is his prerogative, not a favour from this Chamber.

Deputy President, in paragraph 111 of this policy address, the Chief Executive proposed to enhance the efficiency of the building construction industry and the property development market by speeding up the planning and approval procedures for private works. He also suggested a comprehensive

review on business licensing processes and the streamlining of application procedures. I welcome his suggestions and sincerely hope that these proposals will be implemented soon.

The Chief Executive also mentioned that the District Lands Offices would set up a dedicated team with an integrated management structure to expedite the processing of lease modification and land exchange applications. The pilot scheme would be launched in the next financial year with the setting up of the first dedicated team in the District Lands Office (Hong Kong West and South). However, neither in his policy speech nor the policy agenda did the Chief Executive mention the duration of his pilot scheme. I hope the relevant Policy Bureau will provide a detailed explanation of this scheme, and that the implementation of this pilot scheme will be disseminated and encouraged on a territory-wide basis. The Administration should also provide details for implementing the Chief Executive's proposal to examine what improvements can be made to urban planning, land administration and approval procedures for building construction. How long will it take to complete the examination? What are the details and targets of the relevant examinations?

I fully support the Chief Executive's new directives on providing better governance, and reducing government bureaucracy must be the first step. Finally, I must urge the Administration to base its policy on the overall and long-term benefits of the people of Hong Kong, and not on opinion polls and popularity rating, for opinion polls are issue-based and popularity is fickle. They are tools for political activists, not for administrators or statesmen.

Thank you, Deputy President.

DR YEUNG SUM (in Cantonese): Deputy President, this year's policy address has given me two impressions. The first is that Chief Executive Donald TSANG, in delivering his policy address, used slogans that are more and more mainland-like. The second is that his concept of progressive development has put too much emphasis on economic development by defining Hong Kong as an economic city by nature and even considering that Hong Kong people are purely interested in chasing economic benefits. I have grave doubts about these two points.

In this policy address there are some slogans. First, there is "A New Direction for Hong Kong" in the title and then there is the concept of "Progressive Development", which actually echoes the concept of "scientific development" proposed by President HU Jintao. Then, we are urged to move on with the identity of "new Hongkongers", followed by "10 major infrastructure projects" for Hong Kong.

These slogans may seem to be new in Hong Kong, but if Members have paid attention to political news, they will find that these slogans are basically very familiar, for they are the same as some slogans on governance used in the Mainland and Taiwan. It seems that Chief Executive Donald TSANG is more and more capable of using mainland-like slogans for administration, just as I said in the beginning.

In mentioning progressive development, Mr TSANG said that this concept is envisioned to be realized by promoting economic development through infrastructure projects, promoting community development through revitalization and promoting social harmony under the concept of helping people to help themselves. This concept of development focuses entirely on benefits, and even though it also stresses the goal of social harmony, this goal will still be achieved through promoting economic prosperity.

It seems that promoting economic prosperity in Hong Kong is the only responsibility of Hong Kong people. But Chief Executive Donald TSANG has neglected the fact that a person may have many aspirations. To achieve social harmony, apart from the need to upgrade skills as pointed out in the policy address, more humane care and support is also required; and other than promoting economic prosperity, a person may choose to pursue other values, such as democracy, rule of law, human rights, fair competition, equal opportunities, and so on. Otherwise, all Hong Kong people will become animals that are only economically conscious, and this is unilateral and superficial. If we despise other social values, having only shallow knowledge of the history of our country and being ignorant of the concept of democracy, no matter how smart and clever Hong Kong people are, they will still be eventually looked down upon by others.

Moreover, what is precisely lacking in the concept of progressive development — Deputy President, I must particularly stress this point, that is, the development of democracy is completely lacking. It was only mentioned

briefly, and it seems that in the mind of the Chief Executive, democratization cannot be taken as an indicator of social progress.

I think paragraph 102 of the policy address is most indicative of the Chief Executive's view on democracy, and I quote, "..... the efficiency and effectiveness of our governance must not be compromised by constitutional development". Mr TSANG has put democracy and governance in diametrically opposing positions, as if suggesting that constitutional development will impede governance.

Deputy President, I think this concept held by the Chief Executive which puts them in opposing positions is shared by many people. In fact, they are basically making use of this view to delay the progress of democratization in Hong Kong.

From another angle, democracy and governance are complementary to each other. Only when a democratic government is in place will there be political acceptability, pluralism in the voices of the people as well as mutual checks and balance. Only in this way can the Government take care of the fundamental interests of various strata in society and ultimately improve the overall system of governance. Recently, even Mr CHUNG Sze-yuen has mentioned that the Chief Executive does not even have one vote in the Legislative Council and there is not a majority party to support policy implementation by the Government, and that such a political system is basically an imbalanced and ineffective system. The reason is simple. Effective governance relies not only on efficiency. If we put efficiency above all social values, belittling democracy, neglecting equality and ignoring justice, the interests of many people will be completely sacrificed.

Furthermore, what is most worrying is that although Mr Chief Executive has apologized for his remarks on the Cultural Revolution, he still admitted to a group of students a few days ago that he had made those remarks truthfully. The problem is: Since he had made those remarks truthfully, why should he apologize? Since he has apologized, why does he not pluck up moral courage to openly offer a sincere, honest apology to the public?

I am afraid the Chief Executive still very much believes in his own understanding that there is a relationship between the Cultural Revolution and democracy. This misunderstanding of the Chief Executive is in fact not

beautiful at all. On the contrary, it has aroused concern as to how a Chief Executive with such a perception will genuinely take forward democratization in Hong Kong.

Here, Deputy President, I once again urge the Government to consider the constitutional reform proposal made by the pan-democratic camp. After nine rounds of opinion poll conducted by the University of Hong Kong (HKU), the support rates for the models of universal suffrage proposed by us for electing the Chief Executive and the Legislative Council have remained very stable and shown gradual increases. In the former case, the support rate has reached as high as 59%, whereas that for the latter has reached 51%. In its press release on 27 August 2007, the Public Opinion Programme of the HKU pointed out that the support rates for our proposals may even reach 75% and 71% in the absence of more "progressive" proposals for the public to choose. These survey results have fully met the requirement set by Chief Executive Donald TSANG when he made an undertaking during his election campaign that if any constitutional reform package can obtain 60% of public support, he would argue strongly for it on this ground and strive for the Central Authorities' approval for its implementation.

Deputy President, according to the opinion poll results published by the HKU on 8 October, 58.4% of the public considers 2012 suitable for implementing universal suffrage to elect the Chief Executive, and 66.9% also considers this year suitable for the Legislative Council to be elected by universal suffrage. I wish to stress that these two figures have far surpassed those for the constitutional reform proposals supported by the DAB of electing the Chief Executive or the Legislative Council by universal suffrage in 2017 or even 2016.

Here, I must respond to the views of the DAB on constitutional development as put forward by its Chairman, Mr TAM Yiu-chung. According to our opinion surveys that I mentioned earlier on, the support rate for the election of the Legislative Council by universal suffrage is 66.9%, which is far higher than the 58.4% for the election of the Chief Executive by universal suffrage in 2012. In this connection, I wish to make it clear to the Secretary that the proposals made by the DAB or sometimes by the Secretary of resolving the simple issues before the difficult ones are against the mainstream view.

Besides, Mr TAM has, earlier on, tactfully proposed certain methods to ensure continuity of functional constituencies. This is, in fact, absolutely

against the basic principle in the Basic Law of developing towards the ultimate aim of universal suffrage. Mr TAM Yiu-chung had participated in the formulation of the Basic Law. Never had it occurred to me that he would openly violate the Basic Law after becoming the Chairman of the DAB. The DAB, being the majority party in the Legislative Council, has not proposed a timetable for implementing universal suffrage. Citing the remarks of Mr QIAO Xiaoyang, Mr TAM said that according to the logic of Mr QIAO, Hong Kong could have a chance of implementing universal suffrage in 2012 if the constitutional reform package was endorsed in 2005. In fact, he was absolutely deceiving the public in saying so. At that time, and even up to the present moment, the Central Government has never provided any timetable for implementing universal suffrage. Why did he make such an inference? Perhaps other Members of the DAB can further elaborate this point later, for this is very important to your party image. If a political party does not have its own view and always succumbs to the Central Authorities, where exactly is its soul?

I also wish to briefly respond to the seemingly democratic proposal put forward by Mrs Regina IP, which actually goes against democracy in substance, for she strongly stressed that a candidate for the Chief Executive election must obtain nominations from 10% of members in each of the four sectors of the Election Committee. While the threshold proposed by her is slightly lower than the 25% threshold proposed by Sir David AKER-JONES, candidates will still be subject to advance screening.

Deputy President, the requirement of nomination is actually meant to provide for a low threshold, so that a person who has obtained the prescribed number of nominations can become a candidate. In fact, it serves only to establish the eligibility of the candidates. For instance, 100 nominations from the voters are required for candidature in the Legislative Council election and 10 nominations are required in the case of District Councils. This shows that the purpose is only to establish the eligibility of the candidates, rather than screening out candidates holding different political views. So, if candidates are screened in this way, members of the democratic camp will primarily stand no chance at all to become a candidate in the election. From our recent experience in working with Alan LEONG in his Chief Executive electioneering campaign, members of the democratic camp will have no chance for candidature in the election under this proposal. What I mean is that some proposals which appear to be democratic but will in effect exclude people holding different political views are actually proposals which go against democracy.

Lastly, I would like to briefly comment on the political appointment system put forth by the Secretary. The Democratic Party is opposed to such a political appointment system as explained by the Secretary. We oppose it mainly for two reasons: First, it attends to trivialities to the neglect of essentials. The Secretary said that this system is developed mainly to pave the way for universal suffrage. But since 60% of public opinion supports dual elections by universal suffrage in 2012, the Government should proceed on this premise and implement universal suffrage in the two elections. Why should it make all these twists and turns to pave the way for it while providing no timetable for universal suffrage? Is this not a waste of public coffers? Second, support is lacking for this political appointment system. In Western democratic countries, the leader returned by universal suffrage is known as the Prime Minister or President, and as this leader has the mandate, he can appoint people both inside and outside the government as his cabinet members. He can form his own governing team as he is basically returned by universal suffrage and hence, he has the mandate and representativeness. However, the Chief Executive of Hong Kong was still returned by a small circle; he has neither the mandate nor representativeness. If public coffers are used to expand his governing team, this will basically give the impression of a transfer of benefits.

Recently, there have been reports in the press about some pro-government political parties which originally planned to send their members of the new generation to contest the election eventually withdrawing their plan of doing so, for these members would rather wait to be appointed as political assistants or to other posts by political appointment. The DAB seems to have taken this step, for its members said that they preferred not to run in the election in order to avoid the scenario where by-election would have to be held to fill their seats after they were appointed as assistants. How weird it is, and how saddening it is! Deputy President, why is it saddening? Because since there is a need to nurture political talents, why do they refuse to take part in by-elections at the district level but choose to wait for the Government's appointment? Could this be the only channel to groom political talents? What exactly is this political party thinking?

Finally, Deputy President, I wish to point out that in order to repay his supporters, Chief Executive Donald TSANG has further expanded this political appointment system only to accommodate his friends from political parties who are there to share his glory. I think the public will question the Chief Executive how he can brazenly make use of public coffers to transfer benefits and even

institutionalize such transfer. The Democratic Party opposes this. I so submit.

MRS SELINA CHOW (in Cantonese): Deputy President, in the Chief Executive's policy address this year, a very important part is "Pursuing Excellence in Governance". From the measures listed by the Chief Executive in the policy address, we can tell that he was not wagging his tongue irresponsibly and he is genuinely committed to enhancing communication and exchange between the Government and the public using an all-round, bottom-up approach, with a view to implementing in full steam the "people-oriented" principle of governance. I think this position of the Government merits our recognition and support, especially as the policy address has stressed that apart from making better use of the existing advisory channels and structure and enhancing communication between high-ranking government officials and the District Councils and the Legislative Council, accountable officials are also urged to "proactively reach out to the community" and listen to public views. This is one step taken forward to realize the spirit of democracy in governance and should be conducive to increasing the acceptability of policies and promoting harmonious development of society. As the saying goes, "The proof of the pudding is in the eating". The sincerity of the Chief Executive will be exhibited in the results achieved by the team of accountable officials under his leadership.

However, I wish to point out that the measures proposed in this policy address focus mainly on enhancing vertical, bottom-up and top-down exchanges, but comparatively less measures are put forth for enhancing horizontal co-ordination. By "horizontal", I mean co-ordination within the Government, or inter-bureaux and inter-department co-ordination. In fact, I have more than once emphasized in this Chamber the importance of horizontal co-ordination and co-operation within the Government but from practical experience, whenever we make proposals to the Government or urge it to take actions on issues involving the responsibilities of a number of or many bureaux or departments, things will invariably come to a deadlock.

Certainly, the Chief Executive has undertaken in the policy address to set up dedicated teams under the Lands Department and launch a pilot scheme, with a view to speeding up private works and the land approval procedures. Meanwhile, the Government will further review other business licensing processes and streamline application procedures. Moreover, it is also proposed

that a Family Council chaired by the Chief Secretary for Administration will be set up to co-ordinate inter-departmental policies involving family issues. These measures are very good attempts and initiatives to improve horizontal co-ordination within the Government.

Furthermore, many policies or development projects actually require the support of a series of measures. They are interrelated and cannot be handled in a fragmented manner. For instance, when developing the convention and exhibition industry, the first and foremost task is certainly to improve the venues and facilities, but apart from hardware, we absolutely must not neglect other software support, such as hotels, visa arrangement, air services, logistics, and so on, for these support services are essential to the convention and exhibition industry, and they are conditions enabling Hong Kong to compare favourably with other cities. Without these measures, it is still useless even if there are exquisite exhibition halls. By the same token, regarding the development of a cruise terminal at Kai Tak, it is extremely wrong to think that we can readily enjoy a share of the lucrative international cruise line business only by providing good terminal services. If support measures are lacking, such as the necessary international publicity and cruise itinerary arrangements, these grand hardware developments will eventually turn into something like the Egyptian pyramids degenerated into tourist attractions with value for viewing only without the ability to generate benefits. Other examples are the conservation-cum-development principle and corporate involvement in cultural and arts development which have been issues of public concern recently. They also require inter-departmental input and collaboration, in order to bear fruitful results.

I hope that the authorities can truly go into greater depth and move on farther in this regard, thoroughly removing the gap between policymaking departments and building up an environment conducive to implementing inter-departmental policies. Otherwise, despite the good faith of the upper echelons of the Government in narrowing the gap with the public, this would become nothing but empty talk.

Besides, to achieve good governance with effective administration and social harmony, it requires determination and will on the part of the Government on the one hand, and a consensus must be reached in society on the other. A major factor contributing to the past success of Hong Kong was that the Government had consistently striven to balance the interests among all sectors of

the community, working in a fair and rational manner, formulating policies on the basis of knowledge, relying on the support of professionalism and upholding public interest in all endeavours, with a view to achieving good governance. But in a constantly changing society, it is never easy to strike a balance acceptable to all. We entirely support that the protection of the people's livelihood should be made an ultimate mission of the Government, but how can this mission be accomplished without the necessary financial means? I only hope that the Chief Executive and the Government will not give up those major principles conducive to the development of Hong Kong in the past for the applause, especially as the operation of the free market in Hong Kong as well as its competitiveness and business environment which earn its world standing are the utmost concern of the Liberal Party.

Some people think that whenever it comes to governance, nothing is worth saying if universal suffrage is not mentioned. We cannot agree with this all-or-nothing attitude. Nor do we agree that there is no other democratic way of governance if universal suffrage is not implemented. Certainly, the Liberal Party very much hopes that this ultimate aim of universal suffrage will be achieved, and we very much support that constitutional development must be taken forward, for this is the general wish of Hong Kong people, and it is no longer necessary to conduct any opinion poll to confirm this point. But as to when and how universal suffrage should be implemented, no decision has yet been taken. Such being the case, does it mean that before there is universal suffrage, it is unnecessary to make every effort to ensure that government policies can closely keep tabs on public sentiments, so that policy formulation can truly meet the needs of the public and the decisions taken will be more beneficial to our development in the short to medium term, hence create a better society?

We would like to say that regarding the aim of universal suffrage, could it be that we cannot take practical steps to achieve the same effects to be produced by attaining this aim because there is no universal suffrage at the moment? So, while it is important to strive for universal suffrage, it does not mean that we have to rule out all the other efforts or initiatives which will help improve governance. Thank you, Deputy President.

MR LEUNG KWOK-HUNG (in Cantonese): It is time for lunch now and that explains why Mrs Selina CHOW told us a story about pudding. She said that

"the proof of the pudding is in the eating". I have not taken my lunch yet but I think "the proof of the meal is in the substance". Today, I have brought along something professional, and this is food given to us by the SAR Government.

Mrs Selina CHOW — Dr YEUNG Sum just cited the remarks made by QIAO Xiaoyang in 2005 that the pan-democratic camp, had they been willing to give way in 2005, would not have to eat this thing here, this heap of dog droppings. It is written "professional formula" here. This professional formula is given to us to eat, but the cat has been let out of the bag, because during his discussion and bargaining with us, Chief Executive Donald TSANG said that if we agreed to his proposal, the appointed seats in District Councils might perhaps be abolished in 2016. So, what "Master QIAO" had said is not true, because the Chief Executive already told us this.

But how possibly can a government tell us that appointed seats will be retained after the election of the Legislative Council and the Chief Executive by universal suffrage? Is that possible? Is it intended to be a top-heavy structure? Members, what is included in this heap of professional formula of dog droppings? It is simple: Screening.

This reminds me of the last scene written by George ORWELL when all the animals shouted "All animals are equal, but Napoleon has more powers; down with human beings, down with human beings, down with human beings". In another famous works of his, ORWELL said that "War is peace; and lies are truth", dogmas that the Chief Executive probably knows best.

After the Chief Executive made those remarks about the Cultural Revolution being the extreme form of democracy, I have, for four times, urged him to offer an apology but he refused. During a meeting with young people, he, being a Catholic, denied Jesus for three times. What happened in the first denial? In the first denial, he said that the political virtues and integrity of the Chief Executive are very important. As he will tell the Central Authorities what we are thinking, I must comment on his integrity and wisdom.

In the first denial, he said that he is a modest learner. When being asked if he had been wrong, that is, when someone asked, "Chief Executive, did you make a mistake?", he nevertheless said that he had already given an explanation, that he had said what he wanted to say and that he had already issued e-mails for this purpose and so, he would not comment on this anymore. Then, he said that

he had all along been humble in learning and that he was interested in all the subjects. It has been 10 days since he made those remarks, and there were four holidays during the period. After he had made the announcement to all Hong Kong people, he took leave for four days to keep the media away. What did he learn with modesty in these 10 days? What he has learned is to refuse apologizing for his mistake, and he only said that he did not know why he would equate the "Cultural Revolution" with "extreme democracy". Making an apology, so to speak, in such a way and learning with modesty, so to speak, in such a way are hypocrisy.

Even my nephew will sincerely review what he had done when he did something wrong. He would say, "Oh, I was naughty. Because I wanted to get a candy that I broke the kitchen door." The Chief Executive nevertheless did not do this. He said that he would learn with modesty but then he said that he did not wish to make further comments. A student with such an attitude in a tutorial class cannot get a pass. This is the first lie told by him.

Then, what he had said was obviously unconvincing, was it not? The Chief Executive was then asked whether he had told lies. His response was even more outrageous as he said that he had never intended to tell lies after his secondary studies. This is a white lie. Empty talk. A lie is a lie. Does the Chief Executive think that we really believe such a tale? Did WASHINGTON tell no lie anymore for the rest of his life after he chopped down the cherry tree? Was he trying to tell us that he is a saint?

I have said many times that after TUNG Chee-hwa had stepped down, Stanley HO openly told Hong Kong people that he had deceived himself. He said, "I had given a heap of things to you to eat by telling you that TUNG Chee-hwa was very good but now, I think I was wrong." I do not know whether Stanley HO still tell lies or not. Donald TSANG used to be a subordinate of TUNG Chee-hwa and now, he has been promoted to the next rank. I do not know if he had deceived himself as well as other people or he had deceived other people as well as himself. These are two different things. It varies from one person to another, depending on the person's character, disposition and cultivation. MAO Zedong was deceiving himself as well as other people, thinking that he was God himself.

Is he trying to tell us that he did not lie or he did not lie intentionally at that time? When he was asked by Hong Kong people what he would do given such a

sorry state of affairs as a result of what TUNG Chee-hwa had done, he said, "He was my boss. I will certainly carry on with my job." Members, this is the second time that he denied Jesus.

In his third denial, he said that he was frank and forthright and he tended to have a slip of the tongue when it comes to issues with which he persisted. What kind of apology is that? Was he right or wrong? Was he wrong or right? Frank and forthright? Should I eat the droppings because he is frank and forthright? It was him who produced a heap of things, and should he force other people to eat it because nobody wants to eat? What does it mean to be frank and forthright? If he is frank and forthright, will he please review again how he replied the interviewer in the radio programme the other day? He was asked why he should rigidly enhance — this is one of the topics under discussion today — further enhance the so-called political appointment system and whether this is against democracy, and also why he did not propose any new idea on universal suffrage. He said immediately, and he said frankly and forthrightly, that he insisted that the Cultural Revolution was the result of extreme democracy. Then the interviewer was taken by surprise, wondering if the Chief Executive had gone nuts. He gave him rice to eat, but he gave him dog droppings to eat in return. The interviewer already said that it is not rice, but dog droppings on the dish.

He even went further to reiterate his argument, telling the interviewer to take a look at the situation in California. He said that the incompetence of the Californian Government is due to the fact that powers always rest in the Californians. He considered that if this is allowed to develop further, the situation would be like the Cultural Revolution which was resulted from extreme democracy, a fallacious argument that he made. Was that a slip of the tongue? It might be, or it might be FREUD knocking at his door. Yet, it involved a whole set of values. He was not only making comments on what had been done during the decade-long disaster of our country, but also making comments about how voters in a state of the United States are controlling their government. Did he show to be a humble learner? Was he frank and forthright? Did he mention California? Does he think that he will never go to California and he will never go to the United States, or does he think that the US Information Service is not aware of this? Did he mention California? What exactly is impeding the operation of the Californian Government?

He made three denials of Jesus. Peter denied Jesus three times, not knowing who Judas was. Members, this is a government which calls a stag a horse, and what does it mean by "screening"? Regina IP is an example. She said that she would agree to a membership of 1 600, so buddy, do not bargain with me over this, but 10% nominations must be obtained from each sector, adding that this requirement is not difficult to meet. Mr Alan LEONG said that he would not stand any chance to contest the next election. In fact, if we connive at them and allow such screening, disregarding how they will conduct screening, I will not stand any chance either to contest the next election, because I will not eat the dog droppings given to me by this small-circle election.

We are here to debate the Motion of Thanks today. In fact, Mr Donald TSANG should make an apology first and if he made it, then perhaps I may thank him. He is asking us to thank him, but should he not apologize first? Members, we will not eat these dog droppings. This heap of thing here is called "screening". This heap of thing here is "small screening" and that one is called "big screening".

Buddy, that Regina IP has staged a comeback is another example of refusing to admit mistakes. In relation to the legislation on Article 23, each and every clause of it was meant to shatter the most fundamental freedom of Hong Kong people, and Regina IP was even telling all Hong Kong people that the Nazis were returned by direct election. She was wrong, because the Nazis only won a small number of seats in the government, just that they had arrested all in the opposition camp on the pretext of arresting suspects for an arson case. Can an election which allows the arrest of the opposition, the arrest of unionists and the arrest of communists be considered universal suffrage?

Even in textbooks, it is said that during the British revolution, the King was for the first time told by somebody that the King must not arrest him if he did not have any reasons. But is the concept of democracy as shallow as such? He was absolutely right. Universal suffrage by "one person, one vote" certainly does not represent democracy. What is an election which allows the arrest of the opposition? Members, these droppings are what we are now given to eat. Regina IP is telling us to eat them. Donald TSANG is telling us to eat them. The whole Government is telling us to eat them.

I would like to conclude with the story of ZHOU Chu eliminating the three beasts, so that I would not be criticized later for all these references to faeces all the time. There is no universal suffrage in Hong Kong now because firstly, the plutocrats who enjoy privileges and their supporters are opposed to universal suffrage; secondly, the despotic system of one-party dictatorship by the Central Authorities is opposed to universal suffrage in Hong Kong, and thirdly, Hong Kong has tended to castrate itself. We must become "ZHOU Chu". We want no faeces. We want a system of universal suffrage to uphold social justice and truly reflect the aspirations of 6 million people, of whom over 3 million are workers under suppression and the socially disadvantaged groups. We do not want these droppings. Let us throw these droppings away; throw these droppings away; throw these droppings away

DEPUTY PRESIDENT (in Cantonese): Mr LEUNG, please pick up your props.

MR LEUNG KWOK-HUNG (in Cantonese): we do not want these droppings made with the so-called professional formula.

Now I formally call on Mr Donald TSANG to propose a motion of apology in this Council for his remarks about the Cultural Revolution being the result of extreme democracy. I am going to stop here, in order to save some time for me to speak up for the poor. I actually did speak up for them just now. Thank you, Deputy President.

DEPUTY PRESIDENT (in Cantonese): Mr Leung Kwok-hung, please pick up your props.

MR LEUNG KWOK-HUNG (in Cantonese): Yes, I will.

MS EMILY LAU (in Cantonese): Deputy President, with regard to the Chief Executive's policy address, although the motion is proposed by you, it is very difficult for me to support it because there is no policy in respect of

democratization in it and the part concerning the people's livelihood cannot answer the aspirations of the public.

In fact, Deputy President, many colleagues have proposed amendments to the motion, and my amendment is: "As the majority of people support the implementation of dual universal suffrage in 2012, this Council expresses regret at the Chief Executive's lack of commitment to the expeditious implementation of dual universal suffrage and his failure to make every effort to convince those who are against the implementation of dual universal suffrage in 2012."

Why do I say that the Chief Executive lacks commitment? Deputy President, one of the reasons has to do with the Green Paper. The Green Paper was published in July, followed by a three-month consultation which ended in early October. But during this three-month consultation, work was carried out in a most unenthusiastic manner in many aspects. For instance, in respect of meeting with people in the districts, even though we had invited the Administration to attend the public forums organized by us, they only sent one Administrative Officer who merely took notes of the meeting and was completely not interested in debating with the public, and quite expectedly, the debate that really sent some "sparks" flying was not held by the authorities, but by property developer Ronnie CHAN.

I have pointed out to the authorities that they should organize more of these forums to facilitate public discussion, but they refused to do so. Even though some forums were held in the districts, we saw that in many cases, only their supporters had come forth to say something that the authorities would like to hear. This consultation exercise was conducted during the summer holidays of schools and so, there was no chance for more enthusiastic discussion among the public and the consultation had come to an end as the new school term started. How can such consultation convince the public that the authorities genuinely wish to reach out to the community and explore the relevant issues with the public, in order to facilitate discussion in various aspects?

Besides, when some people expressed their opposition, the Chief Executive would remain silent. Certainly, he would say that he had no particular view on this, as he always said so during many consultation exercises. As you may know, Deputy President, the Government would say, "We dare not take any view. We only listen." But Deputy President, when some people said something that is untrue, we would expect the Government to say something

to set the record straight, but it turned out that not only had the Government failed to make any fair comment, it even advanced some fallacious views. In paragraph 101 of the policy address, the Chief Executive said, "Hong Kong people treasure democracy and hope to implement universal suffrage as soon as possible", but in the next paragraph, that is, paragraph 102, he said, as also mentioned by some colleagues for several times, "..... the efficiency and effectiveness of our governance must not be compromised by constitutional development". Deputy President, we consistently support universal suffrage because this is a way to enhance the ability of governance. Why? Because this will make the executive authorities understand the need to closely keep tabs on the sentiments of the people. As Mrs Selina CHOW said earlier, we hope that the authorities can implement policies effectively and closely keep tabs on public sentiments and yet, he was saying that constitutional development would affect efficiency. I have not seen any book or heard anybody making this suggestion and yet, he was saying this in the policy address.

On the other hand, Deputy President, you may have noticed that the Chief Executive has not made one single comment on one issue and that is, the inauguration of the 17th National Congress of the Communist Party of China (CPC) on 15 October when State President HU Jintao, who is the General Secretary of the CPC, submitted a report. When mentioning Hong Kong affairs, he said that there was intervention by external forces in Hong Kong and Macao affairs. When this comment was made, some members of the media said that although General Secretary HU Jintao had not explained this in detail because this is a top state secret, since the Central Authorities have concluded that there is intervention by external forces in Hong Kong affairs and, Deputy President, so far as this point remains unresolved, dual elections by universal suffrage will never be realized. Despite that a comment with such serious implications was made, the executive authorities and the Chief Executive have nevertheless kept quiet out of fear. Honestly speaking, I do not care whether these comments were made by the State President or by someone else, but since such an allegation has been made, should it be supported by some evidence? What evidence is there to prove intervention by external forces in Hong Kong affairs? The executive authorities have not uttered a word.

Therefore, we think that the Central Authorities will very soon come forth to veto dual universal suffrage in 2012. It is because, firstly, many pro-Beijing apologists have said time and again that Hong Kong does not have the conditions for universal suffrage which should be implemented in a gradual and orderly

manner and that consideration may perhaps be given to implementing it after 2017 or 2037. Coupled with the allegation of intervention by foreign forces, how can universal suffrage be implemented? But under such circumstances, neither Secretary Stephen LAM nor Chief Executive Donald TSANG has made any comment.

So, Deputy President, the Chief Executive may sometimes make very extreme remarks, such as his comments about the Cultural Revolution, pushing things to the extreme. Apart from going to the extremes in politics, he also pushed another issue to the extreme in paragraph 11 of the policy address when he talked about the wealth gap. He said, "we should not attempt to narrow the wealth gap by redistributing wealth through high levels of tax and welfare." Deputy President, has anyone suggested this? The authorities need not put forth views that nobody has expressed before and then push them to the extreme and conclude that some people are wrong. I think this is going too far. How can a policy address written in such a way be convincing? How can it convince the public that the authorities have responded to the aspirations in society? This is why I think the Chief Executive has no commitment; nor has he put across the message that he will work with us to identify the ultimate proposals. Deputy President, this is very important, as we have been talking about the ultimate proposals.

I noticed that the Chairman of the DAB, Mr TAM Yiu-chung, had said that they supported the implementation of universal suffrage in 2017 but did not state clearly (we also talked about this in the Panel on Constitutional Affairs) in what way the so-called universal suffrage would be implemented in 2017. If the candidates will be subject to screening and hurdles will be set for nominations, then, such an ultimate proposal on the so-called universal suffrage with screening and hurdles attached to it will be an insult to the wisdom of Hong Kong people. This is not universal suffrage, Deputy President, unless it is said expressly that hurdles will be set. But Deputy President, even your Party, the Liberal Party, was more honest in saying explicitly that you had at first set certain higher thresholds which were subsequently lowered. But everyone has accepted that an election with hurdles to overcome is not universal suffrage. So, I hope the DAB can explain this. They cannot just say that they support its implementation in 2017. They cannot just say that a candidate can be nominated by obtaining 50 000 or 60 000 signatures of the public. They cannot simply say this. So, I think what they have said is misleading, Deputy President.

Deputy President, the authorities have not taken steps to promote universal suffrage and worse still, they have even done something to make the existing electoral system, which is already not fair and just, even worse. Deputy President, what do I mean? A by-election of the Legislative Council will be held on Hong Kong Island on 2 December. Regina IP said that she would run in the election. So did Anson CHAN and some other people. There was news earlier about the Chief Secretary for Administration sending e-mails to ask senior officials to meet with Regina IP, and they did meet with her. Secretary Stephen LAM who is in this Chamber now also met with her. So did Secretary Michael SUEN and Secretary Frederick MA. At first, the Chief Secretary for Administration neither admitted nor denied this but later, he came forth to deny it. But disregarding whether or not he had done it, it is most unusual, and unprecedented too, for Directors of Bureaux to meet with election candidates. Accountable officials can help in the electioneering campaign of other people but they cannot meet with a candidate in their working hours and they all the more should not meet with a candidate in their office. Later, perhaps they had to make up for it and so, they said, "No, this is an exception, and we just do it once. Everyone can come to meet with us. All candidates contesting this by-election can request a meeting." This is indeed outrageous!

More strangely still, a survey was conducted with Hong Kong taxpayers' money to find out whether Mrs CHAN or Mrs IP has obtained more public support. Then they even disseminated news that according to the survey results, the support rates for both candidates were comparable, suggesting that Anson CHAN may not necessarily have a very high level of public support as expected and that Regina IP was catching up. But what does other people's participation in the election have to do with the authorities? The Government used to be fair and just, although it surely had some sort of inclination. But is it that the Government should not go this far in handling this issue?

Deputy President, there is another issue which concerns your Party, that is, the incident of CHAN Suk-chong. She obtained a nomination from the Chief Executive Officer of the MTR Corporation Limited (MTRCL), CHOW Chung-kong. The Chairman of your Party was unhappy and came forth to make some remarks about keeping a closer watch on the MTRCL in future, and so on and so forth. Yet, the Chairman of your Party has made apologies. He has done better than the Chief Executive by coming forth — and with your company, Deputy President — to offer an apology. This is what should be

done. However, the Chief Executive has refused to apologize for his remarks on the Cultural Revolution which shocked the world. He has refused to properly come forth to offer an apology. Secretary Frederick MA made a 90-degree bow for the penny stock incident years back. It still may not be enough even if the Chief Executive made a 180-degree bow this time around, but he has simply refused to make an apology. Your Party has admitted impropriety of the remarks which are tantamount to suggesting that a person who has the right to nominate can use this right to hold people to ransom. This even gives the public the impression of using public resources to serve private purposes. But with regard to this incident, Deputy President, have you heard any official with responsibility in this respect say anything to give the matter its fair deal? Have you heard any official or person responsible for electoral matters say anything to do justice?

All these are still vivid before our eyes, making me feel ever strongly that some people are more and more keen to overthrow the existing system. While they called for fairness and justice on the one hand, they nevertheless kept their mouths shut on issues which we all consider to be unfair and unjust. As many people have said, and as you, Deputy President, have also said, the SAR Government has four mouths and so, it can say a lot of things. But it says all the time, "Take it easy. Election is a gradual and orderly process and after all, we have in place a very good system now." But after something happened, the authorities just turned a blind eye to it and remained silent. This makes me doubt whether they truly cherish the existing system or they actually intend to help overthrow this system. So, Deputy President, I think what the authorities have done is entirely unacceptable indeed.

(THE PRESIDENT resumed the Chair)

A reason for not taking forward universal suffrage, President, is immaturity of political parties. But nothing has been done to assist political parties to become mature. It is also mentioned in paragraph 103 of the policy address that the positions of Deputy Directors of Bureau and Assistants to Directors of Bureau will be created. It is said that the purpose is to pave the way for universal suffrage, that this practice is also adopted in Britain and Canada, and that this is to respond to our proposal of forming a ruling coalition, adding that we should practise what we say.

As you may be aware, President, I have proposed the formation of a ruling coalition over the years and so, I definitely think that this points at me. But what do I mean by a ruling coalition, President? I think even those people who are not in such a high and yet dangerous position as that of Secretary Stephen LAM will understand that it means co-operation between a group of people in the executive authorities and in the Legislative Council, people with whom co-operation is considered possible by the authorities, including members of the DAB, the Liberal Party, The Alliance, and so on, thereby forming a ruling coalition. In this process, these people will take part in the formulation of policies; they do not necessarily have to become Members of the Executive Council but they have a part to play and agree that when these policies are introduced, they have the obligation to sell them to the Legislative Council. This is what a ruling coalition means, unlike what the authorities are doing now and that is, seeking the approval of the Legislative Council for a provision of over \$60 million to create these positions. The monthly salary of a Deputy Director of Bureau is over \$200,000 while that of an Assistant to Director of Bureau is over \$100,000, but there is no particular requirement in respect of the qualifications of candidates for these positions. Yesterday I was asking what requirements the candidates must meet and the authorities said that there is none, except that they must have some standing and repute in their respective sectors and good communication skills. So, it can be said that a successful candidate can make a monthly income of \$200,000 without having to meet any requirement at all. Is this a way to pave the way for universal suffrage?

If the authorities are genuinely committed to promoting the development of political parties, they should formulate more policies to this effect. For instance, they can provide funding to a political party in proportion to the votes obtained by it in elections, so that the political party can have resources for development, rather than spending public coffers in the way as proposed now, and President, what will be the result? This will specially benefit some people. Why? What qualifications are required for these senior positions with such generous remuneration? The successful candidates have to agree with the views of the Chief Executive. People who disagree with his views stand no chance of taking up these positions.

However, this is not the way how money is spent on education and health care services. It is not the case that a person is provided with medical treatment and education only if he agrees with the Chief Executive. The money is public money. Now that the authorities are saying openly that they have to spend over

\$60 million for the purpose and that they have obtained 30-odd supporting votes, which means that Members of the Legislative Council have given consent to the Chief Executive to spend money in such a way, so as to accord different treatment to these people on the ground of their affinity with the Government, employing these people regardless their qualifications and helping them and yet, the Chief Executive is putting it in a fine-sounding way of paving the way for universal suffrage. This, I think, is ridiculous, absolutely ridiculous.

President, speaking of such a huge amount of spending, we Members of the Legislative Council are currently discussing whether being a Member of the Legislative Council should be considered an occupation and appropriately remunerated. In the policy address, when mentioning those Assistants to Directors of Bureau, it is said that they are "professional political talents" and it is precisely because they are "professional" that they will be remunerated to the tune of \$200,000 monthly. As for membership of the Legislative Council, it is neither professional nor occupational and so, Members have nothing. This is why we Members of the Legislative Council are remunerated only some \$50,000 monthly. If the authorities genuinely wish to take forward constitutional development, should it make membership of the Legislative Council and membership of District Councils an occupation and provide these Members with relevant employment protection, including medical benefits, retirement protection. Should they be provided with these benefits too?

Moreover, President, we are also looking into whether the remuneration of Members should be adjusted. Let us look at overseas experience. How does the remuneration of Members of parliamentary assemblies compare with that of Ministers in foreign countries? The annual remuneration of Members of the Legislative Council in Hong Kong is \$650,000 while that of Principal Officials is \$3.22 million. Our income accounts for only one fifth of theirs. If we look at the United States, the annual remuneration of Members of Congress is \$1.2 million, compared to \$1.4 million for principal officials. The difference is quite small. In Britain, President, Members of the Parliament have an annual remuneration of \$850,000, while that of principal officials is \$1.9 million; the former is about 44% of the latter. In Canada, the annual remuneration of Members of the Parliament is \$1.03 million and that of principal officials is \$1.53 million. Some people may say that we should not draw a comparison with a country. President, you have also said this sometimes, saying that we are not a country. But in a State of Australia, the annual remuneration of a

Member of the Parliament is \$650,000 while that of principal officials is \$1.02 million. President, the figures are all here. Do you find a place where the annual remuneration of a principal official is five times that of a Member of the Parliament?

I think the Secretary may say in response that, President, this was approved by the Legislative Council. Secretary Denise YUE also made similar remarks before. I asked her why she was so greedy when the Accountability System of Principal Officials was introduced and Principal Officials are even allowed to draw double benefits continuously after leaving the Civil Service to enjoy pension plus an annual remuneration of over \$3.2 million. The three Secretaries of Department are even provided with an official residence each. President, as you may know, it is necessary to impose a 7.5% deduction on the salary for rent payment but such deduction, as some civil servants told me, does not apply to them. So, they get all the perks that they can be possibly given. When I put this question to Secretary Denise YUE, she replied that this was approved by the Legislative Council, that it was us who allowed them to get all the perks that they can possibly get and that it was us who approved the pitching of the remuneration of Principal Officials at a level being six times higher than that of Members of the Legislative Council. This is certainly true. How could the authorities obtain the funding without the approval of the Finance Committee? But the Finance Committee would not have approved it if the Government had not submitted the proposals.

After approval had been granted, the authorities did not utter a word. But many members of the public, or many members of the public who did not know that we had opposed the proposals were puzzled as to why we would approve such a high level of remuneration. Now, the authorities come to us again, seeking our approval for a monthly remuneration of over \$200,000. Will it be approved as well? Certainly. Because everybody said in the panel yesterday that they would support it. But can they pass the conscience test? Can they have the support of Hong Kong people?

To truly facilitate constitutional development in Hong Kong, it is necessary to develop party politics, so that members of the public will feel that joining a political party is, firstly, a decent career and they can become a Member of parliamentary assembly when elected, and secondly, political parties will have a chance to rule, rather than just being the opposition forever. I think the authorities are taking a wrong path, as they are entirely unwilling to assist

political parties in their development and worse still, they are going in the opposite direction as they are telling people of certain standing and repute in their sectors that it is unnecessary to join any political party, for they can simply take up those positions as arranged by the authorities and once they are in these positions, they can make a monthly income of over \$200,000, so why should they work so hard?

Furthermore, the authorities also said that these positions are open to all, but office bearers who have political affiliation must uphold public interest, a requirement which does not apply to other people. President, you should remember that they have said so. Do businessmen not have their own interests? Do other professionals not have private purposes? Everyone does. But why in the speech made in the Legislative Council it is stated specifically that people with political affiliation must uphold public interest when taking up the positions of Assistants to Directors of Bureau or Deputy Directors of Bureau, implying that these people do not uphold public interest, that these people are bad guys who only defend their personal benefits. I think it is shameful to sling mud at political parties in such a way. This is what the colonial government had done for many years and now, the SAR Government has followed suit. Not only has it failed to assist the development of political parties. It has even taken a step further by slinging mud at them and then finding a way to enable the Chief Executive to spend over \$60 million on appointing, through cronyism, some people to help himself. Do the authorities consider this the way to improve administration? If Hong Kong people have this wishful thinking, I hope they can wake up soon.

With these remarks, I oppose the motion.

PRESIDENT (in Cantonese): Mr Timothy FOK please hold on.

(Mr TAM Yiu-chung stood up)

PRESIDENT (in Cantonese): Mr TAM Yiu-chung, do you have a point of order?

MR TAM YIU-CHUNG (in Cantonese): A point of order, and I would like the President to make a ruling. When Ms Emily LAU talked about the

constitutional development package proposed by the DAB in her speech earlier, she used the word "misleading". We do not quite agree with the word "misleading". Is it possible to explain it a bit further?

PRESIDENT (in Cantonese): Are you asking for an explanation by Ms Emily LAU?

MR TAM YIU-CHUNG (in Cantonese): I would like to explain it. *(Laughter)*

PRESIDENT (in Cantonese): You would like to make an explanation? Mr TAM Yiu-chung, please sit down. You are not allowed to do so. You could only rise while the Member was speaking, asking her to explain that remark. Alternatively, if you feel offended, you may seek my ruling and in that case, I will have to suspend the meeting in order to review the video tape.

MR TAM YIU-CHUNG (in Cantonese): Thank you, President. Never mind. We have the breadth of mind to forgive. *(Laughter)*

MR TIMOTHY FOK (in Cantonese): Madam President, the first policy address of Chief Executive Donald TSANG after his re-election has highlighted a new direction and novel goals for Hong Kong as well as the identity of new Hongkongers in future administration, while proposing the concept of progressive development for governance. The novelty is most refreshing indeed.

It has been a decade since the reunification of Hong Kong. There have been great ups and downs like riding on a roller-coaster which upset stability in politics, in the economy and in society. Today, the upheavals have been calmed and everything has been put back onto the normal track. It is now time to sum up and review the experiences, with a view to identifying the new positions, goals and directions for Hong Kong as well as Hong Kong people. As we all know, during the Hong Kong-British rule, while Hong Kong had created economic miracles which captured world attention, we were after all like weeds drifting along and floating about, and there was just nowhere for us to nestle in.

Be it the status of BDTTC or BNO or even the right of abode in Britain or whatever, they were just orders given by the British Government that Hong Kong people were made to accept reluctantly. We did not even have the right and chance to say "No" or to ask "Why?"

It was only after the reunification that Hong Kong people, who form the main body of Hong Kong, have recovered the status as master of their own house. Regrettably, many people are still at the crossroads in respect of their identity. They do not only lack the vision of one country. They even deliberately make things difficult for one country and attempted to use "two systems" as the amulet, hoping to replace one country with two systems. This mindset is not only proven wrong. It has even substantively held up the overall development of Hong Kong, wasting plenty of time and effort. That Hong Kong has managed to bottom out and the Hang Seng Index can reach new peaks today are attributed to the support provided by our country. The greatest strength of Hong Kong in achieving its success is precisely the unique advantage of "one country, two systems". The policy address has made a good point in stating that "only through leveraging the strengths of our country can we position ourselves globally to create a better future." After a decade of struggle and hardship, how could there be anyone who does not understand this?

The identity of new Hongkongers will respond to the positions, objectives and targets of the new era. It will enable us to develop a forward-looking vision and grasp the full picture of the situation, thereby exploring new horizons for the future of Hong Kong. It is on this premise that the Chief Executive proposed to take forward national education. He said, "To prepare ourselves for the next decade, we must have a better understanding of our country's development and a stronger sense of our national and cultural identity.", calling on Hong Kong people to look at Hong Kong from a country-wide perspective, because we can see the future only if we look at Hong Kong from this elevated perspective. In this connection, the Government will continuously augment to the elements of national education in the exiting primary and secondary curricula and the new senior secondary curriculum framework to help students acquire a clearer understanding of our country and a stronger sense of national identity.

Madam President, we all know that the Olympic Games will be held in Beijing next year, with Hong Kong co-hosting the Equestrian Competition. These are splendid occasions for demonstrating and promoting a sense of

national pride and identity among Hong Kong people. We must seize this historical opportunity to closely link up the Olympics with national education, making the Olympics a highlight in the promotion of national education. After all, the Beijing Olympics is not just a major sports event which will last a few weeks. It marks the realization of the century-long dream of the Chinese nation to evolve as a strong and powerful country. The hosting of the Olympics for a second time by China, or with participation from Hong Kong, will rely on the efforts made by the next generation. So, what we need is neither routine publicity nor carnivals-like gala celebration. Rather, we must, in the coming year, elevate the objective of achieving success in the Olympics to the level of the pride of the country, the nation and Hong Kong people, and inject the spirit and atmosphere of the Olympics into various aspects of the people's living and administration of the Government. Consideration should also be given to adopting a project-based approach to provide special tax relief to commercial sponsorship supporting and promoting the Olympics. If all that we will do is opening up all recreational venues and facilities in the territory for free use from July to September next year, the profile and the level are nevertheless too low, and the actual effects may also be very limited.

To encourage the use of a national perspective to look at Hong Kong, the Chief Executive particularly pointed out in the policy address the need for Hong Kong to achieve integration with Shenzhen, Guangdong Province as well as provinces and cities in the Pan-Pearl River Delta. Four of the proposed 10 major infrastructure projects, namely, the Guangzhou-Shenzhen-Hong Kong Express Rail Link, Hong Kong-Zhuhai-Macao Bridge, Hong Kong-Shenzhen Airport Co-operation and Hong Kong-Shenzhen Joint Development of the Lok Ma Chau Loop, are directly conducive to enhancing liaison with Guangdong Province, which will facilitate the flow of traffic and goods between the two places and further promote economic and trade co-operation and joint development between Guangdong and Hong Kong, while upgrading the competitive edge of both Hong Kong and Guangdong Province. In view of the sluggish, stalling attitude of the Hong Kong Government towards integration and joint development with Shenzhen and Guangdong Province in the past, I hope the Government can really learn a lesson this time and show its resolve by commencing these projects early and completing them as soon as possible.

With these remarks, I support the policy address.

DR KWOK KA-KI (in Cantonese): Madam President, before I came to the Legislative Council for this meeting today, a member of the public had told me that he used to have some little hope on the Government, including Donald TSANG, but after reading this policy address, coupled with his recent remarks, he felt that this policy address or the team of officials under the leadership of the Chief Executive is a team which lacks both the will and ability. In respect of addressing the needs of Hong Kong people, his policy address has not done anything expected of it.

Why? To the Chief Executive or a number of Secretaries of Department who grew up in poverty, including Secretary for Justice WONG Yan-lung who is in the Chamber now, Hong Kong is a place full of opportunities. Living in poverty may not be uncommon, but many people have striven for improvement in many ways and become high-ranking officials. We certainly congratulate them for their achievement, but in reality, what do we see in society? Some people said earlier that the stock market is about to hit a high of 30 000 points, while property prices have increased to \$30,000 to \$40,000 per sq ft. When I look at the majority of the poor people in Hong Kong, and let us not talk about Tin Shui Wai which is labelled as a city of sadness by the media and let us just look at other districts in Hong Kong in general, the latest statistics show that over 1.3 million people are living below the poverty line. Let us take a look at how this year's policy address can help them? The Government has dished out money generously by providing \$250 billion for 10 major infrastructure projects, which will create tens of thousand of jobs. But Members, please go to and take a look at such poverty-stricken districts as Tin Shui Wai and ask who are going to land a job in these projects. Is it that everyone can become a construction worker? Certainly not.

Some industries, such as the construction industry and engineering industry, may gain some fruits from these 10 major infrastructure projects, but many people may not be able to enjoy them. They see that the stock market has reached 30 000 points but then, they also see increased transport fares and rising inflation. However, with regard to the assistance provided to them in their living and to people in need of assistance As we all know, this year, we do not see any substantial increase in public assistance or allowances in response to their needs. But it is not money that makes them feel most unhappy or hopeless, but doubts about whether or not the Government actually cares about them.

Let us come back to the policy address, which consists of over 130 pages. The part on taking care of the low-income group or the poor people covers only 13 paragraphs from paragraphs 71 to 83 under various subtitles: "Social Enterprises", but there has been all thunder but no rain; "Enhancing Employability" which means one can only rely on himself; "Minimum Wage" which has remained a distant dream; with regard to "Alleviating Poverty", the Government's response was that even the Commission on Poverty will be abolished; in respect of "Health Care Vouchers for the Elderly", we all know that this is actually just a petty favour because, Madam President, we all know that giving out five vouchers worth \$50 each will not be of any help to the elderly. If the elderly can support themselves and have the means to seek private consultation, they would have long done so, and they do not have to rely on the \$50 provided by the Government. In respect of "Care for the Elderly" and "Elderly Housing", the Government will earmark \$200 million in the next five years for these initiatives, which means spending \$40 million yearly. Compared to the very generous 1% reduction in the profits tax and the standard tax rate, which amounts to \$6 billion to the benefit of the wealthiest people in Hong Kong, the \$150 million or the annual provision of \$40 million for the poor people and low-income group is, I think, most disappointing to Hong Kong people. Certainly, a number of colleagues have spoken on constitutional development earlier on, and I will also speak on this topic later, but apart from constitutional development, the Government has always stressed the people's livelihood. I always have the feeling that the people's livelihood is given much weight as the people's livelihood has been stressed in all cases, but in fact, we cannot see from the policy address how the Government has responded to those people most in need of attention in the community.

There are over 200 000 patients with mental illness in Hong Kong, who are taken care of by 400 000 carers, which means that a total of 600 000 people are involved. From the results of recent surveys we learn that one third of them suffer from serious depression. At present, their consultation time at psychiatric specialist out-patient clinics is about five to 10 minutes and their medication costs \$2 daily. Members may not know how the Government treats these disadvantaged people. We are now saying that we are an Asian cosmopolitan with \$1,000 billion, and there are also the idea of "new Hongkongers" and a new direction for Hong Kong. I wonder what students who are in this Chamber now would think about or interpret "new Hongkongers" and a new direction for Hong Kong. Could it be a new direction for Hong

Kong to adopt this heartless practice to the neglect of all sectors of the community?

Recently, we have seen the Chief Executive doing a lot for the policy address, carrying out much work in the media before the policy dress is delivered. So, the news reports made the next day after the release of the policy address were all playing things up for him, pointing out how the Government would allocate \$250 billion to carry out 10 major projects, and so on. But no one would have expected that two incidents would occur in Hong Kong. One is the disaster in Tin Shui Wai, and the other is the Chief Executive's remarks on extreme democracy, the Cultural Revolution, and so on, which are a disgrace to Hong Kong people and yet, he still insisted that he was telling the truth.

These have betrayed him, for they told us that while the policy address said on the surface that it will lead Hong Kong to develop in a new direction, no new direction is provided in substance. To make progress and improvements in society, it requires not only the efforts unilaterally made by one side. Nor can this be achieved by supporting people who are already very wealthy. Certainly, nobody will oppose promoting economic development, enhancing the commercial viability of Hong Kong, further implementing CEPA, and so on, but the question is whether all this will enable Hong Kong to become a harmonious society and a place where Hong Kong people can live and work in peace and contentment. They certainly cannot, because the policy address has failed to do this. Words cannot change and conceal the mind of the policy administrators. If members of the public are asked whether they think that the Government has the will to do it, the answer will be "No".

Concerning the further improvement of governance in Hong Kong, we certainly have to mention constitutional reform. Secretary Stephen LAM is not in the Chamber now. He loves to say that a person must practise what he preaches, that his words and actions must tally and that he must not forget what he has said. But I remember very well that this Government, including Mr Donald TSANG when he talked about universal suffrage in March, did not say the same things as they are saying now. He said that he was committed to further taking forward dual elections by universal suffrage in Hong Kong, so that Hong Kong could have better governance and better systems.

We all see that in the 17th National Congress of the Communist Party of China (CPC) recently, the Central Government in mainland China is actually

changing. The concept of progressive development has been written into the Constitution of the CPC. President HU said that it is necessary to further take forward democracy and also identified the direction of institutional reform and democracy in China. But in Hong Kong there are still many people who could not even wait for the time for "shoe-shining". They said that democracy is unnecessary and then they came up with new ideas. Many political parties which used to be staunch supporters of universal suffrage have made an about-turn, suggesting that consideration should be given to other weird options of democracy and that consideration should be given to conducting universal suffrage while maintaining functional constituencies as well as to the ways to develop models of universal suffrage with a screening process attached.

This is so disgraceful, and a shame indeed, because not even the country is thinking in this way actually. Hong Kong could play the role of providing support and momentum to the country before because Hong Kong could continuously strive for development in the light of its practical situation. But when it comes to constitutional development, which is a direction of governance in line with international development, we have nevertheless rested in the old rut and remained stagnant, and worse still, telling everyone to come forth to drop hints and make remarks unbecoming of a human being. Such being the case, how can we be convinced that this policy address can lead Hong Kong to move forward in a new direction? What kind of new direction is it?

The 10 major infrastructure projects, economic prosperity, and so on, are actually just old tunes, only that they are repackaged. Nothing in it is original, for all were proposals made by the last government in previous policy addresses. How can they be original? Right? The only exception is perhaps the so-called heritage conservation policy for which no policy has been proposed. The Government has neither formulated legislation nor drawn up any policy. It only provided an administrative direction. What kind of new direction is this? I think if this is said to be a new direction, it is like the emperor's new clothes, and it only makes Hong Kong people more naive and stupid if they support and agree that Hong Kong will hence be moving forward in a new direction.

I cannot agree with this policy address. I do appreciate the speech made earlier by Ms Miriam LAU on behalf of the House Committee. She made it very clear that it is her duty to propose this Motion of Thanks. This, I agree, but what has impressed me most is her analysis of the relationship between the executive and the legislature which she made from the bottom of her heart, as

well as her views on the incompetence of the Government and its disrespect to the Legislative Council. She said that theoretically there should be better co-operation between us, in order to identify a better direction of governance for Hong Kong. This, I agree. I think this year's policy address is not what Hong Kong people would wish to see, and absolutely unlike what is claimed in the policy address, it cannot lead Hong Kong to move forward in a new direction.

I so submit. Thank you, Madam President.

MS MARGARET NG: Madam President, the Chief Executive's policy address is entitled "A New Direction for Hong Kong". This is ironical, for the overall direction proposed is hardly new. It is one of economic development led by infrastructures, substantial tax cuts for top-earners and business, nominal concessions to environmental and heritage protection, and decided meanness in better welfare for the poor and disadvantaged. If the Chief Executive thinks that this is the recipe for social harmony, I suggest he thinks again.

The burning issues in Hong Kong are poverty and poor governance, and the two are related. Hong Kong is fast becoming the most blatantly unfair society in the world. The desperate struggle the poorer sectors of the public face every day while the rich wallow in easy gain is giving rise to a tide of bitterness and discontent. Why is this happening when Hong Kong's economy is supposed to be doing so well? Why has this Government failed to address the issue when there is plenty of money to do so? The answer lies in governance. It lies in an unwillingness to disturb the interests of the rich and powerful, because the Chief Executive, elected by a small circle of 800 of them, knows only too well which side of his bread is buttered. Because the gap of his legitimacy cannot be closed, he tries to hang onto power by serving their interests, and buttress his support by favour and patronage funded from the public purse and at the expense of public interest.

Madam President, the way out of hopelessness and poor governance, the real new direction for Hong Kong is democracy and social justice: democracy under the rule of law, and a fair deal and equal opportunity for everyone under a policy for sustainable economic development. Yet, there is hardly a thought for democracy and social justice in this policy address.

Indeed, the one reference to democracy and governance sets them up as in conflict. In the now famous paragraph 102 of the policy address, Mr TSANG said and I quote:

"In the course of democratic reform, we should not ignore the issue of governance. As the quality of governance has a direct bearing on people's daily lives, the efficiency and effectiveness of our governance must not be compromised by constitutional development."

I agree with Mr TSANG 100% that "the quality of governance has a direct bearing on people's daily lives". The difference between us is that I believe a democratic system of government is vital to good governance. Mr TSANG believes democracy is a source of danger which threatens governance, while the present unfair system guarantees efficiency and effectiveness. He made his position perfectly clear when he said in the much-quoted Radio Television Hong Kong (RTHK) interview that "when democracy goes to the extreme, you have the Cultural Revolution".

One wonders, is someone with such a backward mindset fit to govern a modern society like Hong Kong? The problem is not so much his ignorance of history or democracy, the problem is he plainly has no idea how to run a democratic government effectively. He sees democracy as "people taking power into their own hands" and making Hong Kong ungovernable. He can only hang onto control by keeping democracy at bay. But in this way, he also shuts out the forces which will bring change and eradicate social injustice. So long as our present unfair political system stays, unfair policies will stay. Unfairness will not only perpetuate itself but generate new and greater unfairness.

The new extension of the political appointment system is just such an example. In answering to the question of the Honourable Audrey EU whether the appointments would be open to all, the Secretary for Constitutional and Mainland Affairs frankly admitted the intention of favouring more people who share the same views as the Chief Executive. He went so far as to say that this was the same under democratic systems abroad. I doubt if any government can practise favouritism with such a brazen face. Where power is open to fair competition, such advantages for the winner may be acceptable to the electorate. Where power is kept permanently in the hands of the government, and serious challengers are ruthlessly suppressed while supporters are rewarded with money

and position, what we have is discrimination on grounds of thought and political conviction. When the freedom of nominations in an election cannot be exercised without fear of political retaliation is the form of financial punishment and social ostracism, freedom of expression and of association are at an end.

With the greatest respect to the Honourable James TIEN, when he threatened Mr CHOW Chung-kong, CEO of the MTR, that the Liberal Party will keep a "closer eye" on the proposals of the MTR before the Legislative Council in future, because Mr CHOW had committed the unfriendly act of nominating a candidate from the Civic Party to stand for election where the Liberal Party incumbent happens to be seeking re-election, he scandalized the public by suggesting that power in public office can blatantly be used to serve party interest. The Honourable James TIEN has since apologized, but the harm is done.

The political appointment system is not only many times more blatant and substantial but has the effect of setting favouritism as the norm for Hong Kong. If Mr TSANG likes, he can organize his own party and raise its own funds, and get his party members elected in the same way as everybody else if he can. Every Member of this Council knows that he can only use public funds for expenses strictly for the discharge of his Legislative Council duties, and not for creating jobs for his party members. If Mr TSANG and his Secretaries were a political party, they would have to follow the same rules by which all of us are bound.

It is hard to see how the introduction of such a system of inexperienced but well-paid trainees can improve governance. At the same time, it will do further, and systemic harm to the Civil Service. A Civil Service of high quality and professional pride is the bedrock of Hong Kong's governance. To advance in the Civil Service, qualification, experience and performance are required. Recruitment and promotion follow a strict system of vetting and selection. However, to be a politically appointed Secretary, no qualification is required except the recommendation of the Chief Executive. Up to now, at least the smallness of their number exposes them to the scrutiny of the public through this Council and the media. The Assistant Secretaries need even less qualification and are even more difficult to scrutinize. The Political Assistants are one level further down. Where are the objective criteria of their political or administrative skills or qualification? Where is the impartial body to judge their

performance? Yet, they are more highly paid than civil servants of comparable standing. They are placed above civil servants and can tell them what to do.

The fact that these creatures of political appointments can be plucked from civil servants sends out the clear message that those who enjoy the favour of the Chief Executive will be elevated for preferential treatment. By implication, those who are not picked become second-class citizens. Politics will now decide advancement. Excellence and dedication will take a second place. Like corruption, once preferential treatment is let in, fairness and quality are driven out. This is the kind of values the Hong Kong public most abhor.

Madam President, in the last Session, this Council, especially the Panel on the Administration of Justice and Legal Services, has been greatly concerned about access to justice and the provision of legal aid to those who need it to protect their rights under the law. Little improvement has been made in that area in spite of the mounting complexity of the law and regulations which affect the rights and livelihood of the general public. It is disappointing that the policy address does not even show any interest in them. The trust the Chief Executive reposes in the Secretary for Justice is signalled by his appointment to head a task force to expand mediation and another task force to fight drug abuse among the young people. The latter appointment is particularly inappropriate. There exists a firm line dividing the role of investigation and law enforcement on the one hand, and legal advice and prosecution on the other. By making the Secretary for Justice the anti-drug abuse champion, the Chief Executive unnecessarily befuddles the Secretary's constitutional role. Has the Chief Executive no more appropriate use of the time of the Secretary for Justice?

I urge the Chief Executive to focus greater attention on the maintenance of the rule of law. There is much there which requires attention which is held up, from practical matters such as limited liability partnership practice for lawyers, to the many constitutional issues, and fundamental reforms such as the expansion of legal aid and updating the system of community free legal advice and related service. At the moment, his attention is simply not engaged.

Madam President, some years ago, in the public debate on democracy and the rule of law, the Government argued that Hong Kong had enjoyed the rule of law without democracy. So, democracy is no big deal. Now, China is enjoying enviable economic development without the rule of law. To the Chief

Executive who puts the economy first, does it mean that rule of law is also no big deal now?

Thank you, Madam President.

MRS SOPHIE LEUNG (in Cantonese): Madam President, a friend of mine, actually an Honourable colleague of ours, told me today that a columnist in a certain major magazine wrote about Sophie LEUNG without the least attempt at anonymity. This writer said that Sophie LEUNG spoke with substance but owing to two things, her speeches were often not reported in the newspapers. First, she is not fierce enough, and second, she does not know how to playact. This makes me feel very proud for I do not have to playact and I do not have to resort to fierceness. I will continue to talk with substance.

Ever since we are in the 21st century, I have a feeling that Hong Kong people should have a full inspection of both themselves and the world to see what their role and position should be while the mighty tide of globalization sweeps past. They should face the challenges with vision and foresight. Doubtless Hong Kong needs to have a new direction, but I would expect that our community can really take bold steps forward, not just groping for a direction or shouting slogans. What is even worse is that we are marching on the same spot, making no progress. The Chief Executive in paragraph 5 of the policy address points out: "Over the next five years, we need to cultivate a new spirit for these new times. We need to become new Hongkongers." To achieve this goal, as the Chief Executive says, governance should be enhanced.

Looking back at the issues raised by me in the Legislative Council or on other occasions during these past few years as well as in my own work, I found that they are all aimed at ushering Hong Kong into the 21st century with new thinking. Madam President, maybe this is only my wishful thinking after all. An example is that I have been working with a group of young entrepreneurs who share the same conviction as mine to popularize the entrepreneurial spirit. This is aimed at cultivating the entrepreneurial thinking in the people of Hong Kong, fostering their creativity and enhancing their ability to take on new challenges. I advocate the entrepreneurial spirit of starting from scratch. People should be bold to innovate and try, in order to explore new resources in society, create new social values and apply the concept to economic

development. In other words, we should not just rely on our existing advantages and we must create a new engine of growth for our economy. This thinking should also be used in social development. That is to say, we cannot hope to solve the problem of ever-increasing demand simply by providing more and enhancing social services. We need to transform social resources to help people help themselves so that those who give and contribute will become partners and those who receive will become helpers.

Hong Kong people are creative. The crux of the problem is whether or not we can take the first step to start from scratch. I remember in 1997 I raised the point that the future was an age of sensors. In 1998, I proposed that we should consider developing a smart store-value card for consumers, that is, about the importance of the debit card concept. At that time, such technology was already in use in Germany. It is fortunate that this proposal was accepted and promoted by people with foresight and today, the Octopus Card contact-less smart debit card system has become a necessity for the people of Hong Kong and the application mode of the Octopus Card is imitated by Taipei, Japan and Singapore in no time. It was 10 years ago that the Octopus Card made its first step from scratch and this accounts for greater convenience and advancement that we have today.

I have also proposed the development of a society teeming with creativity and making cultural development felt in various communities and in the private sector. An example is the street performing culture which I have suggested. The idea is to make creativity pervade in all the people and become popular among the people. When I first suggested that street performance should be developed, not much attention was paid to that. The Government thought that part of the suggestion was good, but no action was taken. On the other hand, when the consuls of many countries in Hong Kong heard of my suggestion, they were very excited. They were willing to offer help in arranging for street performers to come to Hong Kong and all that was needed was our will to do it and take the matching action. I felt excited at the consuls' reaction but I felt dismayed on the other hand. Though the opportunity lay in front of us, we did not do anything to seize it. I believe expenses in this regard would be very small and many members of the public might be mobilized into taking part. I think there should be some change in the philosophy of governance of the entire SAR. Greater flexibility should be applied and we should lend a listening ear more. It is only by doing so that the standard of governance can be upgraded.

Under the "one country, two systems" arrangement, both Hong Kong society and the Central Authorities have accepted the fact that the Civil Service should take the lead in Hong Kong's development. This has indeed given us an excellent opportunity to let the "big brothers and sisters" in the Civil Service take Hong Kong forward with an open mind. So civil servants must relinquish that mentality of seeing the Government as the centre of governance. They must listen more to the new thinking and new suggestions from the public, be prepared to try new things in Hong Kong with an open mind, hence open up and explore new social values. As I have just said, Hong Kong people can be very creative and what matters is just whether or not better room for development is provided by society. If we just take what are readily available and if we can make good use of communal wisdom, creative ideas can become a new momentum for community development.

On social welfare, I have called for greater concern about the problem of stress and fatigue among social workers because of this constant rise in demand for social services. We should start by helping people help themselves. That is why I suggest that one of the solutions is the development of social enterprises.

PRESIDENT (in Cantonese): Mrs Sophie LEUNG, I have to interrupt at this point. I do not want to do that but what you have been talking about

MRS SOPHIE LEUNG (in Cantonese): I understand.

PRESIDENT (in Cantonese): Actually you have deviated from the policy areas for the first session of the debate.

MRS SOPHIE LEUNG (in Cantonese): I see.

PRESIDENT (in Cantonese): I think the House Committee and the Committee on Rules of Procedure may need to consider this point. Because it is difficult to confine the speeches made by Members to certain policy areas and often they would stray beyond the prescribed scope, hence the President is obliged to make

frequent interruptions. This is not desirable. I hope Mrs Sophie LEUNG can understand.

MRS SOPHIE LEUNG (in Cantonese): Madam President, I understand. However, as you have said, I was only citing these as examples from the perspective of governance culture. I hope you would bear with me until I have finished. Because it is difficult to separate them. I have also thought for a long time whether I should talk about all these. In any case, Madam President, thank you for your indulgence.

I suggested the development of social enterprises as a way out. The idea is to find a new starting point in the communities and make use of communal wisdom to form innovative modes for activities and meet the needs of the communities. To illustrate, we can develop mutual aid child care service in the form of a membership system and make use of the surplus food from hotels and restaurants to help the setting up of community kitchens to help the low-income families or elderly singletons. Or we may form volunteer groups or even provide an organic food sale service. All these have been proved successful in the Japanese society, bringing communal wisdom into full play. If we are really to enhance governance, we should assist in fostering communal wisdom and give it ample chances to develop. This is exactly where social enterprises can find their niche and it is also the means and the chances to develop mutual aid among neighbours. It is also a good means to achieve good governance as well. This is much better than arguing over minor issues like 2012 or 2017. There are reports in the press today that the people are tired of this and I would think that with respect to governance, we can approach it more from this perspective.

In less than one week after the Chief Executive had delivered his policy address this year and when the people of Hong Kong were enthusiastically talking about the ambitious blueprints for the future there and got carried away in the bullish stock market, a shocking family tragedy took place yet again in Tin Shui Wai which is already plagued with serious family problems. I trust that this is another wake-up call for officials and the general public, prompting us to reflect on our past efforts and policies. Good public governance means the people can live and work happily.

With respect to family problems, I have suggested setting up a community mutual aid and support system which can show care and concern and further the traditional Chinese virtue of being kind to our neighbours. From this we can foster harmony in society. Madam President, previously when I was the chairman of the Women's Commission I undertook a study with academics and members of the public on the problem of domestic violence. The study lasted for one whole year and in the end a detailed report and many recommendations were submitted to the Government. I now call upon those in power and the Government again to consider the recommendations there and carry out such work at the soonest.

Family and education are two inseparable issues, and this is especially the case in a knowledge-based society. The parents must be empowered so that they can take a fresh look at the role and function they play in the course of teaching their children. They will then not pass the responsibility on to society or just the teachers. I therefore think that parenting education should be the first step taken to strengthen the part played by the family in education. We must encourage adults to take up a positive attitude towards retraining and see how they should make a choice in life. They should not just rely on resources from society and they should be encouraged to cultivate a zest for life and engage in lifelong learning, thereby giving up the mentality of learning only for the award of a certificate.

With respect to small-class teaching, I hope the relevant measures taken will be people-centred. Small-class teaching should aim at changing education from merely imparting knowledge to inspiring the students. Society must realize that the aim of implementing small-class teaching is to enhance the quality of teaching and learning, not as a means to solve the problem of the reduction of classes in schools or a surplus of teachers. This can avoid the scenario that at the end of the day, students will not stand to benefit. Small-class teaching must transform education from the mode of imparting knowledge to inspiring the students. Society must understand what the goals of education reform are and what kind of changes are to take place in teachers and students, how such changes are to come about. True education is when instruction is given to students at the right time and with proper account taken of their individual capabilities. Madam President, this philosophy of education I have is the result of painstaking efforts at pondering over the relevant issues and arduously putting them into practice for more than a decade. Over the past decade, at least more

than 10 000 students have benefited from this training on changing their way of thinking. The results of the participants are most encouraging. This may sound like some minor details, but I hope the government departments can learn from such practical experience developed in the private sector and realize that a governance culture is to be materialized from these aspects and there is no need for talks about major infrastructure projects and such like stuff.

In addition, I would like to turn to the subject of developing the Hong Kong and China boundary areas. Of the 10 major infrastructure projects outlined in the policy address, four are cross-boundary projects and mention is made of developing the river loop area. I think the direction is correct and such projects should be implemented as soon as possible. However, the Government has been acting indecisively on this and it is also another example of the standard of governance. After the reunification in 1997, I raised the idea of integration between Hong Kong and the Mainland and one of the proposals made was to develop a border industrial zone. However, 10 years have passed since the reunification and work in this still remains at the preliminary study stage. This is discouraging. I would like to point out that developing the border area will not only benefit the manufacturing industries, but it will also have positive implications on the integration of both sides. I still recall Mr CHUNG Sze-yuen say to the effect that under "one country, two systems", the two places are bound to integrate and it is only a matter of time that the boundary will vanish. Why can we not embrace this mentality earlier and accept this integration? I hope the Government and the Mainland will speed up the pace to commence research and planning for the building of a base for innovations. Concrete steps should be taken to promote development at the border areas. It is in so doing that the mind of the people will be prepared for development in the direction of "one country, two systems".

The policy address this year touches on many aspects and many of these are actually suggestions previously made by the Liberal Party. It is heartening to find this. Of the many policy initiatives and suggestions, what I would most want to see is Hong Kong being led to embrace the new direction of the times and concrete work done at the roots and that the thinking behind the policy initiatives, their implementation and results can all reflect the development needs of the new century.

Madam President, we cannot afford to wait anymore. Hong Kong is no longer an isolated island and the people here are not lonely inhabitants. We are

placed right in the centre of the mighty tide of regional development. As for how a solid step should be taken and how the people of Hong Kong can be led to go from strength to strength, broaden their horizons and face the challenges, these cannot hope to be achieved from personal betterment alone but will also depend on the resolve and courage of the navigator.

Madam President, I so submit and thank you so much for bearing with me.

MR ALBERT CHAN (in Cantonese): President, Mrs Sophie LEUNG has just talked about substance and I cannot help think about reports in the entertainment section of the newspapers on the Miss Hong Kong Pageant. Those contestants who have not won all say that they have much substance but the fact is that they are no match for the winners.

President, I have proposed an amendment in respect of the policy address debate today. I do not support the original motion. This is because basically this policy address serves to push Hong Kong to the brink of polarization and it intensifies social conflicts in the territory. On the causes and the conflicts, I will give a detailed explanation in the third session. So for this session, I will only talk about constitutional issues.

There are so many disputes in Hong Kong on constitutional issues. Many of these disputes are devoid of logic and many opinions put forward are simply weird. This happens because our top officials are making specious arguments about the issue and so the truth of the matter is forever distorted and hidden. The political system of Hong Kong is likewise an odd hybrid which does not truly resemble anything. Such a system is the result of this mindset of the top officials.

The political system of Hong Kong can be said to be a political monstrosity. This monstrosity accounts for the many weird phenomena, acts and relationships which in turn lead to the transfer of interests and dubious political deals. The recent proposal to create posts for those so-called Deputy Directors of Bureau and Assistants to Directors of Bureau is an offspring of this political monstrosity. Many years ago, I made a similar suggestion to create posts of Deputy Directors of Bureau and Assistants to Directors of Bureau, but there was no ulterior motive behind this suggestion of mine. At that time, I recommended to the Government that this should be done. When Directors of

Bureau were appointed, I said that appointing a Director of Bureau to head a Bureau would not be of much use. The reason is that a Director of Bureau has to rely completely on his or her subordinates who are civil servants. These civil servants are not related to the Director of Bureau in terms of political operations and they have no such experience. The result is the Director of Bureau may be sidelined by the civil servants and so policy enforcement can only be ineffective. This accounts for the political monstrosity and many Directors of Bureau think that they are lone fighters.

Now the authorities are launching another political monstrosity and this leads to another kind of weird political acts. The political system of Hong Kong is such a monstrosity. Actually, it is a monster of dictatorship with a tiny fraction of democratic elections. Under such a system, if the Deputy Directors of Bureau and the Assistants to Directors of Bureau are handpicked by this monster of dictatorship, there will only be more monstrosities and monsters which in turn will breed more monstrosities and monsters. Just imagine how the people of Hong Kong can stand so many such monstrosities and monsters.

In the constitutional system which is part of the Secretary's portfolio, specious arguments are advanced to say that reference has been made to the American system. On hearing that, some Members say that these arguments are just ridiculous and they are a complete twist of the principles enshrined in the American system. In the United States, before the top officials are appointed, the candidates have to undergo vetting by the Congress and an independent committee will be set up for such purpose, and meetings will be called to carry out an assessment of the character and calibre of the candidates. In such a process, everything about the background, interests and even misdeeds of the appointees or nominees will be vetted by the committee and released to the media. Everything will be made public and exposed in public light. However, in Hong Kong with such an odd political ecology, often times things are done in a black-box operation. After candidates are handpicked behind the doors, transfer of interest to the parties concerned will begin. Such things happen in many of the advisory committees. The posts of chairman in some of these advisory committees have become objects of political deals cut between political parties and top officials on many issues. For example, some parties may say at first that they do not support some law and the Government will hand out some of these posts as a bait to lure support from particular parties in the Legislative Council. So these appointment posts are used as a kind of bribe to secure support from some parties for some laws. Such acts have become

commonplace in this Chamber during the past few years. If this kind of transfer of interests is allowed to continue, the political ecology of Hong Kong will certainly head towards decay.

So if the authorities really hope that problems can be solved by the setting up of posts of Deputy Directors of Bureau and Assistants to Directors of Bureau whereby the Directors of Bureau can be given assistance, then a problem must be solved. And the crux of the problem is two vital elements are lacking in our political system. The first is that the official at the topmost echelon, that is, the Chief Executive, does not have any mandate from the people and lacks their approval. Many Members, including some from the democratic camp, have referred earlier to the affinity difference theory. As a matter of fact, party politics means affinity. Political parties with similar beliefs are certainly close and those with divergent views are certainly distant. Right? Every party has to live with the electoral system. Even parties from the democratic camp may attack and compete with each other in the parliamentary assembly and in the elections. Candidates from different parties are bound to confront each other in the elections. It follows that the affinity theory is a natural offshoot of party politics.

The most important thing is, however, there should be a fair, open and just election whereby the votes cast by the people can give a formal mandate to a political party so that it can be the ruling party. When that party has undergone this baptism of fire of election and secured the people's mandate and their approval, it can then make political appointments from its own party members to implement policies devised by the party. The most important thing is that the party concerned has gained the mandate and approval of the people.

Now the greatest problem is that these Deputy Directors of Bureau do not have any mandate and approval of the people, because the Chief Executive himself is returned by a small circle election. If, as the Secretary has said, the Government really wants to draw reference from the American system, then the authorities must do two things. The appointment of the Deputy Directors of Bureau and the Assistants to Directors of Bureau must be founded on a popular mandate. It is said that the proportion of seats gained by political parties in the Legislative Council election is to be used as the standard to determine the number of appointees in each political party. But the authorities must make this clear in advance and state that under this system, the appointment of Deputy Directors of Bureau and Assistants to Directors of Bureau is to be determined by the

proportion of votes gained in the Legislative Council election. This will be clear to the people when they vote. Besides, all these appointments must undergo a nomination procedure and an independent body such as the Legislative Council should be tasked to vet the nominations for these Deputy Directors of Bureau and Assistants to Directors of Bureau in the form of a hearing. This will make the public think that some formal attempt has been made in transparency to find persons of calibre to fill these posts. For if not, dubious means will be employed by the top echelons in the Government to produce some political monsters which do not resemble anything and will continue to do more harm than good to Hong Kong. The result is that the political ecology in Hong Kong will be infested by yet greater monstrosities and more transfers of interests, making the entire system more rotten than ever.

MR HOWARD YOUNG (in Cantonese): Madam President, I will now speak on constitutional and security matters.

On the same day when the Chief Executive delivered his policy address, the three-month consultation period for the Green Paper on Constitutional Development also expired. Responses to the consultation were most enthusiastic. A total of some 17 500 submissions have been received from groups and individuals in Hong Kong.

The Liberal Party expressed its views on the Green Paper during the consultation period. We support the introduction of universal suffrage as soon possible and that if conditions are mature, there can be universal suffrage to elect the Chief Executive in 2012 but in no case should it be held later than 2017.

According to the Basic Law, with respect to universal suffrage in Hong Kong and democratization of the electoral system, efforts must be made to forge a consensus in three aspects: first, support from two thirds of the Members of the Legislative Council; second, consent of the Chief Executive and third, endorsement by the Standing Committee of the National People's Congress. All of these three conditions must be met. Therefore, we think that a timetable and roadmap for universal suffrage should also take into account the Central Authorities' view on the Chief Executive and enable the exercise of the substantive power to appoint the Chief Executive by the Central Authorities in accordance with the Basic Law.

In the interest of prudence, moreover, the threshold for nomination of candidates in the first Chief Executive election by universal suffrage should not be set too low and it should be raised somewhat. This would be safe and more likely to gain the approval of the Central Authorities.

Madam President, with respect to forming the Legislative Council by universal suffrage, the Liberal Party thinks that in order that there would be no uncertainties in the executive and legislative systems of the SAR at the same time, steps taken to achieve universal suffrage to form the Legislative Council may begin at the earliest one term after the Chief Executive has been elected by universal suffrage. At the initial stages, the number of seats returned by functional constituencies may be reduced from 30 to 20, then in the next stage to 10 and finally all seats will be returned by universal suffrage.

During the transition, the electorates in the functional constituencies may be enlarged. For example, company votes in the functional constituencies can be changed to votes by executives or the management. Then depending on the actual situation, gradual steps can be taken to achieve universal suffrage.

In addition, the Chief Executive mentions in his policy address subjects like enhancing governance and the relationship between the executive authorities and the legislature. In this connection, the Liberal Party has all along thought that the best way is for the Government to form a ruling coalition with parties of closer affinity to it. This will offer a fundamental solution to the lack of support in the Legislative Council for the Government. It will also enable such parties to take part in the formulation of policies, help the Government gauge public sentiments and promote administration of policies.

Madam President, sectors across the community and all the parties support universal suffrage. Some differences may exist in their views on the actual timetable and these account for the lack of a consensus currently. The Chief Executive praises in the policy address the entire consultation for having been conducted in a rational and pragmatic manner. He also stresses that it is his responsibility to take Hong Kong towards universal suffrage.

Hence we hope that the Government can organize the views collected in the consultation and make deductions from them, and strive to iron out differences in society on universal suffrage so that a firm base can be established for the forging of a consensus on the proposal to implement universal suffrage. After collating the views, the Government should compile a report and submit it

to the Central Authorities. The report should reflect truthfully the views collected.

The Liberal Party also hopes that the Chief Executive can make good his electoral promise to try his best during the third term of the Government to forge a consensus and secure the Central Authorities' trust on the early implementation of universal suffrage. The Liberal Party will lend its full support to the Government in taking forward the democratization of Hong Kong.

Madam President, now I would like to raise a few points on security matters.

To cope with the constant increase in the movement of people to and from both Hong Kong and the Mainland, the Government should first streamline the customs clearance formalities and time taken in the various border control points. The Shenzhen-Hong Kong Western Corridor which was opened in this July adopted the co-location of clearance for the first time. The Liberal Party hopes that the Government can explore with the Mainland on how the co-location arrangement can be extended to all border control points for greater convenience of travellers.

Apart from this, the Government should discuss with the Guangdong side on developing new boundary crossings, such as striving to develop the East Liantong/Xiangyuan control point to achieve a streaming effect and hence reduce the pressure on other control points due to the increase in the movement of people.

To provide greater convenience to travellers crossing the boundary, the control points are now fitted with Automated Passenger Clearance System (e-Channels). The e-Channel service has been extended to include frequent travellers to Hong Kong. The Security Bureau plans to accept in phases applications from frequent travellers to Hong Kong at the airport starting from the beginning of next year. It is believed that this initiative will help ease the pressure from the great number of inbound travellers at the airport.

Although the SAR Government has given visa-free treatment to residents from about 170 countries and places, in order to protect our tourism proceeds, we should strive to attract visitors from all parts of the world. The Government may consider adopting more liberal measures for residents from countries and

places who are yet to be able to come here visa-free. For certain emerging tourism markets like India, the Middle East, Russia, and so on, the Government should actively consider relaxing and streamlining the requirements and application procedures for a visa to Hong Kong.

Ever since the Chief Executive has proposed the idea of reducing the Frontier Closed Area, the Liberal Party and the tourism sector have both shown their support. The tourism sector has all along hoped that Chung Ying Street can be opened to visitors so that they can come for a tour and see that street with so much historical significance without having to get a Closed Area Permit. Once the restrictions are lifted, it is believed that this will benefit economic development and employment in the area. I hope the Government will consider it. Actually, the Government should consider extending the area in the Sha Tau Kok closed area that is open to the public in response to Dameisha in Shenzhen and the proposed seaside resort area in Mirs Bay. As for areas in the Frontier Closed Area to be released and which have ecological value, consideration can be given to developing them into a resort ranch type of ecotourism facilities. This will enable the parallel development of conservation and the economy.

I so submit.

MISS CHOY SO-YUK (in Cantonese): President, I wish to talk about some of the suggestions which the DAB has on the policy address regarding home affairs, in particular cultural policy.

First, I would like to talk about cultural policy, a pet subject of Secretary TSANG Tak-shing. Maybe I can say something about home affairs, or rather, cultural policy. In our opinion, with respect to software, the Secretary must never see the West Kowloon Cultural District (WKCD) as the overall direction of development for culture and the arts in Hong Kong. At most the WKCD can play a complementary part in the development of culture and the arts in Hong Kong. We hope that it would not be seen as the most important part of it. With respect to software, the DAB thinks that an overall policy is lacking

PRESIDENT (in Cantonese): Mrs Selina CHOW, is it question of order?

MRS SELINA CHOW (in Cantonese): Yes, we are not debating cultural policy.

PRESIDENT (in Cantonese): Thank you, Mrs Selina CHOW for your reminder. Actually, I noted it too. Miss CHOY So-yuk, please sit down. The second session is on "energy, environmental affairs, food safety and environmental hygiene, home affairs, creative industry and heritage conservation". Therefore, cultural policy should be debated in the second session, not in the first session. However, I know why Miss CHOY So-yuk wishes to talk about cultural policy in this session, because "home affairs" is mentioned in the circular issued to Members. But "district administration, civic education" are stated within the brackets after "home affairs". Members may only discuss these two topics in this session, and other topics should be left for another session. So Miss CHOY So-yuk should wait until another session before she speaks on cultural policy.

(Miss CHOY So-yuk wished to make an explanation)

PRESIDENT (in Cantonese): All right, Miss CHOY So-yuk, please speak.

MISS CHOY SO-YUK (in Cantonese): President, actually, I was talking about home affairs as cultural policy is part of home affairs. In fact, I was not talking about the WKCD, I was only saying that the development of culture as a whole falls within the scope of work of the Home Affairs Bureau. Our discussion in this session is about home affairs.

PRESIDENT (in Cantonese): Then there is some misunderstanding here. I can see why. Miss CHOY So-yuk, please sit down. Let me try to explain to Members once again. I have just made myself very clear. I think the present arrangement for debate should be reviewed. When Mrs Sophie LEUNG spoke earlier, I had asked the House Committee and the Committee on Rules of Procedure to undertake a review of the debate arrangement.

Miss CHOY So-yuk, I have to admit that the Secretariat says in the circular that the first session includes home affairs, but that actually refers to "district administration, civic education" which are placed within the brackets. If Members have heard what I said, that is, when the first session of today's debate began, I stated very clearly that it was about district administration and civic education. My purpose was to make Members see clearly that heritage conservation and other home affairs topics should be discussed in the second session. As I have explained, this is the cause of the misunderstanding.

Miss CHOY, if you wish to speak, I would let you do so. You may, if you wish, leave it until the second session to speak on cultural policy as this would make it easier for public officers to understand. It is all up to you.

MISS CHOY SO-YUK (in Cantonese): Yes, thank you, President. Actually, I had wished to talk about heritage conservation, but I knew that this should be left to the second session as it was part of the policy portfolio of the Development Bureau. However, I could see that the Secretary was in attendance and that cultural policy has been transferred to the Home Affairs Bureau. There are two parts to my speech. The other topic I wish to talk about is civic education. Perhaps let me first speak on cultural policy, then I will speak on civic education. When it comes to the session on cultural policy, I will not repeat what I have said.

We think that there are gross inadequacies in our education system. This especially refers to the problem of the gap in talents mentioned by Members. So we in the DAB hope that the Government can do something to improve the present situation, that is, this inadequacy in culture and the arts. Now 30% of the schools do not offer any curriculum in the arts in the senior secondary classes. And the curricula in the primary and secondary schools are very narrow in scope. So we hope that the Government can provide more arts education of a diversified and balanced nature in the schools, expand the scope of the arts curriculum, add in other forms of the arts besides visual arts and music, such as drama, multimedia arts, and so on. Also I hope that a review can be conducted of the arts curriculum in the tertiary institutions and more resources should be given to them. I also hope that under the present whole-day schooling system, efforts can be made to implement the proposal that each student should be competent in one sport and one kind of arts. This is to say,

every student should have a chance to develop and be trained in one sport and one kind of arts in some timeslot every day. This will quicken the pace of development in culture and the arts as a whole.

President, in response to your remarks earlier, I will speak on the WKCD tomorrow.

Next I wish to talk about civic education. The Chief Executive emphasizes in the policy address that civic education and education in the Basic Law should be enhanced. The Secretary also said in the Question Time that there would be more input of resources. At that time, I suggested that the Government should explore more creative ways and more work could be done on creativity together with the universities. The DAB thinks that it is essential that great attention be paid to civic education. This can well be called a belated spring, for it should be put into practice long ago. I recall our late Chairman MA Lik had reminded the Government for many years that civic education should be enhanced. The policy address had given due attention to this issue and we are glad to see the Government attach great importance to it.

Now I wish to talk in particular about filial piety. President, every year Hong Kong would hold competitions in which the best mothers are commended. Some groups even organize a competition on the so-called "mothers of a great shiny light". This is a very good thing. I think more than 99% of the mothers love their own children. However, the proportion of children observing filial piety to their parents is not as great. Every week when I meet members of the public, I would see many elderly persons who come to me for assistance. They come because their children or daughters-in-law are not nice to them and so they run into a lot of difficulties. We can see that the suicide rate of the elderly in Hong Kong is very high and abuse of the elderly frequent happens. Therefore, with respect to civic education, we hope that the Secretary can promote filial piety among the sons and daughters, and the daughters-in-law and the sons-in-law. This is a very important thing.

For myself, I am honoured to be selected as one of the 10 most distinguished persons in China with filial piety. I was given an award. When I accepted the award, I had a feeling that filial piety, especially when it was extended to include sons-in-law and daughters-in-law, is crucial to harmony in the family. I therefore hope that the Government can highlight more key areas of work in education and promotion in this respect.

President, as for other aspects of the cultural policy, I would leave them to the second session. I so submit.

MR LAU CHIN-SHEK (in Cantonese): President, I have thought for a very long time because I do not know on which occasion I should speak. I know that what we discuss today is about the tax regime and the issue of distribution also touches on governance. Moreover, I just want to speak once, so I will now speak in this session.

The policy address this year makes a rare move of announcing in advance that starting from 2008-2009, the corporate profits tax rate will be revised downwards to 16.5% and the standard rate of salaries tax will be lowered to 15%. The move will mean a reduction in public revenue to the tune of \$5 billion a year. Many people question this move and regard this as a reward made by the Chief Executive to thank people for the votes cast in his favour during the Chief Executive Election and that is a clear indication to benefit the big conglomerates and those top employees to thank them for the support shown in the Chief Executive Election. I have no intention to speculate on the question of whether or not this reduction in profits tax and salaries tax is any transfer of interest from the Government to business. However, during the few years past, numerous moves made by the Government in public finance certainly leave people with the feeling that the practice of governance and the philosophy behind administration by the Government is open to question.

If Members are not forgetful, they should remember that when promoting the consumption tax, the officials said that if a consumption tax was not introduced to boost public revenue, when the next economic recession came, the fiscal deficits would very likely to be more than \$190 billion. But one year later, the Government is saying that public finance is robust and the Chief Executive even predicts that there would be no need to raise taxes during his five-year term of office. Just which one is correct?

President, we can see very often that in a bid to sell a policy initiative, the Government will as a rule inflate or even create figures or arguments and deliberately guide public opinion. Although the Government may have its way in certain policies, in the long run, the Government will have to pay a price in its integrity. If officials blame Members or the public for viewing the Government with suspicions and even interpret each move taken by the Government with a

conspiracy theory, I would think that the Government should first do some soul-searching to see if it has been open and sincere enough. The relationship between the public and the Government is interactive: the way the Government treats the people will determine the way the people treats the Government.

President, I do not mind that the basic needs of living of the grassroots should be protected and that when public finance conditions permit, the Government should cut the taxes and return wealth to the people, but what in fact is the situation now? On the one hand the Government is reducing the taxes of the conglomerates and the top employees, but on the other it is adding the burden of the grassroots by adopting the "user pays" principle and conducting studies on health care financing, and so on. The result is that the rich can pay less tax while the poor will bear a heavier burden. Just which school of governance philosophy would advocate this? I am not calling for a "hate rich" mentality which some commentators are doing, but when the Government can be so generous as to forego tax revenue of \$5 billion each year to the richest classes whereas the elderly people are only given five medical vouchers a year worth \$50 each, just imagine what the public will think?

President, during the past few years when the economy sagged, the Government exercised a crunch in its expenditure. Now the bad effects are surfacing, and examples of these are succession gaps in certain grades in the departments and public sector organizations, and social workers and medical and nursing staff are overstretched to their breaking-point because of manpower shortage. Last year, there was a surplus of some \$50 billion in government coffers, but the Government could not even set up a 24-hour help hotline in the Social Welfare Department with just a sum of some tens of million dollars. Does this show bad planning in the department concerned or that the Government is being too cautious and miserly when it comes to injecting additional resources to improve social services?

President, the Chief Executive says that the Government owes pretty much to the people of Hong Kong when it asked them to make sacrifices and tighten their belts during the financial turmoil and SARS. Now that the economy has recovered, the Government should return to the people what is rightfully due to them. It is true that during the darkest hours of the Hong Kong economy, the Government did raise the profits tax and the standard rate of salaries tax. But with the economic recovery in recent years, these conglomerates and top

employees have not just recovered what they lost before but gained even more than before. In stark contrast, many people in the lower strata have not yet been able to share the fruits of economic recovery and they are even more hard-pressed in life because of the crunch in medical and social services. Now that the times have got better now, should the Government accord a greater priority to cutting the tax payable by the richest so that their lilies can be gilt-edged, or should it make amends by giving back what was taken away from the medical and welfare expenditure so that some relief can be made to the grassroots struggling below the poverty line?

President, most governments in the world would adopt anti-cyclical fiscal policies, that is, to cut tax at times of recession in order to boost the economy and to keep the surpluses and save them for the rainy day when things have gone better. We have never discussed in detail what principles the Government should use to levy taxes and what the roles are to be played by tax revenue. I trust that those with the means should help those with less means and the Government should help the lower class reduce their pressure in life so that they can have a chance to improve their lot.

President, during the debate on the policy address last year, I said that when stuck in a traffic jam, you would feel good when you see cars next to your lane start moving, though cars in your lane do not move at all. This is because you would anticipate that sooner or later it will be your turn to move. But if you have waited for five minutes, an hour or even more and you only see cars in the next lane move but those in your lane are still held up, then you will be overwhelmed by a strong feeling of injustice. You will grumble and even get flared up with rage. This is also the case of Hong Kong people now. Two or three years ago when the economy of Hong Kong started to rebound from the abyss of SARS, even as some members of the public were not able to get any actual benefits instantly, they would expect that the good times would not be too far away. So sentiments in society at that time were tolerant and optimistic. But as two and three years have passed and nothing has changed, the people will start to have a strong feeling of injustice and grievances start to appear.

President, the 36-day strike by the steel fixers serves to illustrate the extent of the grievances among grass-roots workers against this unfair distribution. And when steel fixers blocked the traffic in Central and they were condemned by the media, many members of the public still showed their support to the workers on strike. Some even donated money to set up a fund for the workers to tide

them over the strike. As a result, a sum of \$1 million was raised in such a short span of two to three weeks. This showed that the allegation of unfair distribution of wealth by the steel fixers had struck an assenting chord in the people. I hope the Government will never underestimate such grievances. Because the wages of the grass-roots workers have remained unchanged as prices have gone up and food prices which account for the greatest part of the living expenses of the grassroots have gone up by as much as 6% year-on-year. If the Government pays no attention to this, it could lead to another round of social conflict.

President, I agree with the Chief Executive that there should be an all-round policy to assist the poor and the disadvantaged, but that does not imply conflict will be caused when the Government gives prompt assistance to the grassroots. Measures like giving a half-fee waiver of medical charges to the elderly, increasing the Old Age Allowance, reverting Comprehensive Social Security Assistance (CSSA) rates for the elderly and the children to their levels in 2003, giving transport concessions to people with disabilities, relaxing the eligibility criteria for cross-district employment travel allowance, and so on, may give an instant relief to the pressure of life of the grassroots. It is also something that is within the affordability of the Government. I hope the Government can give serious thoughts to these suggestions.

Thank you, President.

MR WONG KWOK-HING (in Cantonese): President, in this session, I would like to talk first about non-civil service contract employees. Unfortunately, the Secretary for the Civil Service is not in attendance, I hope the Secretary of Department would relay what I have said to her.

Why do I want to talk about this issue first? It is because in comparison with the 160 000 civil servants, these some 16 000 non-civil service contract employees take up 10% of the government workforce and they are not given a pay rise this year. No decision has been made with the rate of pay rise for these employees.

The Chief Executive says in paragraph 78 of the policy address: "I call on our enterprises to share the fruits of their success with their staff to maintain their

service level and retain quality staff." When the Chief Executive is saying such things, should he not do the same?

So with respect to non-civil service contract staff, I think that the Government should act as a role model. This is because the Government is the largest employer in Hong Kong and it is also the employer which hires the most contract staff. Moreover, government coffers are inundated with a huge surplus this year. Now that the civil servants have got a pay rise, and the non-civil service contract staff have been subject to equal work but unequal pay all along. They have not had any pay rise at all this year. Has the Government ever thought that this disparity would widen and the grievances would intensify? Why is the Government, with such a huge surplus, is still so mean to these some 16 000 contract staff who have been working so hard all these years to serve the public?

Last week, Ms Denise YUE, Secretary for the Civil Service, promised me that she would look into the pay rise situation of contract staff in all the departments, then she would give a reply to the Legislative Council in November or December. The indisputable fact is that the contract staff in some departments have not had any pay rise at all to date.

Apart from Hongkong Post which was mentioned by some Honourable colleagues, last night I was told in a meeting of the staff union of the Housing Department that nothing had been finalized on the issue of a pay rise for the some 1 000 contract staff of the Department.

So I would like to point out that what Secretary Denise YUE had told me last week, that is, the pay rise issue of the non-civil service contract staff was to be determined by the head of department concerned, was nothing but a shirking of responsibilities. The Civil Service Bureau must undertake co-ordination, show enough care and improve the remuneration of the contract staff. It is incumbent on the Civil Service Bureau to do so. It must not leave the contract staff alone and care nothing about them, for it would deal a blow to their morale and dedication in serving the public.

Now I would like to talk about "professional political talents" mentioned in paragraph 103 of the policy address. The Chief Executive says here that this is to further develop the accountability system. I find no cause for criticism here, but I have got three points that I hope the Government would consider. First,

the relationship between the bureaux should be straightened out so that the public can see and understand without any difficulty. There are currently 12 Policy Bureaux in the Government and 24 public bodies which are all called "*ju*" (局) in Chinese. So altogether there are 36 "*ju*"s in Hong Kong and they are all different. Some of these "*ju*"s may be placed at a level higher than other "*ju*"s and some may be placed lower than other "*ju*"s. There may be a *ju* inside a *ju* or a *ju* outside another *ju*. The situation is most confusing. Can the Government not consider straightening out the relationship between the different "*ju*"s first in terms of nomenclature? The aim is to make people know instantly when they see the name of a *ju*, for if not, they would fall into a labyrinth of confusing "*ju*"s.

In addition, the Government should step up publicity on the tree diagrams showing the way how a *ju* is related to another *ju* and how they are subordinated to or come under other "*ju*"s. This will improve people's knowledge of the structure and also the executive authorities for better and ready recognition and acceptance by the public.

Moreover, I would like to talk about the question of there should be an intermediate level between the two tiers of representative assembly in Hong Kong. Now we have only two tiers, that is, the Legislative Council and the District Councils (DCs). The reason for such a state of affairs is that the two Municipal Councils which were placed between these two tiers were abolished in 1999. The result is that DC members at the lowest tier find it hard to get the training and chance of elevating themselves and this is not beneficial to the grooming of political talents. Before the scrapping of the Municipal Councils, I wrote a lengthy submission to the Chief Executive from the perspective of environmental hygiene to voice my opposition against the abolition of the two Municipal Councils. Unfortunately and in the end, the two Municipal Councils were abolished nonetheless. Now, speaking from the perspective of grooming political talents, I call on the Government to consider whether an intermediate representative assembly like the former Municipal Councils should be set up to groom political talents. I hope apart from further developing the accountability system, the Government can consider how to fill up that missing link between these two tiers.

Third, I wish to speak from the perspective of the mutual aid committees (MACs) which are at the grass-roots level. It is my wish that the Government can conduct a review of the MACs and improve the support given to them.

Paragraph 106 of the policy address says, "so that our policies will be implemented more effectively at the grass-roots level and people's livelihood further improved." President, the MACs are residents' organizations at the grass-roots level and they are the bridge at the front line linking up the Government with the grassroots. The fact that family tragedies happen time and again in Tin Shui Wai shows the importance of promoting mutual help in the communities and care and concern in the neighbourhoods. However, the Government has not done enough to attach greater importance to MACs and give full play to the functions and uses of MACs. It can even be said that the MACs are left alone uncared for. The classic example showing this is that not enough funding comes from the Government for there is only \$1,000 each quarter and that translates into a miserable \$333.33 a month. The sum will have to cover everything from operating expenses, telephone tariff and all other expenses. No wonder those volunteers who take part in the MACs all have to give up their private time, put in their money and hard work in service of the community. I would just like to ask the Government this: How much care and support has it given to the MACs and their members who are working so hard at the front line and at the grass-roots level?

I therefore hope that the Government would consider the issue from three aspects. First, in terms of physical support and operating expenses, should there not be more support for the MACs? Second, should there not be greater encouragement in the spiritual sense so that MAC members can have the drive to serve the community? Third, at the quality level, should there not be training given to members of MACs so that they can really play a part to serve society and the Government at the front line and grass-roots level in forging links with the public?

In this session, the last issue I would like to talk about is national education. President, paragraph 116 of the policy address says: "To prepare ourselves for the next decade, we must have a better understanding of our country's development and a stronger sense of our national and cultural identity." Paragraph 120 says: "We will rally the efforts of various sectors to bring about synergy in enhancing the overall effectiveness of national education."

These two paragraphs are placed at the beginning and end of the section on national education. This is how the Chief Executive expounds his idea on the subject. Why did I read out these two parts? Because I wish to bring out a point. The SAR Government is already in its third term and it should make a

full inspection to see whether not the national flag should be hoisted at all government buildings. Why are buildings of the same kind or those belonging to the same department used to have the British flag hoisted but not the national flag of the People's Republic of China now? Why is the SAR flag but not the national flag hoisted in some departments? Why can both flags not be hoisted at the same time? If in this matter of hoisting the national flag, buildings of the SAR Government cannot set an example and take the lead, how then can the goal of boosting the people's understanding of the country and their national identity be achieved? I hope the Government can really reflect seriously on the question, for if not, when the next decade comes, I do not know what kind of preparation the Government will have to make. Thank you, President,

MS MIRIAM LAU (in Cantonese): Madam President, in this session I am going to speak on the policy areas of administration of justice and legal services.

Madam President, we may have seen in a TV drama series or actually have the personal experience of hearing someone say "see you in Court" whenever it comes to a business or family dispute. I would like to ask, "Do interpersonal disputes necessarily have to be handled by the Court?"

Apart from litigation in a Court of law, mediation or arbitration can be another option to settle a civil or commercial dispute. Mediation and arbitration will not only avoid the cumbersome legal proceedings but also save the time, energy and money of the parties concerned. Of greater importance is that in many cases, should interpersonal disputes be settled in Court, both parties to litigation are pitched in direct confrontation with each other and interpersonal relationship will break down. In contrast, in the process of mediation, both parties can come to realize the points of difference or contention through effective dialogue, hence the differences are narrowed or a consensus may be reached. This is conducive to the repairing of broken relationships.

Although mediation and arbitration services have become an increasingly popular trend in advanced places of the world, many people are reluctant to accept mediation and arbitration. They think that their interests will be jeopardized and they will be denied fairness and justice. In other words, many people still think that only a Judge can hand down a ruling that is fair and just.

Therefore, publicity on this is very important, for the people can be made to understand the concept behind these services and their operation. They can come to realize that mediation and arbitration services are one of the options opened for the resolution of disputes and they will be convinced by the result of mediation or arbitration. So with respect to how mediation and arbitration services can be promoted, I hope the cross-sector group led by the Secretary for Justice can undertake relevant studies and when necessary, the Government can give its support and approve of the funding needed.

As a matter of fact, Hong Kong has already made considerable achievement in promoting arbitration services on the Mainland and at the international level. Since the Hong Kong International Arbitration Centre (HKIAC) was set up in 1985, we have accumulated much professional experience in arbitration and established our reputation of being an important arbitration centre in the Asia-Pacific Region. In 2006, the HKIAC received a total of 394 cases while Singapore only got 119 cases. However, as far as I know, it is precisely because of the growing demand for services provided by the HKIAC from the Mainland and the international community that the HKIAC is finding it harder and harder to find suitable venues for arbitration and conduct of training. I therefore hope that the Government can give greater support and more resources to the HKIAC so as to consolidate our position as an arbitration centre in the Asia-Pacific Region.

As for mediation services, under the HKIAC there are a Hong Kong Mediation Council and also the Hong Kong Mediation Centre which is founded by a group of professionals committed to promoting mediation services in Hong Kong. Besides, there are also mediation centres set up by NGOs in the welfare sector and mediation centres set up in the form of private practice.

Although there are many mediation centres in Hong Kong, compared with the great support shown by the Singaporean Government to mediation services, the support given by the HKSAR Government to the development of mediation services is in contrast very limited. First, in terms of scale and venue, all the mediation centres in Hong Kong, including those I have just mentioned, are no match for those in Singapore. The Hong Kong Mediation Council has to borrow an office in the HKIAC for operation. The Hong Kong Mediation Centre is situated in a commercial building in Central. In contrast, the mediation centres in Singapore are located in Court buildings and this shows the great importance attached by the Singaporean Government to mediation services.

Despite the absence of support from the Government, mediation centres in Hong Kong still take active steps to promote mediation services, making use of their limited resources and through the holding of courses and talks. However, I think one of the most effective ways to promote mediation services is to enable more people to use them. In many cases, those who need mediation services such as spouses, neighbours, landlords and tenants, superiors and subordinates, and so on, are parties to minor disputes at the community level. Therefore, the Government should promote mediation services at the community level and provide suitable venues there, such as facilities managed by the District Offices, and conduct mediation. The Government should also provide some manpower resources to assist in the work of the mediators.

Madam President, the Chinese society has all along valued peace and harmony as the golden rule for dealing with people. On this premise, I trust that mediation can replace some of the disputes or litigations that are unnecessary and it can offer great room for development.

Madam President, I so submit.

MISS CHAN YUEN-HAN (in Cantonese): In accordance with the arrangement of the Legislative Council, I wish to talk about the areas covered by this session. Insofar as this session is concerned, I find that in paragraph 109, the Chief Executive says that he wants to reach out to the community and what he means by reaching out to the community is that "I have asked the politically appointed officials of the Third Term Government to proactively reach out to the community, listen to public views and work with the stakeholders. In this connection, we will make better use of the available channels, including various advisory bodies such as the Commission on Strategic Development."

Madam President, I agree with the comments in this paragraph and I also consider this desirable. In fact, the Chief Executive has adopted "people-based" as the topic of his talks a number of times. If the Chief Executive has really listened to the responses after the delivery of the policy address on this occasion, I hope that he can listen to a broader scope of opinions. After the delivery of the policy address this time around, we think that generally some problems have been addressed, however, some other problems still exist. In particular, I believe that after the delivery of the policy address on this

occasion, there is one very crucial issue which the Government must consider after summarizing the views of various parties.

In fact, after the delivery of the policy address, the public has told government officials of various ranks through various radio programmes and channels that I believe some of the government officials here who were tasked with going to radio stations to listen to views are all aware that after the delivery of this policy address, the reactions of grass-roots members of the public are very strong. I have also attended a number of residents' forums in the immediate past. I have never seen so many participants in past residents' forums as those on this occasion. In each forum, there were many people and they all had very strong reactions.

What I want to say is that my constituency, Kowloon East, is one of the five poorest districts in Hong Kong. And what views do residents there have? They queried why the profits tax should be reduced. Those companies were already making a lot of money, so why was it still necessary to reduce the tax by 1%? Why have they not been given any tax reduction? The Government maintains that they have been because the standard rate of salaries tax will also be lowered. However, they maintain that this is not the case because they do not have to pay any tax. May I ask if the Government has taken this into consideration?

They are now having a very hard time. They work for long hours and only make some \$4,000 to \$5,000 or \$3,000 to \$4,000, so how can they be benefited? Even in the case of "wage earners" who have to pay salaries tax, they ask, "Why, at the same time that the profits tax is reduced, their salaries tax is not reduced?" They queried whether the SAR Government is only taking care of the businessmen and the rich but not members of the general public. I believe the Secretary for Home Affairs surely must have heard these reactions.

In addition, a lot of elderly people are also very dissatisfied. What are their dissatisfactions? They say that the Old Age Allowance is part of their means of living and the Chief Executive has also said that their contribution has to be affirmed, so how can things be like this? Objectively speaking, the Old Age Allowance is part of their means of living. Back in those years, Mr TUNG once said that it had to be increased to \$1,000, however, this never materialized and the present amount is still so very small. Next, very naturally, they criticize the health care vouchers. Although this is a very good idea, the

outcome is that it has aroused very strong views. All of these are the remarks of our old folks and some of them are marginalized elderly people living in poverty.

Since the areas in this session include the Civil Service, the reaction is very strong. In times of economic gloom in Hong Kong, the Government said that civil servants had to tide over the hard times together, so a lot of projects were outsourced. In fact, at that time, we Members representing the labour sector did not agree with such a measure. The wages of all grass-roots workers in society were slipping back all the time because they lack bargaining power in the market and because people with capital are stronger than workers in disadvantaged positions. With the outsourcing of government projects, wages have only been dragged down further. For many years, I have been telling the Government that when it resumes recruiting civil servants for the permanent establishment, the SAR Government must recruit civil servants to such a level that it is equal to the permanent establishment of the past, however, it seems that this is not what is happening now. Yesterday, I could still hear the Director of Lands tell us that in respect of small buildings, that is, concerning buildings on short-term leases, the Government would continue to outsource the management service. Obviously, it is necessary for the Lands Department to recruit more staff, so why does it still outsource its work? Does it want to bring down wages, so as to lower the cost? In the case of private companies, they may do so, however, for the Government, since it can see very clearly that grass-roots members of the public are impoverished, why does it still choose to do so?

Madam President, I still want to raise many issues and this is only the beginning. I just want to talk about the issues in this session first. First, in governance, how can the Government reach out to the community? How can it take on board their views? This is very important. Second, concerning civil servants, nowadays, when even the Chief Executive himself has also said that he wants to resume recruiting civil servants, why are there still so many hurdles at the lower levels to prevent those staff on non-civil service contracts who have been working for the Government all the time from converting to formal civil servants?

MR LEUNG YIU-CHUNG (in Cantonese): President, starting from Mr WONG Kwok-hing, through Miss CHAN Yuen-han to me, we all want to talk about the issue of non-civil service contracts, however, it is a pity that Secretary Denise

YUE has all along been absent, so when we are voicing our views, it looks as though we were talking to the air. This is really a great shame. However, no matter what, since it is my turn to speak, I have to speak and I cannot remain silent.

Concerning non-civil service contract staff, I think I really cannot help but say that they are treated unfairly and unequally. President, why do I say so? Because when the fiscal situation was difficult, the Government required all departments to hire a group of staff on non-civil service contract terms to help them out. However, the situation of this group of staff is that they perform the same duties but receive different pay, which is already a most unfair arrangement. What is more, when did the Government hire this group of staff in large numbers? It was at the time of the September 11 incident and the SARS epidemic.

Most of these employees are involved in front-line work, including risking their lives to perform cleansing duties and handle bird carcasses. At that time, there was a shortage of manpower and they had to perform such duties, but did they ever complain? Not at all. Indeed, they only performed these tasks and bore the burdens for the Government quietly. Unfortunately, now that the fiscal situation has seen tremendous improvement, it is precisely at this time when things are looking up that the Secretary issued an order requiring all departments to review the relevant posts, citing apparently legitimate grounds, saying that if the posts are necessary, they should be changed to pensionable ones, that is, permanent posts in the permanent establishment and the relevant employees can become civil servants, however, if the posts are no longer necessary, they have to be deleted, so as not to waste taxpayers' money. Moreover, if it is found that it is more appropriate to outsource the relevant duties, they had better do so.

President, such a measure has made this group of non-civil service contract staff realize that this employer called the Government is in fact so very heartless, that it would burn the bridge after crossing the river. When there was the need, they were at its beck and call but once they are no longer needed, they were simply booted out. It has not thought about how transitional arrangements can be made for this group of employees. Mr WONG Kwok-hing said just now that their number was not small and there were more than 16 000 of them. However, such is the treatment that these people have received.

If fact, if an employer has conscience and is responsible, it should consider how to enable this group of staff to make the transition smoothly, however, the Government has not thought about this at all. What is more, the Government has compelled all departments to carry this out as quickly as possible, so the staff next March, many of them will not have a contract renewal on expiry of their current ones and the contracts of some staff will even expire at the end of this year, so they will not be able to continue working. Is not such a situation really cruel? Does the Government actually have social conscience?

The Government and the Chief Executive, Mr TSANG, keep saying that nowadays, it is necessary to develop social enterprises and they hope that some organizations will have the social conscience to perform some social service. However, little did we realize that even the Government, as an employer, would set such an example, so how can we appeal to companies to take actions to show their social conscience? We find this most regrettable and hope that the Bureau Directors concerned can tell Secretary Denise YUE that we still have time to solve this problem. For example, if some jobs have to be outsourced, is it possible to proceed slowly? If some posts are unnecessary, is it possible to let natural wastage occur slowly? If some posts can be changed to pensionable terms, can this be done slowly, so that staff can leave through natural wastage, so as to solve the problem? This is at any rate better than a broad-brush approach that will make the employees concerned face difficulties.

President, in fact, most of the people in this group of staff are in their forties and fifties. They do not have any skill, so if they wish to apply for civil service vacancies, they cannot meet the entry requirements. Is what the Government is doing not tantamount to expelling them from the job market? Everyone knows about this, unfortunately, the Secretary for Labour and Welfare is not present now. He surely knows that it will be very difficult for this group of people to find work outside, however, even the Government does not want to help them now. Why is the Government so cruel and so ruthless? This is the first issue. I think the Bureau Directors concerned can reflect this to Secretary Denise YUE and I hope she will improve this situation as soon as possible.

The second issue relates to constitutional reform. We are very doubtful how sincere the Chief Executive and Secretary Stephen LAM are in this regard. Why do I say so? The Chief Executive said in his policy address that we must

seriously consider and thoroughly study the issues rationally and pragmatically and the Third Term of the SAR Government will try its utmost to implement universal suffrage in accordance with the Basic Law, as well as striving to secure the Central Authorities' trust and understanding for its early implementation. President, although all these words are pleasant to the ear, the problem is that apart from listening to someone's words, we also have to look at his actions. What are the actions taken? This is the crucial point. However, unfortunately, as a number of Members have pointed out, the Chief Executive went so far as to say in an interview that the Cultural Revolution was the manifestation of extreme democracy.

President, although a number of Honourable colleagues said that the Chief Executive had withdrawn this remark and apologized, the question is whether doing so has completely resolved the issue. In fact, all of us know that this issue cannot be resolved in this way. Why? Because we think that if we want to introduce democratic reform, in particular, if we want to win the trust of the Central Authorities, it is necessary for the Chief Executive to have faith in democracy. If he lacks faith, it will not be possible to get the job done. However, a number of Honourable colleagues have said that those remarks reflected the thinking and the mind of the Chief Executive. How much faith does he have? It turned out that he described democracy as a poison which would cause anarchy and chaos and is to be feared. This being so, how can we have confidence that Chief Executive Donald TSANG and Secretary Stephen LAM can faithfully reflect the mainstream opinion of the public in taking forward the implementation of universal suffrage?

Therefore, here, I hope very much that when Secretary Stephen LAM responds later, he can say something new — although he has commented on this matter many times, he only repeated things — by reiterating what the Chief Executive's understanding and his understanding of the essence of universal suffrage and their expectations of it are. We are very worried that if the essence of democracy that we are talking about is different, we can never communicate. This is just like a member of the Executive Council who said, after the Chief Executive had made those remarks, that this reflected the inadequacy of our national education, so we had better step up national education. However, President, I think what matters most is not national education. What matters most is that Chief Executive Donald TSANG and government officials should receive more education on democracy and understand what the essence of

democracy is. If they do not know about these, how can they take forward democracy? In particular, how can we have the separation of powers? This is even more important. Moreover, concerning governance, what sort of attitude is more important in the governance of society? Why do I say so, President? Because from the former Chief Executive, Mr TUNG, to the present Chief Executive, Mr TSANG, so far, the public feel strongly that in governance, not only do they distinguish between people on the basis of affinity, politically, they are also very biased, so how can we possibly feel that the overall operation is smooth? How can we feel that fairness and justice have been upheld most of the time in society? In particular, the Chief Executive has made some comments in the policy address and I think they are very important. He says, "In this new era of swift changes, I believe what we need is more consensus, less controversy; more practical action, less empty talk; more cohesion, less division."

President, if a distinction is made between people on the basis of political affinity, how can there not be division? In his last term, Chief Executive TSANG also made no attempt to hide the fact that he believes in the notion of a distinction between people on the basis of affinity. This being so, how possibly can there be no division, Secretary Stephen LAM? In addition, he said that we should not have too many disputes and should reach consensus more often, however, if there is a distinction between people according to their affinity and one is biased politically, how can there be consensus and no disputes? In particular President, I wonder if you are aware or not. Our Honourable colleagues in the pro-democracy camp, particularly me, often find it very difficult to make an appointment to meet government officials or the Secretaries. The degree of difficulty is beyond imagination. In fact, in order to avoid disputes and reach a consensus, of course, it is necessary to have more communication, however, we do not meet the requirements or the conditions, nor do we have the opportunities to communicate, so how can we reach the so-called consensus and avoid disputes?

In addition, the Chief Executive says that we have to take more practical actions and engage in less empty talk. This sounds very nice, and he also said that he would not cause divisions but would promote cohesion, however, the reality is the exact opposite. If this is not empty talk, what is this? How can he make me feel that there is practical action? Therefore, concerning this policy address, I think the Secretary has to address two issues squarely, that is, the issues of non-civil service contracts and constitutional reform mentioned by me just now. I hope that they can make some improvements to inspire greater

confidence in us. If we do not have confidence, it would be even more difficult to co-operate. President, I so submit.

MR JAMES TO (in Cantonese): President, I found that in latest issue of the *Economist*, in the section "The world this week", the apology made by Donald TSANG, that is, his apology for his comment that the Cultural Revolution was the manifestation of extreme democracy, was branded as the world event of this week. Another world event that ran head to head was of course the 17th National Congress of the ruling party of our country, the Communist Party.

This is very strange. Why can such an issue qualify as a world event? I thought about this for a long time, and I also doubted if the *Economist* was trying to play a joke. However, I believe this is not the case. Why? Because if one reads the *Economist*, it is evident that in recent years, its coverage of China is particularly extensive, particularly when the influence of China on the whole world, be it in politics or economic affairs, is increasingly significant. Hong Kong, as an SAR of China, is a very important indicator of democratic development and the rule of law. Therefore, other people will regard the comments of the Chief Executive on democratic development as a very important indicator.

Of course, I believe the Chief Executive may have realized that the Central Authorities in fact have some reservations about democracy, however since he is required to do something, he wants to resort to various means to bring about the result of being able to gauge the views of less than 60%, preferably 50% or 40% of members of the public or even that of only being able to come up with a proposal in which no mainstream public opinion can be identified. In this way, public opinion will be a scattered and confused mess, so in the end, it may be necessary to defer the introduction of democracy. As a result, in the policy address, democracy is polarized against governance. What is more, I do not know if it was because he just could not get it straight momentarily or whether he was speaking mindlessly that he made those comments about the Cultural Revolution. In fact, the Cultural Revolution also made a lot of people feel very concerned and jittery, did it not? Now, the stock market has soared to more than 30 000 points and should there be any instability, this will prevent people from getting rich, will this not? Therefore, he asked us whether we want to see the recurrence of the Cultural Revolution. Democracy is the Cultural Revolution. Of course, in the end, he made an apology. However, even

though he has made an apology, was it made with sincerity? In contrast, in the past few days, when he was sharing his thoughts with some secondary school students, he said that what he had said then was really his truthful thoughts. If we look up the history, we will find that this is not the first time that the Chief Executive made such remarks or spoke mindlessly.

I have gone through the information in 2005. At that time, we were having the summer recess and the Chief Executive was in Canada. He said that he would not use the term one-party dictatorship to describe the Central Government. What sort of people did he think are dictators? Only when one person had the say over everything, as in the case of HITLER and Saddam HUSSEIN, could the situation be described as a dictatorship. He believed that this was obviously not the case in China. In the debate on the policy address in 2005, I said that I wondered if the Central Government badly wanted the Chief Executive to speak in its defence or defend its reputation. Is the Central Government actually a one-party dictatorship and is it totalitarian? Was there any need for him to do so? What the Central Government wants is perhaps only the Chief Executive running Hong Kong properly, is it not? In view of the importance of Hong Kong in the world, there is no need for it to ask the Chief Executive to draw the attention of the world disproportionately to Hong Kong. Nor is there any need for it to make the Chief Executive attempt to whitewash the Central Government or even distort what is right and wrong.

Since a system in which one person dictates everything is considered a dictatorship, by extension, does this mean that it was very democratic at the time of the Cultural Revolution, or that it was an extreme form of democracy? Therefore, up to now, I still do not quite understand if the Chief Executive understands and knows what democracy, totalitarianism, one-party dictatorship are and even what right and wrong is.

Sometimes, I think that my feeling is that — I dare not say that this is a correct judgment — judging from his numerous comments as a whole, I think that at the bottom of the Chief Executive's heart, although he may not have gone so far as to hate democracy, at least, he dislikes democracy very much. Why? He is now talking about strong governance and to him, democracy may pose obstacles to his administration. Since we do not have democracy, he changed course by suggesting that we be people-based — being people-based also sounds quite nice. Since one cannot talk about being democratic, so one can only change by talking about being people-based. He also finds some backing in his

legitimacy, that is, he was also ranked quite high in being democratic, so he thinks that in talking about being people-based, he can cover up the injustice. Little does he understand that without the mandate of the people, no one can stand on the pedestal and thinks that what he comes up with is people-based. Even in the age of monarchy, it was only natural to talk about loving the country and the people. Without the mandate of the people, how can one say that what one says is people-based?

If one has gone through an electoral process, as there will be electoral platforms, the wishes of the people will be manifested. Therefore, without the recognition of an election, one should not be entitled to any power at all. The Government often complains that it does not have even one vote in the Legislative Council. In fact, it is only right that it does not have any vote because the present Government does not have any mandate from the people, that is, it did not get any vote and without any vote, it should not have any power. It has no power precisely because it does not have the people's mandate.

Having spoken for so long, I am very worried actually. Of course, the child in me also holds one last hope and I am more inclined to pin this hope on the Central Government than on the SAR Government. Nevertheless, this remaining hope is that the Chief Executive, Donald TSANG, will also be able to see that the situation is not quite right for over 60% of the members of the public in Hong Kong really want to elect their Chief Executive in 2012, so that at the very least, he will truthfully convey to the Central Authorities the mainstream opinion of the people. Of course, I further hope, very naively, that the Chief Executive can tell the leaders clearly the situation behind closed doors, otherwise, it will be very difficult for him to govern. Of course, if mainland people are allowed to invest individually here and the stock market rose another 30 000 or 40 000 points, may be everybody would still feel good and it will still be possible to stay afloat, however, the demand of the public is in fact very clear.

Concerning security, of late, the public is very concerned about the problem of drug abuse by young people. The Chief Executive has asked the Secretary for Justice to head a task force to think of solutions. I believe that if the only consideration is its inter-departmental nature, it will be more appropriate for the Chief Secretary for Administration to take up this post. If the Chief Secretary for Administration is really too busy, I believe it would also be very appropriate for the Chief Executive to directly ask the Secretary for Security to

head the task force. I am not being personal, however, I wish to make it clear that the Secretary for Justice has to focus on doing a proper job in legal matters and fulfil his supreme responsibilities under the constitution, so that the public will have the greatest confidence in the administration of justice and the impartiality of prosecution. This is his primary responsibility. Any non-essential duty or unnecessary influence may affect his image in this regard and the trust in him, therefore, it is all damaging. Hence I believe that the Chief Executive, Donald TSANG, should change this appointment.

As regards how to clamp down on drugs, I have served in the Fight Crime Committee in the past 12 years and I had also been a member of the Action Committee Against Narcotics for six years, so I have accumulated a certain amount of experience. I will offer some humble opinions here for the Government's consideration.

First, I note that a few years ago, under the advocacy of the Government, a piece of relevant legislation was passed. It provides that selling drugs to young people or use young people to peddle drugs will constitute an even more serious offence. However, throughout these years, it seems that the Government, and the police in particular, did not target the problems in this regard by adjusting their strategy and resources, still less imposing any stiff penalty.

Second, recently, some teachers or parents have come up with an idea and proposed that all students should undergo drug screening. I believe that one of the feasible approach that can be implemented most quickly without having to enact legislation — since there are only a few months left in the present term of this Council and sometimes, it may be necessary to have more discussions on some matters, or there may be delays and the opportunity may be missed, as a result, it will not be possible to enact legislation immediately to impose regulation — is to require students to provide hair samples with the consent of their parents for test purposes and then hand the reports to their parents, so that parents can decide how to take follow-up action with social workers, teachers and principals. This is something that can be done immediately in the short term. The catch is that the cost of each test may be very great. However, today, there are reports in the press saying that the authorities have to find channels for the excess funds, that is, the coffers are now overflowing, so they do not even mind giving the MTR Corporation Limited \$6 billion to build the West Island Line. Since the Government is even prepared to splash out billions

of dollars and young students are our next generation, even if each test will cost on average \$100 to several hundred dollars, I still hope that the Government can consider allocating funds to carry out such tests. I believe this kind of tests will be able to identify the targets. If the authorities can focus their resources on helping those more vulnerable and high-risk students and make them stay away from drugs, this is in fact money well spent.

The third thing is publicity. On publicity, we have to focus on young people. Their reading and viewing habits and that of information reception may be very different from other people. Of course, I believe that the viewership of APIs on television may be very high and it can easily reach hundreds of thousands and even millions of people. However, when it comes to direct and real influence on young people, we really have to ask — not ourselves but those young people — which websites or webpages they browse more often. We may not even know the names of the magazines that they read. If we really want to make efforts, we have to look at their forums on the Internet, their magazines and their favourite advertisements. Some of these had names with the characters "hoi (海)" or "tong (塘)". There are many names that we may not know. I believe that if we launch a publicity campaign through these channels and let those people say something, it will be more direct and this will also hammer the message into their minds.

Lastly, I think the actions taken together with school teachers and social workers should be stepped up and we have to collect information on the latest forms of drugs more intensively and regularly. This is a very important. Are there really a lot of activities involving the delivery of drugs on order in society, or is it just an exaggeration? How serious is the situation? In fact, our outreaching social workers and teachers can all give us a pattern or a picture on this. We only need to discuss with them more intensively in order to paint a picture and we may even get a picture that can resolve the whole situation. At the very least, we will be able to identify a phenomenon. Otherwise, I am worried that we are only treating things as a matter of course but do not understand the underlying reasons.

Of course, in the end, it is necessary to strengthen our links with the law-enforcement agencies on the Mainland and we should also make it clear very frankly, since Secretary Ambrose LEE has also said frankly, that in fact, we have to beseech others to help us. This is because concerning the present

situation, other people have in fact used a lot of resources to help us solve our problems. Therefore, no matter in which area, so long as we can provide assistance, we should step up co-operation with the Mainland.

The second point has to do with the legislation on surveillance and the interception of communications. The first review report has not yet been published. Hopefully, we will receive it within a few days. However, in the past, when we reviewed some cases, it seemed that some instances were really frightening. The thinking of some senior law-enforcement officers is very simple. They would ask the Department of Justice whether certain actions would violate the law. They thought that if it was not possible to do their job without breaking the law, or when they thought that they really had no other alternative, they could then do things in their way. That was what they said in their testimony in Court. Generally speaking, this reflects that such is their mentality. If this is the case, in other words, some of our law-enforcement officers, particularly those high-ranking ones who have the power of authorization, are prepared to exploit some grey areas to the fullest extent even though this will give rise to moral or privacy problems. Regardless of whether someone was changing his pants or cleaning his private parts, he was filmed all the same, and it is possible to continue to film him. This reveals the mentality of our law-enforcement officers about human rights and their concepts on them.

I remember that last night, I had a discussion with a reporter and he asked a question, "If a trafficker carries out a transaction in a toilet or does something illegal there but filming him is not allowed, would that not be too bad?" However, we must remember that obviously, when we enacted the relevant law, we deliberately designated toilets and places for changing clothes as prohibited areas. Of course, in Members' views, in this world, criminal activities may really occur in those places, however, the departments responsible for surveillance have sufficient resources and the manpower and strategies to cope with this. Do criminals break the law only in those places? If they carry out the acts only in those places, is it a must to carry out filming? If only sound recording is carried out, will the intrusiveness be reduced? These issues were all discussed by the bills committee concerned, however, the discussion still futile. We could not arouse the concern of law-enforcement agencies about this area and there were still people who choose to talk about this kind of justification in Court. This is really chilling.

The third point that I wish to point out is that, so far, it appears that the Independent Commission Against Corruption (ICAC) has already spent several years to study, for a long time, how to codify the offence of abuse of power for personal gains. In fact, I know that much resistance has been posed within the Government to the work of the ICAC. However, even though there are a lot of difficulties with regard to this matter, at present, since an anti-corruption bill regulating the Chief Executive has been proposed, why does the progress on this piece of legislation regulating the abuse of power for personal gains still appear to be so slow? Is there any special reason for this? Does this have any sensitive and intricate relationships with our political accountability system?

The last point that I wish to raise has to do with the monitoring of the police. Although the Secretary will certainly boast the fact that the bill relating to the Independent Police Complaints Committee (IPCC) has been tabled to this Council for scrutiny, unfortunately, in view of the present course, we will probably have an organization with three noughts. First, it will not have any power of independent investigation; second, it has no power to make decisions, and it will not even have the power to classify cases, nor will it have the power to decide if it is worthwhile to investigate certain cases and thirdly, it will not have the power to make any judgment, rule on a case or impose any penalty. In that event, we will not have a Complaints Against Police Office that is independent of the police and we will only get an IPCC with three noughts. Therefore, I find this most lamentable. I hope the Government will desist before it is too late.

Mr Alan LEONG asked the Government in the bills committee concerned whether it would undertake that the bill would only be a transitional step, so that the future IPCC can have independent power of investigation. The Government replied that they did not have this intention. However, even though it does not have such an intention at present, is it possible for the Government to say in response that this idea will be a more distant target, so as to give Hong Kong people greater peace of mind and a little hope?

Finally, I wish to talk about the administration of justice. I know that recently, arbitration has become a hot topic and the Government is also promoting it with particular vigour. I believe that this kind of arbitration is in fact even more suitable for building management and the settlement of disputes, as opposed to commercial cases or other kinds of cases. This may differ somewhat from commercial cases. In commercial cases, it may be necessary for all parties to contribute money and find a mediator and fees are payable.

However, if the Government provides the resources to help deal with disputes in building management and carry out arbitration, the number of disputes will be greatly reduced and this will be a most benevolent act. Moreover, this will really help create a harmonious society. In addition, doing so can actually reduce the pressure on the Court, including that on the Building Affairs Tribunal. Moreover, this will also prevent front-line colleagues in the Home Affairs Offices from having to bustle about desperately and sitting helplessly while being berated, with people saying they just do not know anything when their advice is sought. Therefore, if we want to assist in building management, we should look into arbitration service in greater depth. This is a very important strategy, so I hope the Government will attach importance to it.

MR KWONG CHI-KIN (in Cantonese): Madam President, I wish to talk about the issues relating to civil servants. I am happy that Secretary Denise YUE has come back to listen to our views.

Concerning the overall policy on the Civil Service, I have got in touch with civil service unions and most of them pretty much accept the present policy of the Government and their responses were actually quite positive. I also wish to tell Secretary YUE that after she has taken over the post of the Secretary for the Civil Service, the evaluation of her work by civil service unions has been quite good. I hope that while Secretary YUE has won the approval of civil service unions, she can also help us resolve some of the issues that we in the labour sector have all along pursued doggedly. That would be even more satisfying.

Just now, Miss CHAN Yuen-han talked about outsourcing. Although the SAR Government of the previous term promised that outsourcing would not affect existing civil servants, to many colleagues whom we call non-civil service contract staff, in the final analysis, the issue of outsourcing is still a cause of concern. To permanent staff on pensionable terms, this practice will not pose any threat to their jobs, however, to colleagues on non-civil service contract terms, this system of outsourcing is ultimately not very welcome. In fact, Secretary YUE is also very pragmatic. She has examined the civil service establishment and told us in a meeting of the Panel on Public Service that the Government had already scrapped the ceiling of 160 000 and in future, the Government would determine the establishment of the Civil Service according to the actual needs of the Government. We welcome this move.

In addition, Mr WONG Kwok-hing asked if the pay of staff on non-civil service contracts would be raised this year. We have also discussed this in a meeting of the Panel on Public Service. The drift of the Secretary's comments was that the decision would be left to heads of department. I expressed my view that the Civil Service Bureau, being in charge of overall co-ordination, should in fact monitor the pay rise situation of non-civil service contract staff this year. There is no reason for the Hong Kong Government, as the major employer in Hong Kong, to treat this group of colleagues of ours on non-civil service contracts in this way. Their description is already very odd as they are called "non-civil service contract staff" when these employees are in fact working for the Government. Apart from giving them this appellation, not to mention the fact that they perform the same duties but are paid differently, their appointments are also not permanent. Since the economy is so good this year and the Government has such a great amount of surplus, why can we not show some gratitude to this group of non-civil service contract employees? An appropriate pay rise is definitely in order.

The Secretary has undertaken to follow this up. I hope that the Secretary will give us some good news in the meetings of the Panel on Public Service later and settle this matter concerning the colleagues on non-civil service contracts. I have said just now that on the overall policy on the Civil Service, I heard some civil service groups and unions say that they find it acceptable and they generally think that their relationship with the Government is not as strained as it was several years ago. Several years ago, civil servants had a strained relationship with the Government mainly over the problem of fiscal deficit, which made it necessary to reduce pay and manpower. However, after we have resolved the fiscal deficit, this problem no longer exists.

Nevertheless, there are still some problems inherited from the past, namely, the non-civil service contracts mentioned by me just now. We discussed this throughout last year. There are 16 000 such non-civil service contract posts and the Government had reviewed some of them and converted 4 004 of them to permanent ones, that is, permanent posts. We welcome this move, however, in the course of creating permanent posts, some problems have arisen. Various departments took measures on their own, so some did a good job, whereas the situation in some departments was a cause for concern. The Government said that it was necessary to conduct open recruitment and in the

final analysis, it has its own justifications because the recruitment made by the Government must be open, however, we have also said a number of times that existing employees on non-civil service contracts already possess the relevant work experience.

Normally, open recruitment is desirable because in the final analysis, they still have an upper hand, and the Government has also told us in its reply that they naturally hold an edge. We hope, and it would be best if the existing non-civil service contract staff can be recruited directly. However, since the Government wants to conduct the recruitment procedure, we hope that the impact can be reduced and that these colleagues can pass the transition smoothly. However, there are still some issues that cannot be solved, namely, that of academic qualifications. For example, the Government requires that applicants must have a pass in English but some people cannot fulfil this requirement. Regarding cases in which difficulties are encountered, I hope various departments can find a solution. A Member also said just now that this group of colleagues worked for the Government on paltry pay during the SARS outbreak and when the avian flu posed threats. They took great risks in performing those tasks. Now that the Government's circumstances have improved, there is no reason for ill-treating these colleagues who helped us when we were in financial difficulties.

Concerning the 4 004 posts, we hope that the transition can be smoother. As regards the other 12 000 posts, how is the situation? In fact, we have contact with many employees of this kind. What they are concerned about is that although they are now working on contract terms, they do not know if they will be offered another contract. Will the Government outsource the work by then? I hope the Government will cautiously deal with these 12 000 posts that have not been converted to permanent ones.

I have heard many praises sung of the Civil Service Bureau but the greatest problem of all lies in these non-civil service contracts. To the labour sector, if this problem cannot be solved satisfactorily, the labour sector will of course level sharp criticisms. We do not want the Government to take the lead in creating unemployment despite the improvement in its fiscal position. I reiterate that I hope the Secretary will help us take measures and follow up this matter, so that these 16 000 existing colleagues on non-civil service contracts can retain their jobs, and it would be the best if permanent posts can be created.

Madam President, I also wish to talk about another problem, that is, this year's policy address says that the system of political appointments will be expanded and the Government plans to create the posts of Deputy Directors of Bureau and Assistants to Directors. This issue has aroused some controversy and some of the comments are quite negative. I personally think that these disproportionate and inflated criticisms are uncalled for. Several years ago, I sat on some government advisory bodies and the Government raised this issue several times to consult the members at that time. I remember that my colleagues at that time came from various trades and sectors. Some of them hailed from professional backgrounds, for example, the academic and business sectors. I remember that we discussed the issue of expanding the accountability system and the system of political appointments on several occasions and the views I heard were quite favorable. Unfortunately, now that the Government has formally proposed this policy and the political sector has discussed it a number of times, there were quite a number of criticisms, whereas the views that supported the Government in expanding the accountability system several years ago have not come through.

I do not quite understand the reason for this. When this policy is formally introduced, will it be possible for the Government to We have consulted various sectors through advisory bodies and various trades and industries and all the people were quite unanimous in supporting this policy, so why have those views not been reflected? I remember that there were discussions at that time. Some friends supported this policy when taking part in the discussions because they believed that it was not possible for the Directors of Bureau to handle so much political work single-handedly, particularly that of coming to the Legislative Council to field questions from Members. If the Directors of Bureau cannot come, it is necessary for the Permanent Secretaries, who are civil servants, to represent them. Many friends considered that this arrangement was not desirable and that it would make some colleagues in the Civil Service who should remain politically neutral undertake political work with great effort. In fact, I believe it is inadequate to have just one Director of Bureau and this political tier should be expanded. Specifically, the proposed policy is designed to add some Deputy Directors of Bureau or Assistants to Directors. This measure to expand political appointments is founded on reasonable grounds because, in view of the present political scene in Hong Kong and the numerous controversies, the Directors of Bureau and their deputies and assistants have to do more to communicate with people of various sectors to see

if it is possible to reach consensuses by identifying some middle-of-the-road options.

A lot of people queried and voice concern about whether the Chief Executive will use the newly-created posts to make political deals so that he can form his own team or use them as political rewards. I hope the Government will pay greater attention to these queries. Since there are such queries, I hope that appropriate political talents can be identified to handle the work in this area when this plan is implemented. I believe some of the queries are not at all sound, for example, that of whether it is necessary to share the same political conviction as the Chief Executive. This is in fact a matter of course. Although my beliefs may not be the same as those of the Chief Executive and we have even quarrelled over the issue of a minimum wage, I believe we must allow the Chief Executive to have a team of his own. Since we have implemented the political accountability system and the Chief Executive already has a group of politically appointed officials, if we think that the effectiveness of the work carried out by this team is not great enough, I think it is a reasonable move to expand this team. I personally support this policy. I hope that when the Government implements this policy, it will be able to identify suitable candidates, so that the accountability system can be implemented more smoothly and the talents on political appointment in Hong Kong can communicate with members of various sectors in a more in-depth manner. In fact, it is necessary for more people to take part in political work so that there will be less political disputes in Hong Kong and more time to build consensuses.

Thank you, Madam President.

MR FREDERICK FUNG (in Cantonese): President, one can say that the comments on constitutional development in this year's policy address completely lack novelty. They only repeat the delaying tactic proposed by the Chief Executive when he was running in the election and he is only trying to muddle through by exploiting the consultation on the Green Paper on Constitutional Development (the Green Paper). The personal attitude of the Chief Executive towards universal suffrage is to pay no heed to it and avoid stating his position on dual elections by universal suffrage in 2012 in any way.

I remember that in his election platform announced early this year, the Chief Executive set down promoting democratic development in Hong Kong as

one of the five main themes and declared that he would completely resolve the issue of for electing the Chief Executive and forming the Legislative Council by universal suffrage within his term, that he would issue the Green Paper in the middle of this year and, based on the discussions of the Commission on Strategic Development, deduce three proposals for universal suffrage, to be followed by a three-month public consultation. A report would be submitted to the Central Authorities to reflect faithfully any mainstream view formed during the public consultation. That was the promise made by the Chief Executive when he was running in the election.

The SAR Government finally launched the consultation on the Green Paper in July this year. However, the Chief Executive did not, as he said earlier, propose three options on universal suffrage. Quite the contrary, in an attempt to cause confusion, the issue of universal suffrage was broken down into a number of multiple options, and the consultation on controversial issues was even sidestepped.

The Hong Kong Association for Democracy and People's Livelihood (ADPL) believes that there are many inadequacies in the entire consultation on the Green Paper, be it in the method of consultation and the contents of the consultation. They all expose the fact that the Government is only adopting a tactic of muddling through and that it has failed to perform its proper constitutional role of taking forward universal suffrage. First, the Green Paper breaks down the issue of universal suffrage for the Chief Executive and the Legislative Council into a number of fragmented multiple options with a lack of consistency between them. Simply put, this patchy approach makes the options for universal suffrage lack comprehensiveness, so it is difficult for the public to make any analysis.

In addition, although the authorities have carried out consultation on the composition of the nominating committee and the number of members in it, concerning the nomination procedure for the Chief Executive, it only selectively asked questions concerning the number of candidates without mentioning the core issue of the method of nomination in any way. Will the authorities introduce some undemocratic screening mechanism in order to exclude dissidents from running in an election? There is no way for the public to learn about this and the degree of manipulation in this kind of nomination procedure is also a cause of concern to the public.

What is more, the Green Paper went so far as to list the retention of functional constituencies as one of the options in introducing universal suffrage to elect the Legislative Council. Such an approach is really unreasonable and violates the principles of universal suffrage such as "universal and equal suffrage", "one person, one vote" and "each ballot carrying equal weight". Article 68 of the Basic Law stipulates clearly that "the ultimate aim is the election of all the members of the Legislative Council by universal suffrage" and Annex II to the Basic Law also stipulates that the seats returned by geographical constituencies through direct elections from the first Legislative Council to the third Legislative Council will gradually replace those seats returned by small circle elections. Obviously, this arrangement evidences the principle that the functional constituencies will definitely be replaced. However, it turns out that the Government has gone so far as to propose in the Green Paper such an option that contravenes the Basic Law. This really makes one feel totally at a loss.

Even so, at that time, the ADPL still adopted a pragmatic attitude and called on the public to actively voice their opinions on future constitutional development, so as to voice their strong demands for dual elections by universal suffrage to the authorities, moreover, they should not be confined by this so-called framework. The ADPL hopes that after the Government has finished its consultation on the Green Paper, it will draw up a genuine mainstream proposal and timetable for dual elections by universal suffrage as soon as possible and to relay Hong Kong people's strong demand for democracy to the Central Authorities in earnest.

The ADPL also expressed its views to the Government in October this year and we believe that any mode of universal suffrage must comply with the stipulations concerning universal suffrage in the Basic Law as well as the elaboration on universal suffrage in Article 25 of the United Nations International Covenant on Civil and Political Rights (ICCPR).

Articles 45 and 68 of the Basic Law set out clearly the goal of moving towards dual elections by universal suffrage. Since Hong Kong already possesses various conditions for implementing universal suffrage, including a sound legal system, solid economic foundation and quality residents, and given that the general public strongly demands the implementation of universal suffrage, and with nearly all public opinion polls indicating that 60% of members of the public support dual elections by universal suffrage, the discussion on the

same should be translated into action as soon as possible and we should move in this major direction.

In addition, Article 25 of the ICCPR states right at the beginning that "Every citizen shall have the right and the opportunity, without any of the distinctions mentioned in article 2 and without unreasonable restrictions: (a) To take part in the conduct of public affairs, directly or through freely chosen representatives; (b) To vote and to be elected at genuine periodic elections which shall be by universal and equal suffrage and shall be held by secret ballot, guaranteeing the free expression of the will of the electors."

Article 2 of the ICCPR says that each State Party to the present Covenant undertakes to respect and to ensure to all individuals within its territory and subject to its jurisdiction the rights recognized in the present Covenant, without distinction of any kind, such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status. I wish to stress in particular that Hong Kong people are most concerned about political opinion.

Therefore, any mode of universal suffrage for electing the Chief Executive and the Legislative Council must comply with the foregoing principles, including such principles as "universal and equal" votes, "one person, one vote" and "each ballot carrying equal weight". For example, the threshold for nomination to run in the Chief Executive election should be lowered by all means and functional constituencies in the Legislative Council based on distinctions of social class and status must be scrapped.

Concerning the timing and mode for implementing the election of the Chief Executive by universal suffrage, simply put, the ADPL demands that universal suffrage be introduced in 2012 and the existing Election Committee be adopted as the basis and changed to that of a nominating committee in the future. The composition of 800 members at present should be expanded to 3 200 members and each eligible voter should have the right to being elected as its members and to elect its members. In other words, the electoral base of the nominating committee is "one person, one vote" by ordinary voters. Of course, this number of 3 200 members is only an example. If some people think that 3 200 members are too many, will 1 600 members do? The number is only of secondary importance and what matters most is to return the nominating committee by voters through "one person, one vote".

In addition, each member of the nominating committee can only nominate one candidate and a candidate running for the office of the Chief Executive has to be nominated by at least 5% of the members of the nominating committee. Ultimately, our Chief Executive will be elected by "one person, one vote" and a simple majority. After the elect is appointed by the Central People's Government, he will formally become the Chief Executive of the SAR.

The ADPL also demands that the Legislative Council be returned by full-scale universal suffrage in 2012 and the electoral mode of a two-vote system, or what we call the "mixed system", be adopted. Each voter will have two votes, one for geographical direct elections and half of the seats in the Legislative Council will be returned by "single-seat-single-vote" system on a geographical constituency basis. Concerning the other vote, Hong Kong as a whole will form one single constituency and various political parties or groupings can submit their lists of candidates. The other half of the seats in the Legislative Council will then be allocated according to the proportion of the votes received. President, in fact, the ADPL has put forward this proposal to the Constitutional Affairs Bureau before and the Green Paper, which was just published, also mentions the ADPL's proposal four times, only that it was broken up to pieces. Even after one has looked at the proposal of the ADPL as cited in the Green Paper, one will have no idea how the proposal of the ADPL is like at all.

In addition, the direction of the policy address this year and the consultation on the Green Paper is the same, in that there is less mention of the other areas of constitutional development. Dual elections by universal suffrage is certainly the core issue in constitutional development, however, the ADPL believes that it is also necessary to develop other complementary arrangements at the same time. In the past, the authorities or people who are pro-establishment often cite the lack of political talents in Hong Kong as the ground in deferring the implementation of universal suffrage. Although the ADPL does not agree with this, ultimately, the issue does not lie in the abundance or otherwise of political talents but in the excessive conservatism and exclusiveness of the entire political system, as well as the excessive concentration of power in the Government's hands, thus political talents lack the opportunity for development and there is not even any opportunity to enter the system.

If we look at the present situation, it will not be difficult to see that the Government has not taken any active measure to improve the abovesaid situation and even some ideas mooted by the Chief Executive earlier on, such as the

creation of the posts of Deputy Directors of Bureau, have seen some progress only recently. The ADPL believes that this is a direction that should be encouraged, and it is also consistent with the view of the ADPL, that the development of the accountability system should be supported. In order to develop the accountability system, the most important thing is to change the existing civil service system into a civilian system, so that civil servants can really become civil service officers and all political duties will be assumed by the Chief Executive or the Directors of Bureau and Deputy Directors of Bureau appointed by him.

On the whole, the ADPL is of the view that the Government must seriously review the entire structure of governance and place emphasis on the delegation of power, so as to enhance public involvement. For example, the appointment system of the District Councils must be scrapped and the District Councils should be empowered to play a part in district administration. Advisory and statutory bodies should develop in the direction of openness and transparency. Regardless of their political positions, people must be recruited on merit. Moreover, it is also necessary to commit resources and assist civil groups and political parties in carrying out policy research, so that they can get hold of sufficient information, grasp the actual situation and offer more accurate advice to the Government. We must affirm the development of political parties before the Government will be willing to carry out this kind of work or allocate resources. Therefore, we hope that in its future administration, the Government will also discuss what role it can play in supporting and assisting in the future development of political parties.

President, I so submit.

DR FERNANDO CHEUNG (in Cantonese): President, many Honourable colleagues have pointed out the deficiency of this policy address in its mention of matters relating to the constitution, the promotion of democracy and the implementation of universal suffrage, so I wish to focus on the so-called further development of the accountability system, that is, to express my views on the creation of additional posts of Deputy Directors of Bureau and Assistants to Director.

I am very concerned about this system because in a society which is already excessively skewed towards one side and imbalanced, that is, with the

excessive concentration of power and resources in the hands of a small group of people and in an undemocratic political system in which members of the public have no right to choose their own leader, the further expansion of such appointments really makes me feel very concerned.

Some time ago, we could read some news reports saying that some Secretaries had met with Mrs IP, who is a candidate in the Legislative Council By-election. However, President, it may not be that easy for me, who is a Member of the Legislative Council, to make an appointment to meet the Secretaries. In the past, I wanted to make an appointment to meet the Secretaries relevant to the profession to which I belong, for example, Secretary Dr York CHOW or Director Paul TANG — at that time, they were the Secretary for Health, Welfare and Food and the Director of Social Welfare respectively — to discuss matters relating to social welfare, however, even such requests for meeting were turned down. I have also requested, together with some service recipients such as the parents of people with disabilities, to meet the Secretary to discuss with him the issue of the quality of homes, a problem that they are concerned about, but our request was also turned down.

Recently, some Honourable colleagues wanted to make an appointment to meet Secretary Dr York CHOW, hoping to discuss with him the issue of expectant women coming to Hong Kong — that is, the issue of the charges for natal services — however, Secretary Dr York CHOW again refused to meet my colleagues. I think that the situation is really serious because as a Secretary under the Government's accountability system, if he turns down the requests of Members of the Legislative Council for a meeting and if he also turns down the requests of members of the public for a meeting flatly, I can only cite a remark made by Andy LAU Tak-wah, who says, "Service like this just isn't good enough. How should it be? Take a look"

As a Member representing the social welfare sector, of course, I am very concerned about various matters relating to the social welfare sector or the development of services. In the past, I wanted to tell the Secretary time and again that there ought to be long-term planning in social welfare development, and it was necessary to have a blueprint. In fact, such a system existed in the past and it was a policy inherited from the former colonial Government. In fact, we also followed such a system in the early days of the reunification, but it was then discarded very quickly. However, the whole sector believes that this

kind of planning is very important but the Government just cannot get it, whereas the Secretary just keeps turning down requests.

However, in the policy address on this occasion, the Chief Executive has done a very good job and he said that he is going to carry out long-term planning on social welfare, so we are very pleased about this. However, how will this be undertaken? By tasking the Social Welfare Advisory Committee to open discussions. Nevertheless, although I am a Member representing the social welfare sector, I have not been invited to join any of the advisory bodies relating to the social welfare sector. President, I do not mean that I want to receive an appointment because as a Member of the Legislative Council, my hands are already full with what my duty calls on me to do, so why should I want any appointment? However, being in such a position, I hope to take part in the fairly important discussions that are directly related to my sector, for example, the long-term planning for social welfare. However, it is precisely in this framework for discussion that I cannot play any part. President, I once directly requested to take part in such discussions and join these bodies, however, my request was rejected flatly.

Recently, a controversy also arose in my sector, that is, 5 000 colleagues took part in a rally to express their discontent with the existing lump sum grant arrangement. All of a sudden, Secretary Matthew CHEUNG said that the discussion on lump sum grant had commenced, however, where does the relevant discussion take place? It turns out that the discussion is taking place in the Lump Sum Grant Steering Committee. President, again, I do not play any part in it.

This is not a problem relating just to the sector to which I belong but to governance as a whole and to how the SAR Government formulates its policies nowadays. However, in the discussion on the formulation of the relevant policies, there is a deliberate attempt to sideline from the discussion a representative who is most representative of public opinion and elected into the Legislative Council by the relevant sector. Because my voice is not pleasing and is at variance with the government line. The Government is taking such a narrow-minded attitude and making such a distinction between people according to their political affinities. It is obvious that it is not letting a certain person take part in all the relevant discussions because it does not like to hear his voice. I am often the last person to be notified of what has happened in the sector.

President, we naturally understand that the SAR Government can employ this kind of Machiavellism and take various approaches permitted by regulations and the law to suppress some views, however, this is not an approach of governance for the 21st century. If one does not even have the magnanimity to sit down and discuss different views, how can one talk about pursuing excellence in professional governance? In fact, on the face of it, Hong Kong seems to be a very advanced world city, however, it turns out that its internal politics is so narrow-minded and it is obvious that there is a distinction between people according to their political affinities. Furthermore, there is even a plan to add some Deputy Directors of Bureau and Assistants to Director, so as to further appoint more people holding the same beliefs. President, we already have too many people sharing the same beliefs, and it is them who made the decision on everything. It is other voices and a little bit of balance that are lacking. The Legislative Council is no longer capable of exercising checks and balances on the Government and we are already being too executive-led. Yet the authorities still want to make things even more executive-led by appointing more people of the same ilk to its ranks. If the political parties are considered to be one of their kind, they will be given more opportunities, however, if they are more distant and hold different views, they are suppressed and no opportunities will be given to them, so that they will never see the light of the day. Is it healthy to let the political system develop in this way?

Honestly, if we had universal suffrage now and the Government were elected through universal suffrage, it would not be strange at all for it to make the appointments. If it has been given legitimacy by the public and the public has confidence in it, it should govern according to its beliefs. It is absolutely correct to appoint people having similar beliefs to lead our Government, as should be the case for societies with full democracy. However, in a democratic society, people have the chance to effect turns or make replacements. Although it is you who govern today, if you are not doing a good job and your beliefs cannot win the approval of the public, it is possible you will be replaced in the next term. Therefore, it is such checks and balances that ensure we must be people-based in governance.

This policy address says that we have to be people-based, however, the "people" it refers to do not have the right to exercise their basic human right, that is, the right to choose who will form the Government. This being so, what is all this talk about being "people-based"? Without universal suffrage, if one keeps using such systems to enhance one's political capital, this will only further

marginalize the actual needs of the public. What you people can see will only be identical with what people sharing your views can see and all of you will only see one picture.

If the political situation is so unhealthy, lacks checks and balances or any channel for communication and suppresses dissent, and given that the authorities have such narrowness that they can even ignore a representative who was elected according to the rules of the game laid down by them for the small circle election, may I ask how I can believe that the so-called further development of the accountability system in future will be conducive to our governance?

President, in fact, I wish to give more time to aspects of people's livelihood, however, I must also express my extreme discontent with this system. Thank you, President.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): If not, Council will now be suspended for 10 minutes. Designated public officers will speak when Council resumes.

4.49 pm

Meeting suspended.

4.59 pm

Council then resumed.

PRESIDENT (in Cantonese): Council now resumes to continue with the first debate session. Six designated public officers will now speak in this session. On the basis of 15 minutes' speaking time for each officer, they have up to 90 minutes in total for their speeches.

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): Madam President, on 10 October, the Chief Executive announced the 2007-2008 policy address entitled "A New Direction for Hong Kong". The Chief Executive advocates the concept of "Progressive Development" as the governing principle of the Third Term Government of the Hong Kong Special Administrative Region (SAR). He insists that the primary objective must be economic development, emphasizing at the same time that development must be sustainable, balanced and diversified, and that development must help bring about social harmony, with different strata of people sharing the fruits.

When this policy address was being thought up and mooted, the Chief Executive and his team conducted many rounds of consultation to gauge the views of various social sectors. Opinions were sought far and wide, with a view to ensuring that the policy address can genuinely reflect the concerns of the various social sectors and answer people's aspirations. Following the announcement of the policy address, we also attended many briefing sessions organized by the Legislative Council and the mass media as well as other public forums, explaining to the public the rationale behind the policy address and the specific measures it sets forth.

Judging from the responses of the Legislative Council and political parties, the public opinions and the findings of opinion polls over the past two weeks, we can say that the various social sectors are generally agreeable to the concept and measures put forward in the policy address. Naturally, there are some who maintain that the Government may still do more and do better in some specific policy areas. We attach very great importance to the views of various social sectors. All views, commendations and criticisms alike, can help us take stock of our achievements and mistakes. That way, when we embark on development in the new direction, we will be able to appropriately adjust our path and avoid any waste of efforts. In these three days, other accountability officials and I will further expound the Government's position concerning the various policy areas covered by the policy address and respond to the concerns of Members and the public.

In the time to follow, several Secretaries and I will speak on the policy area of "developing democracy and enhancing governance".

First, in regard to universal suffrage, I must point out that the development of democracy with the ultimate aim of returning the Chief Executive and the Legislative Council by universal suffrage is in fact a solemn undertaking set out in the Basic Law. The Third Term SAR Government has both the sincerity and determination to tackle the issue of universal suffrage in its five-year term of office, so that the various social sectors can concentrate on economic development, improving people's livelihood and fostering social harmony.

The public consultation on the Green Paper on Constitutional Development ended on 10 October. During the consultation period, the Secretary for Constitutional and Mainland Affairs, other relevant Secretaries and I all listened to the views on constitutional development expressed by organizations and individuals belonging to different sectors and also by members of the public. In general, discussions have been both sensible and pragmatic. While the public generally aspire to the early implementation of universal suffrage, they also realize that this is in fact a complex social exercise, the timing and detailed arrangements of which will have far-reaching impacts on Hong Kong's long-term prosperity and stability.

During the consultation period, we received a total of more than 18 000 submissions. In the coming three months, we will collate all the views received and assess whether it is possible to narrow the differences in society, so that a basis can be formed for forging a consensus on how universal suffrage can be implemented. After collating the views of various social sectors, the Government will publish a detailed report for public information. A report truthfully reflecting the views collected will also be submitted to the Central Authorities.

People-based governance, smooth administration and people's support are the cornerstone of social harmony. In the following part of my speech, I shall discuss how we can ensure smooth governance by making efforts in three areas, namely establishing a good relationship between the executive authorities and the legislature, furthering the development of district administration and encouraging public participation.

First, I shall talk about the relationship between the executive authorities and the legislature. I believe the general public will all hope that the executive authorities and the legislature can both perform their functions in accordance with the division of responsibilities set out in the Basic Law, always focusing on Hong Kong's long-term and overall interests and people's well-being. It is hoped that they can adhere to their respective roles, give full play to their abilities and accommodate differences while seeking common grounds. Such is what I expect of myself, other accountability officials and Members. Other accountability officials and I shall take concrete actions and exert our utmost to build up a good and close working relationship with the Legislative Council. In accordance with the principle mutually agreed, we shall enhance our communication and co-operation with the Legislative Council. Specifically, we shall, as far as possible, inform the Legislative Council before we announce any major policies or decisions. We shall also consult the relevant panels and listen to the views of the Legislative Council as early as possible on major policy, legislative and financial proposals.

District Councils (DCs) are an important channel through which the Government can gauge the public sentiments. They are also our principal partners in furthering the development of district administration. We will further enhance the role of DCs and allocate additional resources to them, so that all the 18 DCs in Hong Kong can participate in the management of designated district facilities and conduct community involvement activities and district minor works. Heads of departments will continue to attend DC meetings on a regular basis, with a view to enhancing the communication between the Government and DCs on major policies, livelihood issues and district development. Besides, we will also enhance the support for District Officers, so that they can perform their leadership and co-ordinating roles, promptly address issues concerning people's livelihood within their districts and further improve people's living.

With the development of society, the general public, enterprises and various organizations have voiced an ever-increasing demand for involvement in the formulation of major public policies and directly voicing their views. We believe that public participation will enable the Government to gain a deeper understanding of the expectations of the masses, thus ensuring that policies can better meet the needs of society. We will continue to actively open major policy issues to public involvement and discussions. For example, concerning the West Kowloon Cultural District and the heritage conservation policy, we are

currently conducting an extensive consultation exercise and communicating with stakeholders and the masses. Furthermore, in regard to the environmental and competition policies and the health care financing proposal, we will also need the active participation of the public, so that a social consensus can be forged. Bureau Directors will continue to reach out to the community and conduct district visits to communicate directly with people and understand their needs.

Hong Kong's long-term development must depend on its ability to "leverage on the Mainland while engaging itself globally". This has long since been a consensus in Hong Kong. The emergence of our country has brought fresh development opportunities to Hong Kong, ushering in a new era for us. We must therefore make early preparations. It is for this reason that the Chief Executive has advanced the concept of "new Hongkongers" in his policy address. Apart from being determined to upgrade themselves, pursue their ideals and work hard, "new Hongkongers" must also look at Hong Kong in the context of our country's future development, so that they can position themselves properly and capitalize on their unique advantage under "one country, two systems". Our most important task should be to tie in with the long-term development plan of our country and to further enhance our co-operation with mainland provinces and cities, especially Shenzhen, Guangdong and the Pan-Pearl River Delta (Pan-PRD).

Preparatory work for the National 12th Five-Year Plan will begin next year. On the basis of the National 11th Five-year Plan, the SAR Government will strengthen its ties with the relevant departments and ministries of our country, so that under the principle of "one country, two systems", the SAR can make early efforts to tie in with the State's formulation of the 12th Five-year Plan. This can help us grasp the direction of the Mainland's social and economic development, formulate timely and effective measures and consolidate Hong Kong's irreplaceable position and function in national development.

And, we will also continue to promote Hong Kong's co-operation with the Pan-PRD and provinces and cities such as Guangdong and Shenzhen. There will be all-out co-operation indeed. Of the 10 infrastructure projects mentioned in the policy address, four are cross-boundary infrastructure projects. Our objective is to provide the kind of policy and infrastructure support necessary for the fast and convenient flows of people and goods in the Pan-PRD Region, so as to tie in with the State's development strategy and further expand Hong Kong's hinterland of investment co-operation.

Next year will be the 10th anniversary of the establishment of the Hong Kong/Guangdong Co-operation Joint Conference. The economic integration of Hong Kong and Guangdong is maturing as time goes by, with co-operation projects covering a wide range of areas. The co-operation has turned increasingly diversified and achieved concrete results. We will strive to enhance Hong Kong-Guangdong co-operation, so that we can bring forth a win-win situation that can meet the needs of Guangdong's economic transformation and industry upgrades and also promote the co-operation of both sides in infrastructure construction, environmental protection and people's livelihood.

Regarding the issue of jointly developing a world-class metropolis with Shenzhen, the work concerned is now in steady progress. We will speed up the negotiations and studies on airport collaboration and the development of the Lok Ma Chau Loop. We believe that with the common goal of both sides and through concrete efforts, we will certainly be able to make continuous headway in Hong Kong-Shenzhen co-operation.

There is another dimension to the meaning of "new Hongkongers" — we must seek to gain a better understanding of the Motherland's development, and while cherishing individual liberties and pluralism, we must also have a stronger sense of national identity.

The Basic Law is what links Hong Kong and the concept of "one country, two systems", a powerful guarantee of "Hong Kong people ruling Hong Kong" and a "high degree of autonomy". The SAR Government has always attached very great importance to the promotion of the Basic Law, and we will continue to do so among the various social sectors through different channels. We also plan to invest more resources in further enhancing people's knowledge and understanding of the Basic Law.

To instil a stronger sense of national identity in Hong Kong people, we must deepen their understanding of our national development and increase their sense of cultural identity. The SAR Government will vigorously promote national education, especially among young people. Through school curriculums, teaching and various extra-curricular activities, we will strive to enhance young people's understanding of our country and instil a stronger sense of national identity in them. The Beijing Olympic Games and the Olympic

Equestrian Events in Hong Kong next year will present a rare opportunity for Hong Kong to share the joy of our national prosperity.

Members have expressed many views on the policy address, but due to the time constraint, I cannot respond to all these views one by one. A moment later, my colleagues will offer their explanations and responses in a more comprehensive and in-depth manner. I wish to emphasize that this is indeed a pragmatic and proactive policy address, one which can address the needs of all sectors in society. There are calls in society for stronger support for the underprivileged and the elderly. The Government fully recognizes such aspirations. A caring society of love is precisely what we have been striving for. In the policy address, many concrete measures have been proposed to achieve this aim. It is hoped that with the joint efforts of the Government, enterprises and individuals, plus a multi-pronged approach, people can be helped to help themselves. The Government will certainly give active consideration to all relevant proposals, and it will also make good use of public money for the purpose, in the hope that those in genuine need can really benefit.

The purpose of the Motion of Thanks is to provide a platform on which the Government and the Legislative Council can express their respective views and opinions on the contents of the policy address, so that administration can be improved. As long as the views and suggestions expressed by Members in the debate are conducive to the overall interests of Hong Kong, we will certainly listen to and take actions on them proactively. We do not wish to see the motion debate being turned into a show of political stances and a struggle for political chips.

With these remarks, Madam President, I sincerely call upon Members to support the 2007-2008 policy address of the Chief Executive. And, I also oppose the amendments proposed by Members to the motion.

Thank you, Madam President.

SECRETARY FOR JUSTICE (in Cantonese): Madam President, in the policy address the Chief Executive mentioned that he would appoint the Secretary for Justice (who is myself) to lead a task force to combat juvenile drug abuse. He also mentioned that I would set up a working group to promote the development of mediation services. Some Members said earlier that this actually reflected

that the Chief Executive has attached little importance to the public's access to justice and that he has confused the role of the Secretary for Justice. I would like to give a response to their views.

Firstly, in respect of mediation, professional mediation services are generally recognized as a very important direction for promoting access to justice. This is a very clear world trend widely supported by the judicial sector and the legal profession in Hong Kong. Ms Miriam LAU mentioned in her speech earlier the importance and merits of mediation, while Mr James TO opined that mediation can indeed play an effective role especially at the community level. When I raised the issue with the stakeholders and discussed with them ways to study and promote mediation in Hong Kong, the proposal was highly welcomed and supported by them, including the Judiciary, the legal profession, mediation agencies and the relevant university bodies.

In fact, a lot of efforts have been made in this regard. In end November this year, a large-scale conference will be organized to promote mediation. At the end of the year, as also mentioned in the policy address, a working group will be set up to facilitate and promote mediation. That the Chief Executive has particularly mentioned in the policy address the need to promote mediation is precisely a reflection of the importance that he has attached to access to justice and a harmonious society, and it only stands to reason that the working group for the promotion of mediation should be led by the Secretary for Justice. In fact, the Panel on Administration of Justice and Legal Services has discussed the development of mediation services and will actively follow it up this year. Ms Miriam LAU also mentioned in her speech earlier how promotional and publicity work should be carried out to ensure greater public understanding of mediation. Mr James TO pointed out that it is all the more necessary to promote mediation in respect of building management. All these will be covered in our consideration and actively followed up. As a matter of fact, in respect of building management, the Judiciary has announced that a pilot scheme will be introduced by the Lands Tribunal on 1 January next year to promote mediation.

Secondly, with regard to the problem of juvenile drug abuse, we all know that the number of juvenile drug abusers has continued to rise in Hong Kong. It is indeed necessary for us to tackle this increasingly serious problem with a multi-pronged approach. To the entire SAR Government, this is an important task requiring measures implemented with increased strength. As the Secretary

for Justice is the Deputy Chairman of the Fight Crime Committee, I think there is no question of a conflict of roles if the Secretary for Justice will lead a cross-bureaux and inter-departmental task force in this capacity. Being the Deputy Chairman of the Fight Crime Committee, I have all along studied with various Policy Bureaux and departments ways to combat crime, including the problem of juvenile drug abuse, and I often attend meetings of District Fight Crime Committees to hold discussion with their members.

Some Members may not have a very good understanding of the work of the task force. The task force is not charged with front-line investigation and law-enforcement duties. Rather, it will focus on enhancing cross-bureaux and inter-departmental efforts at a strategic level, building on the existing fight crime and anti-drug networks to maintain liaison with various sectors of the community, with the Narcotics Division playing a major co-ordinating role. Moreover, the task force will consider some measures, including those mentioned by some Members earlier on. For instance, in respect of drug abuse, consideration will be given to conducting some tests, such as hair analysis, and also to the issue of parents' consent, and so on. Some Members mentioned penalty earlier on. This actually involves a myriad of legal issues. It is precisely because many complicated legal issues are involved that I think it is entirely reasonable for the Secretary for Justice to provide a lawful framework and direction for development.

Madam President, I am certainly very grateful to Members for reminding me that my duty as the Secretary for Justice is to act as the principal legal adviser to the Chief Executive and various government departments and tender to them independent and objective legal advice, while carrying out prosecution in a fair and impartial manner. My colleagues and I will certainly make the utmost effort to discharge our duties. But constitutionally and pragmatically, the ambit of the Secretary for Justice is not confined to simply being the legal adviser to the Government and head of prosecution. I do not see how a conflict of roles will arise if I am appointed to lead this task force to combat juvenile drug abuse. Indeed, the Chief Executive is committed to taking vigorous steps to tackle this problem. While the task force will increase my workload and that of colleagues in other Policy Bureaux, we will do everything we can for this cause, and I hope that Members can give us their active support. Finally, I urge Members to support the Motion of Thanks. Thank you.

SECRETARY FOR CONSTITUTIONAL AND MAINLAND AFFAIRS (in Cantonese): Madam President, first of all, I am very grateful to all the Honourable Members who have put forward a lot of valuable opinions today on constitutional development and related issues, thus having adequately stated your respective positions in such issues. I would like to specifically respond to two aspects, namely, constitutional development and the political appointment system.

During the past three months, after the release of the Green Paper on Constitutional Development (Green Paper), we have conducted extensive public consultation in society, the Legislative Council, District Councils and other sectors. After assuming the office for 11 days, the incumbent Chief Executive and the third SAR Government have already released the Green Paper, showing that we are fully aspiring to strive ahead with you within this term of five years in identifying a package for Hong Kong to eventually attain the ultimate goal of universal suffrage in our constitutional development. If Members care to refer to the Basic Law, they will know that it was the Central Authorities which had, in response to the aspirations and opinions of Hong Kong society and people, incorporated the ultimate goal of universal suffrage into the Basic Law in 1990. The electoral systems described in the Basic Law are even more progressive than those contained in the Sino-British Joint Declaration. Because there are only two very simple provisions in the Sino-British Joint Declaration: that the Legislative Council will be formed by elections, whereas the Chief Executive shall be selected by consultations or elections held locally. Both did not mention universal suffrage. Universal suffrage will be implemented in Hong Kong just because of the Basic Law. Therefore, regarding Mr LEUNG Yiu-chung's request on us to reiterate our determination in this aspect, I have absolutely no problem about this.

The Chief Executive and the entire team of the SAR Government are absolutely determined and confident that, together with you, we shall be able to identify the package during the next few years because we do not wish to see that people in the political arena of Hong Kong are constantly engaged in internal attrition on the subject of universal suffrage. We hope that after finalizing the plans of universal suffrage in Hong Kong, when the pattern, roadmap and timetable of universal suffrage have become available, people who contest in elections, be they wish to run for the office of the Chief Executive or a seat in the Legislative Council, do not have to write the following line as the first statement

of their platform, "I support the implementation of universal suffrage in the year XXXX." Because by then the plan has already been formulated. Instead, the candidates can then focus their election platforms on social, economic and livelihood issues. This is what people in open and democratic societies in overseas countries will do in running for elections or serving in the political arena. Politicians in Hong Kong will do the same in future.

During the past few months, we have focused our discussion on three issues related to the implementation of universal suffrage. The first issue is the timetable for implementing universal suffrage. If Members have paid attention to the opinions expressed by various political parties and groupings, they can see from a partial perspective that the differences in terms of the implementation timetable have in fact already been narrowed. Twenty-three Members support the implementation of dual elections by universal suffrage in 2012; several major political parties and groupings, including the Liberal Party, support electing the Chief Executive by universal suffrage not later than 2017. The DAB supports the election of the Chief Executive by universal suffrage in 2017, whereas members of The Alliance favour electing the Chief Executive by universal suffrage either not later than 2017 or after 2017. Therefore, we can see that, generally speaking, the difference among the various major political parties and groupings is just one term. So if we continue making further efforts, we stand a chance of arriving at a consensus in this regard.

The second issue which we have been discussing in a relatively focused manner is, in selecting the Chief Executive by universal suffrage, how the nominating committee should be formed. How should it operate after it has been formed?

The third issue which we have discussed more is what we should do about the elections of the existing functional constituencies, so as to enable the Legislative Council to achieve the target of implementing universal suffrage.

Madam President, many Members have particularly mentioned that, according to different opinion polls, the people do have some expectation for the expeditious implementation of universal suffrage. We have adequately noted this, and we shall fully reflect this in the report we are now drawing up. However, apart from the responses of people interviewed in the opinion polls, the positions of the various political parties and groupings and independent Members also play a very critical part in the constitutional context. This is

because, as Mr CHIM Pui-chung has repeatedly reminded us, according to the provisions of Annexes I and II to the Basic Law, if we want to introduce changes to these two election methods, it is necessary to achieve consensus in three aspects, namely, there must be a proposal endorsed by a two-thirds majority of all the Members of the Legislative Council; the consent of the Chief Executive; and the approval or the acceptance for the record by the Standing Committee of the National People's Congress. Of course, we fully understand the point stressed repeatedly by Mr CHIM Pui-chung, that Hong Kong is not an independent entity. As such, we have made it very clear in the Green Paper that, if Hong Kong wishes to properly deal with the issue of constitutional development, we must understand the fact that Hong Kong is a Special Administrative Region which should implement the arrangements of "one country, two systems" in the context of the resumption of sovereignty by the Central Authorities, and according to the Constitution of the country, the Central Authorities hold the ultimate power to determine which constitutional system Hong Kong should adopt.

Ms Emily LAU in particular has cautioned us that, during the period of public consultation, we should not have any bias and should not only listen to the opinions of any particular side. I can assure her emphatically that we have not attached any undue significance to the opinion of any particular side. If she wants to know which organizations or persons from the opposition camp I have met with, then at least there were such people from several sources. The Hong Kong Democratic Foundation had organized a seminar that saw my participation and expression of viewpoints and audience to their responses. The Synergynet Group had organized a seminar in conjunction with other organizations, which was attended by many people. And Ms Emily LAU had also led her friends from The Frontier to have a meeting with me to express their views. I am very grateful to them.

We are in the process of working hard to summarize the responses collected during the past three months as well as the submissions received from different sectors. After we have compiled this report, Madam President, we shall submit it to the Central Authorities and we shall also release it to the public of Hong Kong and brief the people and the District Councils of its content.

Next, I wish to discuss the further development of the political appointment system. During the past one week, we have had opportunities to

explain the issue to Members in both the Legislative Council meeting as well as the Panel on Constitutional Affairs and listen to Members' responses. I wish to stress three aspects: First, this package of proposals is a sequel to our arrangement of introducing the political appointments of Secretaries of Departments and Directors of Bureaux in 2002, which should further expand the framework of political appointments, in the hope of enabling the younger generation to have more channels to take part in politics. Apart from joining representative assemblies to become Legislative Council Members or District Council members through elections, people will have the chance to join the administrative framework of the Government. In this way, it will provide more room for people who are interested in discussing political affairs or taking part in politics in Hong Kong, thus enabling them to gradually climb up the ladder in the world of politics.

Secondly, in putting forward our viewpoints this time, we have actually drawn reference from overseas experience. In open and democratic countries overseas, there are usually mechanisms that allow two to three tiers of ministers on political appointment.

Thirdly, we hope to further develop the political appointment system, so as to give future Chief Executives elected by universal suffrage enough room to build up a political coalition as well as to pave the way for election of the Chief Executive by universal suffrage.

In both yesterday's meeting of the Panel on Constitutional Affairs and today's Council meeting, some Members queried why the indirectly elected Chief Executive should be granted such power to nominate and appoint dozens of Secretaries of Departments, Directors of Bureaux, Deputy Directors of Bureaux and Assistants to Directors of Bureau. It is necessary for us to reiterate that, though we have not attained the goal of electing the Chief Executive by universal suffrage, Hong Kong is already a very open and liberal society which upholds the rule of law, so as members of the team of the SAR Government, we need to hold ourselves fully accountable to the Council in accordance with the Basic Law. There would be co-ordination and checks and balances between the executive authorities and the legislature. In presenting its policy and legislative proposals, the SAR Government will have to be accountable to the Council, the mass media and the public. We do have such conditions for building up the team of principal officials as well as their deputies, with the purpose of assisting

the Chief Executive in his governance and even further, in his accountability to Hong Kong society as a whole.

Yesterday, I pointed out that the situation of Hong Kong's political appointment system is very similar to those of jurisdictions practising the presidential system. In jurisdictions practising the presidential election system, the ministers and deputy ministers are usually appointed. This is substantially different from the situations of those jurisdictions practising parliamentary system, such as Britain, Canada and Australia, and so on. In such countries, after a general election is held, the majority party will form the government and the cabinet. However, in places practising the presidential election system, the head of state returned by an election will nominate and appoint ministers and officials of the rank of deputy ministers.

When we drafted the Basic Law in 1990, we had already opted for a proposal similar to the presidential election system, that is, both the Chief Executive and the Legislative Council are returned by elections and, in addition, through two different channels. However, we naturally understand that Hong Kong has not progressed to the stage of electing the Chief Executive by universal suffrage. So we still have to work harder in this regard.

Madam President, we are now making advancement in three directions simultaneously to promote the constitutional and democratic development in Hong Kong. In the first direction, we hope to arrive at a consensus on the hardware of the elections of both the Chief Executive and the Legislative Council in Hong Kong society as well as among people both inside and outside this Council. In the second direction, we hope to open up the administrative framework to make use of the system of officials as the software for providing room for nurturing political talents. In the third direction, this system is designed to provide new room for the Chief Executive to gradually build up his political coalition. This can be done in a number of ways. For example, several Members of the Executive Council are also Members of the Legislative Council. Although they are appointed in their personal capacity, they do serve as significant channels for us to communicate with the Council, various political parties and groupings and Honourable Members.

In future, if Deputy Directors of Bureau and Assistants to Directors of Bureau and even Principal Officials are allowed to retain their background of political affiliation when they join the executive framework, they would then

serve as another kind of channels to enable the Chief Executive and the SAR Government to have connection with the various political parties and groupings of this Council, which means there can be communication and co-operation.

Therefore, the third direction of development is the development of the political convention. It is necessary for us to gradually establish such political connections, so that after each Chief Executive is elected, he can have a team to assist him in implementing his election platform.

In fact, as candidates of the Chief Executive Election, Mr Alan LEONG and Mr Donald TSANG had the opportunity to participate in a comprehensive debate before television cameras in March this year, to explain fully to the people and society of Hong Kong how they would implement their respective ways of governance and administration in the next five years. Insofar as Hong Kong is concerned, this was a major step forward, that is, a new convention emerged from an election with competition. Therefore, I am confident that by 2012, when we conduct the election to select the fourth Chief Executive, Hong Kong can proceed even further.

However, it is a bit unfortunate that, although we have been putting forward this package of proposals in a proactive manner, the responses we have received from Members are relatively "negative". They tend to adopt a "labelling" approach. They tend to make comments such as "if we only look for people with similar political views to work with the Government", these are all negative. May I ask, of all the governments in the world, when a chief executive wishes to do a good job in his official position, if he does not find someone sharing his political convictions to work with him, do you mean to say that he should look for people with different political viewpoints to join the Government?

Let me draw an analogy. In March this year, if Mr Alan LEONG had won the election and became the third Chief Executive, do you mean to say that he would go ahead appointing Dr Philip WONG into his Executive Council? Therefore, I hope Members from the opposition can refrain from playing the trick of confusing concepts. We are putting forward such proposals in a proper and step-by-step manner and we are doing it for the long-term development of Hong Kong.

During the past few years, I have been working with Members in handling many political and constitutional issues. According to my own observations, I find that Members of the opposition have kept raising their thresholds. For example, in 1999, in the Airport incident, they had asked why the Chief Secretary for Administration did not come forward to assume the responsibilities. In 2000, in the substandard piling works incident, they focused on discussing the positions of the Chairman of the Housing Authority. But in 2002, when we proposed that there should be political appointments for Secretaries of Departments and Directors of Bureaux under the accountability system, they changed their tune to say that since the Chief Executive was not elected by universal suffrage, he should not enjoy such extensive power to build such a political team. As we moved onto another stage, in 2005, after making much hard efforts, we managed to put forward the election packages for 2007 and 2008, but they vetoed them on the ground that the timetable for implementing universal suffrage was still unavailable. Now, we have put forward the current scheme of appointing Deputy Directors of Bureau and Assistants to Directors of Bureau in the hope of creating room for building up a political coalition. And during the past few years — Ms Emily LAU admitted that we had heeded your opinions — we have taken one step forward, but they still said that it could not be implemented because we still do not have universal suffrage.

I wish to remind Members not to let the concept of universal suffrage, nor should they allow "universal suffrage not yet implemented" to become an excuse, hinder Hong Kong from making progress in various aspects because we should take whatever forward move we can make, even if it is just one step forward. With regard to universal suffrage, we shall implement it. We are working very hard to collate all the opinions presented by Members. Eventually, when the discrepancies of our opinions have suitably narrowed down, the SAR Government will put forward a package of proposals which include the mode of universal suffrage, a roadmap and a timetable. I hope by then we can strive with a common goal to achieve the consensus on such a package on universal suffrage, thereby making it possible for us to jointly turn a historic page for Hong Kong.

With these remarks, Madam President, I hope Members will support the Motion of Thanks.

SECRETARY FOR THE CIVIL SERVICE (in Cantonese): President, first of all, I would like to thank Members for their concern and views about civil service matters.

As the Secretary for the Civil Service, I have the responsibility to do my best to maintain a professional team of civil servants who are politically neutral, clean, efficient and committed, and to ensure that civil servants and non-civil service contract (NCSC) staff are fully committed to supporting the governance of the Hong Kong Special Administrative Region (HKSAR) Government and providing the community with quality public services.

In the addresses made by Members just now, Mr WONG Kwok-hing, Miss CHAN Yuen-han, Mr LEUNG Yiu-chung and Mr KWONG Chi-kin have expressed their views on the issue of NCSC staff. I would like to thank them for their opinions. I also understand why they have put forward such views. However, given only limited time, I would like to make a brief response here.

Firstly, the Civil Service Bureau has issued Policy Bureaux and departments with detailed guidelines on the employment and management of NCSC staff to ensure that the NCSC Scheme is duly implemented. It is clearly set out in the guidelines that bureaux and departments can only employ NCSC staff within the ambit of the NCSC Scheme, that is, to meet service need that is time-limited, seasonal, under review or subject to the latest technical changes or market fluctuations from time to time. Also, the employment of NCSC staff by bureaux and departments has to be considered and approved by the more senior-ranking officers. In addition, an upper limit is set for the employment of NCSC staff to meet the special operational needs of individual bureaux and departments. If the number of NCSC staff to be employed by a bureau and department exceeds the upper limit, prior approval from the Civil Service Bureau will have to be sought.

Last year, the Civil Service Bureau conducted a special review in conjunction with other Policy Bureaux and departments and confirmed that it would be more appropriate for civil servants to perform the duties of 4 000 or so NCSC posts. We, together with other Policy Bureaux and departments, will follow up this issue and arrange the gradual replacement of such posts with civil service posts. The arrangements for replacing NCSC staff will unavoidably deal a blow to some NCSC staff. Therefore, we will do our best to minimize this when implementing the scheme. Generally speaking, departments will not

terminate the contracts of existing NCSC staff before expiry. They will also ensure that such staff members are informed of all civil service recruitment news. If NCSC staff are not offered a renewal of contract, they should be notified by departments in advance, so that they will be given adequate time to find a new job or plan for their future. Moreover, departments will do their best to offer appropriate assistance to affected staff members by, for example, providing them with job news and arranging training courses on interview skills for them if necessary.

Some Members suggested that the Government should arrange a "through-train" mechanism and give the NCSC staff priority consideration for appointment during civil service recruitment. On this issue, I had made it clear at the Panel on Public Service meeting of the Legislative Council that this proposal was unacceptable. It is because it has been the Government's established recruitment policy to fill civil service vacancies through an open, fair and competitive recruitment process, under which the best persons from the eligible applicants are selected on the basis of merits. The introduction of the "through-train" arrangement, which is against the principle of openness and fairness, would be unfair to those who are not serving in the Government but are interested in the civil service openings as they would be deprived of the opportunity to apply for such civil service posts. Having said that, we welcome serving NCSC staff who are interested in such civil service openings and meet the basic entry requirements to take part in the open recruitment process. They will have an edge over outside candidates given their government experience.

Mr WONG Kwok-hing mentioned just now that the pay of NCSC staff has not been handled and adjusted in a fair way. In response to such an accusation, I would like to point out that civil service and NCSC appointments are two distinct types of employment. Their purposes and circumstances of employment are also entirely different. While civil service appointment is meant to provide a stable workforce on a permanent basis to meet long-term operational needs, the employment of NCSC staff is to meet service needs which are short-term or part-time, or subject to market fluctuations, or where the demand or mode of delivery is under review. It is therefore not appropriate to directly compare the terms of employment and remuneration packages of NCSC staff with those of civil servants. The remuneration offered to NCSC staff is an all-inclusive pay package. In determining the pay level and terms of employment of NCSC staff, heads of departments will consider factors like the situation of the job market, operational needs of departments, the recruitment

and manpower of the relevant posts in the market, and the pay of the comparable civil service ranks. We believe that heads of departments will ensure the pay and terms offered would be attractive in order to recruit staff of suitable calibre.

As regards pay adjustment for NCSC staff, given the job nature of such kind of appointment, we consider it more appropriate for the departments concerned to make their own decision on the level of pay for their NCSC staff. The department head may take into account a number of factors, including the situation of the job market, recruitment and wastage of staff and management and operational needs of the department, when considering the suitable pay level for NCSC staff recruited, subject to the condition that their pay should not exceed the mid-point salary of comparable civil service ranks or those ranks with comparable duties. While the pay adjustment level for the Civil Service is naturally one of the factors to be considered, it is by no means the sole factor in the deliberation on the pay adjustment level for NCSC staff. The pay adjustment levels should not be directly compared and there is no direct correlation between them. In fact, although there was a pay cut in 2005 and a pay freeze in 2006 for the Civil Service, some departments that are major employers of NCSC staff like the Food and Environmental Hygiene Department, Social Welfare Department and Leisure and Cultural Services Department raised the pay for some of their NCSC staff during that period.

In fact, it has been the practice of some departments to review the need for adjusting the pay for their NCSC staff in the latter half of each year and then make a decision. I understand that they will adhere to this timetable of handling this issue in 2007.

I noted just now that Mr CHIM Pui-chung suggested that the Government should ban retired civil servants from taking up employment in the business sector so as to avoid conflicts of interest or transfers of benefit. In fact, we have already put in place a stringent mechanism under which senior civil servants intending to work for the private sector within a specific period after their departure or retirement from the Civil Service should submit an application to the Government. They can only be employed by the private sector after their applications have been approved. We think that this can strike a balance. While senior civil servants can enjoy the basic human right to take up employment after leaving or retiring from the Civil Service, the public concern over our efforts to avoid any possible conflicts of interest and transfers of benefit has been addressed.

President, the Chief Executive has proposed in his policy address to enhance the training of civil servants on the Basic Law. I would like to take this opportunity to express my thanks to Dr Philip WONG, Mr LAU Wong-fat and Mr TAM Yiu-chung for their support. The Basic Law is the bedrock constitution of Hong Kong. The HKSAR Government has always attached importance to the promotion of the Basic Law among civil servants, who are provided with appropriate training on it. We will further enhance the training on the Basic Law in a more systematic approach to make it an integral part of the training for the Civil Service in 2008-2009. Our plan will include the provision of three Basic Law-related courses, that is, an introductory course for new appointees, an intermediate course for middle-level management and an advanced course for senior officers. In addition, we will organize interesting and easy-to-follow learning and promotional activities for all civil servants, in particular junior and front-line staff, in order to create a stimulating atmosphere for learning the Basic Law.

The Chief Executive has also mentioned in his policy address that the Basic Law would form part of the civil service recruitment examination. Mr LEE Cheuk-yan holds a different point of view. I wish to emphasize that the objective of this measure is to promote public awareness of the Basic Law and to ensure the new appointees have some understanding of the Basic Law. We are working out the detailed arrangements, which will be announced in due course. The format of assessing candidates' knowledge of the Basic Law will be determined according to the entry requirements and job nature of individual grades. The way by which the assessment is conducted will fit into the recruitment procedures. For example, candidates' knowledge in this area can be tested through examinations or selection interviews. However, I have to emphasize that the Government will consider the overall performance of candidates for selection of appointment. Candidates' performance in the Basic Law test will be one of the factors to be considered in the overall assessment and will not affect their eligibility for applying for civil service posts.

The constitutional role of civil servants is to support the serving Chief Executive and his Government. The two features of the Civil Service, namely permanency and political impartiality, enable it to perform such a role. The permanent nature of the Civil Service provides stability and continuity to the governance of Hong Kong through changing times and changing leadership. The permanency of the Civil Service goes hand-in-hand with its political impartiality. The Civil Service must be politically impartial in order to serve

the Chief Executive, the Principal Officials and the Government of the day — whatever their political persuasion — with total loyalty.

In particular, I would like to point out that the concept of a politically impartial Civil Service does not mean that it needs not engage in any work with political content. In making policies, civil servants put forward honest and impartial advice on policy options formulated by the Government of the day to their best abilities. Once decisions are taken by the political tier, civil servants will, regardless of their own personal convictions, implement the decisions taken and discharge their public functions without fear or favour. Traditionally, senior civil servants have been involved in work with political content, such as explaining and defending government policies and decisions, and lobbying for support for them. However, they remain neutral and are not in favour of any political party when doing such work.

The political team will play a more crucial role in undertaking important political work after the new political appointment positions have been created. This does not mean that civil servants, particularly experienced officers, will not be required to take part in, for instance, parliamentary work. Doing such work is not contradictory to the principle of political impartiality of the Civil Service. To secure political impartiality, a core value of the service, civil servants should avoid getting involved in certain political work, such as electoral politics and electioneering activities for any individual or party. To maintain the Civil Service's political impartiality in the further development of the political appointment system, the Civil Service Bureau will issue a Civil Service Code to establish a framework under which civil servants are expected to work with the appointees under an expanded political appointment system. The Code will set out the principles and values which civil servants are expected to uphold and the roles and responsibilities of civil servants under the expanded political appointment system, thereby delineating the working relationships between the Civil Service and the politically appointed officials.

President, I understand that the public has very high expectations of the Civil Service. In this respect, we will continue to work with dedication and strive for excellence. As a whole, Hong Kong is blessed with an excellent civil service team. I believe that most of the public recognize the contribution of the Civil Service. I look forward to continuous co-operation with my colleagues in the Civil Service, Members of this Council and the community at large to ensure that the Civil Service will continue to make improvements and, as in the words of

Mrs Sophie LEUNG, support the governance of the SAR Government and deliver quality public services with an open attitude and dedication.

President, I sincerely hope that Members can support the original motion. Thank you, President.

SECRETARY FOR SECURITY (in Cantonese): Madam President, the Security Bureau is tasked with the important duty of maintaining peace and stability in Hong Kong. Our aim is to reinforce the basic and existing edges of Hong Kong so that it can remain as one of the safest cities in the world where citizens can live and work peacefully. With this in mind, the Bureau will take actions in line with government policies for the keeping of law and order, ensuring internal security, facilitating cargo and passenger flows, providing effective and efficient fire protection, ambulance and rescue services, and also correctional and rehabilitative services. I am very grateful to the many Members who have given us valuable advice on various facets of the policy area on security. Now I am going to respond to a number of points raised.

We have for many years a proven Independent Police Complaints Council (IPCC). In July this year, we introduced the Independent Police Complaints Council Bill into the Legislative Council to propose that the IPCC be established as a statutory body in order to enhance the independence and transparency of the IPCC and to increase public confidence in the police complaints system. The bill stipulates the IPCC's functions and powers in relation to its monitoring and reviewing of complaints against the police. The Legislative Council Bills Committee held its first meeting on the bill on 18 October. We would continue to listen to views from all parties and keep in close touch with the IPCC with a view to seeking the enactment of the bill in this Legislative Session.

Many Members have spoken on the need to tackle the rising trend in drug abuse among youths. The Secretary for Justice has explained to Members earlier that it is proper for him to head the relevant cross-bureau task force and I would not dwell on this point. In a meeting of the Panel on Security held on 17 October, a Member asked whether the work of the task force would overlap that of the Action Committee Against Narcotics (ACAN) or that the ACAN would in any way be hampered in discharging its functions. As I said repeatedly in the previous meeting, the ACAN has through the years given many

valuable suggestions and advices in the formulation of the relevant policies and it also plays a crucial part in forging co-operation among various quarters. We respect and treasure the contribution made by the ACAN all through these many years. The task force will work from a strategic level to promote cross-bureau and inter-departmental efforts in this regard. In no way will the task force take over the role played by the ACAN or can it do so. The task force will stay in close partnership with the ACAN. Since members of the ACAN come from many sectors in the community, this will give the task force a good chance to keep in touch with sectors across the community through the ACAN, while gauging and listening to their views. The ACAN welcomes this move by the Government to set up a task force to combat drug abuse among youths.

Mr James TO has made some comments on the Interception of Communications and Surveillance Ordinance. He referred to a recent court case. As the trial of that case is in progress, I do not wish to make any comments on it here. However, I can tell Members that the Interception of Communications and Surveillance Ordinance has come into force for more than a year since last August and the operation of the Ordinance has been smooth generally. The Commissioner on Interception of Communications and Surveillance has submitted the full-year report for 2006 to the Chief Executive. Pursuant to the stipulations of the Ordinance, the report will then be submitted to the Legislative Council later for scrutiny by Members. We will also submit the findings of the study undertaken by the Administration on issues raised in the report to the Legislative Council Panel on Security. The Panel on Security has arranged that the item be discussed in its meeting on 6 November 2007. We will be glad to receive comments from members of the Panel on the Commissioner's full-year report and findings of the study undertaken by the Administration.

In addition, I would like to turn to our efforts in combating money laundering. Money laundering and terrorist financing activities know no national boundaries and in order to maintain Hong Kong's position as an international financial hub, we need to harness support from all sectors to maintain this robust and effective anti-money laundering and counter-terrorist financing regime. Our law-enforcement agencies will continue to take active steps and collaborate with other jurisdictions to combat laundering activities. The relevant departments and sectors will take forward the "40+9" Recommendations made by the Financial Action Task Force on Money

Laundering with a view to perfecting our anti-money laundering and counter-terrorist financing regime.

Madam President, social stability and law and order are the cornerstones of a peaceful life of the people and they are also vital conditions attracting inward investments, talents, students and tourists. The Security Bureau will continue with its dedicated efforts in taking these initiatives forward to maintain our competitive edges to complement the development of our economy and in other aspects.

I implore Members to support the original motion. Thank you, Madam President.

PRESIDENT (in Cantonese): This is the end of the first session. Now the second

(The Secretary for Home Affairs raised his hand to indicate that he had not spoken)

PRESIDENT (in Cantonese): Sorry, Secretary for Home Affairs.

SECRETARY FOR HOME AFFAIRS (in Cantonese): Madam President, starting with Dr Philip WONG, many Members have touched on the topic of national education which the Chief Executive discussed at considerable length in this year's policy address. We can hear all Members who have spoken agree that national education should be promoted. There are many Members who think positively of the idea and there are also some Members who indicate that they do not oppose it. Members have said that they agree with the Chief Executive when he says in the policy address that Hong Kong people should view Hong Kong "from the perspective of national development". As Mr CHIM Pui-chung has said, since Hong Kong is part of the People's Republic of China and a Special Administrative Region in it, this accounts for the emphasis made in the policy address that great importance should be attached to promoting national education among our young people so that they can have a sense of pride in being Chinese and feel honoured to be nationals of the People's Republic of China. This is a matter of course.

Earlier on the Chief Secretary for Administration stated that the SAR Government would spare no efforts in promoting national education. I know that the Education Bureau will increase the national education element in schools and the Home Affairs Bureau will work with the Committee on the Promotion of Civic Education (CPCE) and the Commission on Youth particularly on the promotion of national education outside schools. We will increase funding support for more relevant activities such as visits/familiarization tours to the Mainland for young people so as to enable them to gain first-hand experience in the developments on the Mainland. We will encourage more schools to hold national flag-hoisting ceremony and set up their own flag-hoisting teams. When we are to promote national education, we will certainly make reference to views from the Commission on Youth, the CPCE and various youth groups. The aim is to make the relevant activities we organize livelier and better suit the taste of the young people.

Promoting national education is a community-wide task and we appreciate efforts undertaken by private-sector organizations and groups in pooling resources and playing an active role in national education. We will take concerted actions and build on the strengths of all quarters to do a good job of this.

While promoting national education, we should also enhance civic education in order that our younger generation can form an integrated character which embraces beliefs and sentiments such as democracy, tolerance, care and, as Miss CHOY So-yuk has said, filial piety. Moreover, as Mr LAU Wong-fat has said, there should be less egotism and more tolerance as this would foster the reaching of common grounds and promote social harmony. As people from all quarters work hard to this end, a better social milieu can be formed. I believe the good socio-political culture that can grow out of this is conducive to the forward development of our constitutional system in a smooth manner.

With respect to district administration, many Members have indicated their approval of the proposal made in the policy address to enhance the roles of District Councils (DCs). The Home Affairs Bureau will enhance work at the district level by increasing provision for community involvement programmes and the implementation of district minor works projects to \$300 million respectively each year. I note that Prof Patrick LAU proposes that in view of the valuable opportunity offered by the Olympic Games next year, there should be a further increase in the resources for various districts so that more works projects can be undertaken. Insofar as the Home Affairs Bureau is concerned,

we will provide additional manpower resources to enhance our support to the work of the DCs.

At the district level, the District Officers (DOs) play a very important role. We will continue to enhance our support for DOs to enable them to play a better steering and co-ordination role in the districts. With the collaboration of the DOs and the DCs, it is expected that the people-based policy objectives can be effectively realized. The Steering Committee on District Administration will continue to provide a platform for top management of various departments to exchange views on issues of common concern and resolve inter-departmental district management issues affecting people's livelihood. Mr LEE Wing-tat suggests that there should be greater flexibility to enable the enforcement of different policies in different districts. It is true that despite the small size of Hong Kong, the 18 districts all have their unique characters, but district administration must comply with the law while efforts must be made also to accommodate the practical needs of the districts. We have selected four districts this year to carry out a pilot scheme and this is an example of employing flexibility in implementing policies at the district level.

As Mr WONG Kwok-hing has said, there should be mutual care and concern in the community. The DOs all attach great importance to promoting this spirit of mutual care and concern in the neighbourhood. In Tin Shui Wai, for example, during the past couple of years and with the help of the DO concerned, some 40 mutual aid committees (MACs) have been established, making the total to some 80. The District Office in Yuen Long in conjunction with the Social Welfare Department and the NGOs have in the past two years helped the MACs set up teams of volunteers, pay visits to families, offer other voluntary services and hold community building activities. Since 2005, visits have been made to nearly 6 000 families as a result of the above programme.

As regards legal aid, Mr LI Kwok-ying has expressed his views on the legal aid system. Compared with many overseas jurisdictions, our legal aid system is not in any way inferior. There are no pre-set upper limits to our legal aid expenses whereas there are such upper limits in some overseas jurisdictions. When no upper limits are set, great care must be taken to compile a budget of the expenses. On the question of fees charged by legal aid lawyers in criminal cases, there is actually a review of that every two years and previously the fees were adjusted. As for a detailed review, we have contacted and discussed the matter with the two professional bodies of law and a consensus on the fees

scheme has largely been reached. Getting this result is by no means easy. I am aware that the Law Society of Hong Kong has strong views on the amount of fees. We give due weight to the views in the hope that the disparities that remain can be narrowed as soon as possible. We will work hard and maintain active dialogue with the two professional bodies.

Madam President, I shall stop here. Thank you.

PRESIDENT (in Cantonese): The first debate session ends.

PRESIDENT (in Cantonese): We now proceed to the second debate session. The policy areas for this session are "energy, environmental affairs, food safety and environmental hygiene, home affairs, creative industry and heritage conservation".

MR FRED LI (in Cantonese): Madam President, I am about to speak but the Secretaries in charge are not present, (*laughter*) however, I hope Chief Secretary for Administration Henry TANG will hear my comments. My speech is about issues relating to the economy, energy and food safety.

Not only are electricity supply and the level of electricity tariffs closely related to the lives of Hong Kong people, they are also very important to the industrial and commercial development of Hong Kong. Of course, I am referring to the Chief Executive's remark that he aims to reach an agreement on the Scheme of Control Agreements by year end. This is a rather important moment. I also know that this Monday, Secretary Edward YAU said in a meeting of the Panel on Economic Development of the Legislative Council that if the negotiations could not produce an agreement, a legislative approach would be adopted. This immediately aroused a strong reaction from some Honourable colleagues of the Legislative Council and they even accused the Government of intimidation like a triad society. In comparison, Members in our camp are more moderate. It turns out that the political parties backing the Government can be even more ferocious when levelling accusations at the Government. Secretary Stephen LAM often says that we are the opposition but sometimes, we

are probably not the opposition but royalists. Particularly when it comes to the environment, we very much support the relevant government measures.

If legislation is enacted to regulate the supply of electricity by the two power companies, the Democratic Party supports the Government in preparing a couple of tricks up its sleeves. It should negotiate but it should also use legislation to prescribe the agreements on electricity supply when necessary. In fact, in the past several decades, this approach was never adopted, so this time around, the approach is a great departure because the Government has already carried out two rounds of consultation and made undertakings openly in the Legislative Council in response to Members' positions. As far as I understand it, in the negotiations, the two power companies still do not accept these positions and one of them is even unwilling to cede any ground, as though there could be no room for discussion with the Government. Consequently, in response to this situation, the Government is considering the adoption of the legislative approach and a legislative framework to deal with the agreements on electricity supply. This is one option that can be taken.

In this regard, the Democratic Party will study this carefully and it will not object to the Government's basic idea because its insistence on several points, in particular, that the rate of return be reduced to less than 10% on average and that the emissions be linked to the rate of return most importantly, we are very concerned about the plan of the CLP Power Hong Kong Limited (CLP) to build a liquefied natural gas (LNG) terminal on Tai A Chau. This will involve assets worth \$8 billion to \$9 billion. If it is constructed within Hong Kong, it will be included in the calculation of the rate of return on assets, thus exerting considerable pressure on electricity tariff. The Government encourages the power companies to use natural gas more because the two power companies are responsible for causing a certain percentage of the local air pollution. If more natural gas is used, the tariff will of course be expensive. If a receiving terminal is built in Hong Kong, the tariff will be even higher. This issue has a bearing on all consumers in Hong Kong, including the industrial and commercial sector and the people who live in residential premises, so we have to weigh this matter up very carefully.

Concerning the LNG terminal, at present, the Democratic Party cannot lend its support because we are still unable to ascertain the actual situation with regard to the Yacheng gasfield off Hainan Island. The CLP maintained that the gasfield concerned would be depleted by 2010, however, we found another

report that says that if more resources are committed and by that I mean \$100 million to \$200 million, and if we dig deeper, a new source of natural gas can be reached and the lifespan of the gas field can be extended. Is this true? We hope the Government will not just listen to the one-sided arguments of the power company because, if I were the boss of the CLP, I would of course also hope that as many assets as possible could be built in Hong Kong because they will all be included in the calculation of the return. Basically, it is the users of electricity who pay for the construction of these assets. Therefore, I think that the Government has to consider cautiously the \$8 billion to \$9 billion in assets that this issue involves.

The Democratic Party reiterates here that the Secretary and the Chief Executive have to hold on steadfastly to its undertaking and must not cede any ground when conducting negotiations on the three points proposed by it, particularly the point that the rate of return be less than 10%. This is our view on energy and the Democratic Party hopes that the Government can discuss the relevant bill with all parties, particularly with the Legislative Council. I think it is necessary to deal with it at an early date because time is running out and we have to understand the contents and details of the relevant bill. More time will be needed to study it, however, we will not oppose the immediate activation of the legislative process.

I can see that Secretary Dr York CHOW has come in, so I wish to switch the topic and talk about my views on food safety. In this year's policy address, the Chief Executive says clearly that he has made food safety a priority in his election platform. If the various measures mentioned in paragraph 65 of the policy address could all be put into practice, I believe the general public would appreciate that the Government has dealt with food safety very satisfactorily. However, if we study the details further, the policies, as the Democratic Party sees them, are not overwhelmingly progressive in nature, rather, they tend to regress a little on taking one or two steps forward. On ensuring food safety, the Government is not wholeheartedly focused on the health of the public, rather, it has also taken many other factors into consideration.

To take the nutrition labelling scheme as an example, this policy proposal has been discussed for more than four years and we Members of the Legislative Council have also moved motions which were passed. We hope that the relevant legislative proposal will be formally discussed in the Legislative Council

at the end of this year or early next year. As far as we know, originally, the legislative process would be divided into two phases and the goal is a "1+9" nutrition label, "1" being calorie, together with information on nine other nutrients. Now, the Government has proposed a "1+6" nutrition label in which the dietary fibre, calcium and cholesterol in the original label will be removed, so the listing of these nutrients will not be required, not to mention trans fat.

Concerning trans fat, in a meeting of the last legislative session, I moved an amendment to a relevant motion moved by Mr Albert CHENG and it was passed. A lot of Honourable colleagues supported the inclusion of trans fat in the labelling scheme. The latest development is that the Government will no longer legislate in phases, however, in the "1+6" proposal, there is no need to list the cholesterol level. To people nowadays, even the mention of the word "cholesterol" would strike fear in them and recently, they are also fearful of trans fat. The Centre for Food Safety and the Consumer Council have recently published the results of a fairly excellent survey study, which makes it possible for the public to know more about trans fat and the fact that trans fat is definitely bad to the body, even more so than saturated fat. The amount of trans fat in a cream bun with coconut floss or an egg tart already exceeds the daily recommended intake of 2.2 g. The greatest problem lies in the use of hydrogenated vegetable oil, or the so-called margarine, which is in fact even worse than cow fat because it contains a great amount of trans fat that will destroy the good cholesterol in the human body. This is our worry.

Madam President, in fact, it is not easy for an item of nutritional information to be included in the label. It is necessary for us to think long and hard when doing so and we must not remove the information included in it easily either. If a piece of information is already included in the label, I believe it will not be removed easily in any country, however, it is very important to consider what information should be included. Unfortunately, with the change in the dietary habits of Hong Kong people, food with high fat content has become their favourite. For example, when they have hotpots, they like to eat fatty beef. The fried chips, drumsticks and pork chops in fast-food shops also contain a fairly high level of cholesterol. The trans fat in some cakes and biscuits is our greatest enemy in that they can cause coronary heart disease. Heart disease is the number two killer in Hong Kong and I need not say too much as Dr CHOW is well aware of this. Therefore, even though the Centre for Food Safety has

conducted tests and called on the Hong Kong public to eat more healthily by choosing food with little trans fat or saturated fat. However, after talking about the risks and problems, does the Government intend to educate the public more comprehensively by reminding them continually that this kind of food really is not wholesome to us? However, since trans fat and cholesterol are not included in the label now, will this not make people see what split personality the Government has?

Recently, various consular officials have lobbied us Members, so I have said in jest that this is intervention in Hong Kong affairs by foreign forces. The whole situation is just like the Eight-Nation Alliance and the countries involved include Japan, the United States, Australia, New Zealand, Italy, France, and so on. Led by the United States, they have formed a united front to lobby us Members and Honourable colleagues have also come into contact with them. They have carried out lobbying for the sake of their countries' products that are imported into Hong Kong, saying that if the "1+9" proposal is implemented, there would be great losses. Two sides will suffer losses, one side being Hong Kong people because their choices would be greatly reduced. It will perhaps be impossible to import the products favoured by a minority of people, be they high-end or low-end products. For example, domestic helpers from the Philippines want to eat food from their home country or those from Indonesia also want to eat food from their home country but a lot of the food from these two countries will not be allowed to be imported, so the consul-generals of these countries came to lobby us. However, what actually is the position of the Government on this? After being lobbied by so many governments of overseas countries, will we compromise under pressure and attach less importance to the health of the public as a result? I have to stress that this time, we did not propose the inclusion of trans fat in the label at all, however, in the United States, trans fat is listed in food labels but at present, this is not the case here. I hope Secretary Dr York CHOW can think further about this.

Concerning the food safety bill proposed by the Chief Executive, this is a completely new piece of legislation which the Democratic Party has advocated for many years. At present, the Government has said that it will discuss this in the new term Legislative Council in 2008-2009 but not in this term. Therefore, I can only hope that Honourable colleagues in the next Legislative Council will scrutinize this piece of legislation as carefully as possible. We support such a

piece of legislation and hope that the Government can table it to the Legislative Council for scrutiny as soon as possible.

Madam President, I so submit.

MR WONG KWOK-HING (in Cantonese): President, during this session, I would like to express my appreciation for two areas. But I also wish to raise four points of deficiency in the hope that the Government will make improvement.

The first area concerns the regulation of the two power companies. In paragraph 40 of the policy address, the Chief Executive is quoted as saying "the Government's stance is very clear". In his response during a meeting held by this Council the other day, Secretary Edward YAU unequivocally stated that legislation would be introduced should the negotiation did not bear fruit upon the expiry of the deadline. While I express appreciation for this statement by the Secretary, I also think that he deserves our support. Although the Secretary was publicly criticized by Members of this Council that he seemed to be acting like a triad society in pressurizing the power companies, I think those Members were seeking to smear him, and such a smearing tactic is not worthy of support.

Hence, insofar as this issue is concerned, I have to borrow these words from others — "I support YAU". In handling the regulation of the two power companies, the Secretary must "adopt a very clear stance", as stated by the Chief Executive, to uphold public interest and follow up the charging of abnormally high electricity tariffs on Hong Kong Island over the years.

Regarding the second area, President, I would like to say a few words on revitalization as this concept was introduced for the first time into the policy address. In my opinion, the introduction of the concept of revitalization into the policy address is worthy of praise. In connection with a study undertaken by me last year, I introduced the study in detail to Mrs Carrie LAM, the then Permanent Secretary and the incumbent Secretary, and Secretary Stephen IP, to reflect our views as well as putting forward the opinion of the community. In this policy address, the concept of revitalization is manifested through the concept of "Progressive Development" with the proposal of revitalizing historic buildings for re-use. This very concept of revitalization is also introduced into

heritage conservation for the introduction of three specific proposals and setting up of a Commissioner for Heritage. In my opinion, all these measures are worthy of support.

But still, this new concept of "revitalization" has to be further consolidated by absorbing overseas experience and summing up local practices. Only in doing so can we further encourage active participation by enterprises, the community and individuals. Only such a concept of revitalization can sustain, flourish and develop long-lasting vitality.

President, I would now like to raise four points of deficiency with respect to the scope of this session.

First, I think the comprehensive greening plan for government buildings (including public housing estates and footbridges) should have a specific timetable and roadmap. The Government cannot simply say that its mission will be accomplished upon the greening of 50 buildings. It is because we will not be able to identify our direction if the Government has merely done this. Furthermore, we cannot consider our mission accomplished by merely introducing green measures for 50 buildings.

Second, it is unacceptable that the Greening Master Plans for the New Territories will not be made available until 2009. I think this is discrimination against the New Territories residents.

Third, it is imperative for the Government to conduct a comprehensive and thorough review and improve the entire procedure involved in the disposal of bodies. I hope under the governance of the third-term SAR Government, laughing stocks caused by mismanagement, such as "corpses overlapping each other", "mix-up of coffins" and "mix-up of tombs", will not happen again.

Fourth, computerization should be introduced to manage tens of thousands of illegal structures throughout Hong Kong in a bid to curb such illegal phenomena as illicit transfer, collusion between business and the Government, or bribery and corruption.

I hope government departments will pay attention to the four points stated above and come up with plans for improvement. Thank you, President.

DR JOSEPH LEE (in Cantonese): Madam President, this year's policy address has proposed to give Hong Kong people a quality city and quality life. I strongly believe that a "health-based" formulation of appropriate food safety and environmental hygiene policies can not only enhance the quality of health of the people, but also continue to provide Hong Kong economy with an efficient labour force to enable the territory to maintain its competitiveness in Asia as well as in other parts of the world.

To achieve "health-based" food safety, the Government must strengthen inspection of the products provided by suppliers of imported food to ensure food safety. In order to safeguard the health of the general public and provide the public with safe food for consumption, the Government, the source countries of imported food and mainland cities must communicate more closely and reach a consensus on agreements on quality and quantity. In other words, a food notification mechanism should be set up to inform the public of information on the quality of imported food clearly and correctly for the sake of achieving effective food control at source. Once certain food is found to be problematic or in the event of any food safety incidents, members of the public must be informed and prompt follow-up actions and response must follow. We have seen from past incidents that the work of the Centre for Food Safety (CFS) has proved effective. Nevertheless, I still hope that the CFS can act even more proactively in the future by, for instance, enhancing its preliminary follow-up work, so as to keep the public better informed of the kinds of food available for safe consumption.

I am pleased to note that this year's policy address agrees that ensuring food safety will be a priority for the Government. However, given that the Chief Executive has acknowledged that food safety as a threat to the public in general might cause concern in the community, why does the Government not expedite the legislative process of a Food Safety Bill and submit it to this Council for scrutiny to enable the enactment to be completed expeditiously within this year or within 2007-2008 instead of waiting until 2008-2009? I hope the Government can consider expediting the submission of a Food Safety Bill to this Council for deliberation. In the meantime, I would also like to urge the Administration to expedite the submission of legislation on the Labelling Scheme on Nutrition Information for pre-packaged food to this Council for deliberation. At present, it appears that there are different voices from different sectors. Furthermore, views are divided on whether the food safety labelling scheme should be confined to "1+6", "1+9" or cover all 14 items. I hope the

Government will not waver or change its position due to any pressure. I also hope that the Government can establish the food safety labelling scheme with a "health-based" objective and expeditiously submit a more inclusive and efficient legislative proposal to this Council for deliberation to avoid further delaying this exercise which has been dragged on for six years.

On environmental policies, the Government must actively review its policies of environmental development at the community level before it can explain to the public how a quality life can be provided. I believe a healthy community environment can help the public nurture a healthy mode of living. Regrettably, with the exception of the provision of an additional country park on Northern Lantau, the Government has failed entirely to make any concrete proposals on key initiatives for building a green community or city. Furthermore, as pointed out by Mr WONG Kwok-hing just now, the progress of the Greening Master Plans for various districts appears to be extremely slow. How can the Government deliver its pledge of providing Hong Kong people with a quality life given such performance?

Lastly, I would like to urge the Government in this session to step up its proactiveness in food surveillance, safeguard public health and build a quality and healthy life. A "quality life" must start with "healthy living".

I so submit. Thank you, Madam President.

PROF PATRICK LAU (in Cantonese): Madam President, praises should be sung of the policy address in that it has specially made much effort in heritage conservation by responding quite positively to the demands persistently made by the public at large, my profession and me.

In general, my profession has responded positively to a series of heritage conservation measures to be launched by the Government. However, the Government is still being criticized as to why it has still failed to implement in concrete terms a long-term and comprehensive heritage conservation policy.

I do appreciate the Government's intention to demonstrate to the public its determination in heritage conservation through a series of short-term operations to revitalize historic buildings. While there is nothing wrong for the Government to act in this way, we must bear in mind that the Home Affairs

Bureau already consulted the public as early as 2004 on Built Heritage Conservation, organized a series of public forums this year, and attended meetings held by 18 District Councils for public views. The biggest problem is, if private antique buildings, such as the King Yin Lei mansion, are not offered a flexible incentive to resolve their problems with complementary measures such as exchange of land, transfer of plot ratio or construction of new buildings, the problem will grow in proportions.

While public consultation is vital and should be continued, it is merely a means. The end can only be achieved by the formulation of a long-term and sustainable policy. As "executive-led" governance is being practised in Hong Kong, I think it is now time for the Government to take the first step. Furthermore, given its plan to create a Commissioner for Heritage, the Government should endeavour to study the implementation of comprehensive heritage conservation policies and expedite the introduction of relevant legislation and guidelines to enable arrangements to be made expeditiously in this regard.

Madam President, built heritage represents the history, culture, uniqueness and sense of identity of society. Preserving our unique history and cultural characteristics through appropriate conservation measures can not only give the public a stronger sense of belonging to their own city, but also encourage tourists to visit Hong Kong for sightseeing and spending.

Hence, I think that a committed and competent government is obliged to take the initiative to inject more resources for the promotion of heritage conservation. Furthermore, we should make good use of our resources, while our coffers still have abundant resources, to invest in heritage conservation. It is feared that we will lag behind our rivals in the region should we fail to act promptly. Therefore, I am in great support of the Government's proposal to earmark \$1 billion for the Environment and Conservation Fund.

In parallel with implementing heritage conservation policies, the Government should also do its utmost to explore other financial sources of conservation, and a more flexible mindset should be adopted. For instance, we may make reference to the experience of other places, such as Britain, Canada, and so on, where a heritage conservation trust fund is established. Although a conservation fund is already set up in Hong Kong, it is not enough to boost our counters for promoting heritage conservation policies.

Madam President, heritage conservation cannot succeed without proper strategies for community planning and redevelopment of old areas, heritage conservation education and convenient transport networks. Simply put, despite the existence of a large number of statutory monuments, such as the Ping Shan Heritage Trail and numerous ancestral halls, studies and Tai Fu Tai in the New Territories, and the exemplary Museum of Coastal Defence, the number of visitors is quite small, very often due to inconvenient transport. Although Hong Kong's heritage and history are included in the curricula of primary and secondary schools at present, there are not many chances for students to really go for a field study because some of the monuments are not opened to the public on weekdays. I very much hope that the Government, stakeholders, and educational and community bodies will pay more attention to this situation and improve it to enable the public to have a better understanding of and more exposure to local culture and monuments.

Lastly, I wish to underline the importance of heritage conservation to environmental protection. Antiques buildings are low-density buildings. They can provide the community with a space for ventilation provided that they are properly revitalized and preserved. For instance, this old building of the Legislative Council in which we are now holding our meeting is considered to be the lung of Central. Of course, it is most important for us to show respect for our youngsters and other members of the public and organizations and concern for their constructive proposals. I hope so doing can make Hong Kong a beautiful city with a strong sense of culture. This is most preferable.

I so submit. Thank you, Madam President.

MR FREDERICK FUNG (in Cantonese): President, as the speaking time for each Member is limited and I still wish to speak on other areas, I can only say a few words on the crucial points of this subject.

First of all, I would like to talk about quality city, heritage and revitalization of historic buildings. I guess no one would expect me to speak on this area. Actually, this area is somewhat related to local districts. For instance, we have been discussing over the years how to turn Sham Shui Po, a relatively old district it was actually the most prosperous district during the 1950s, where there were a large number of factories, garment factories and buildings. During the discussions conducted in the district over the years, we

all shared the view that the Government may put a number of vacated buildings in the district to good use.

We certainly have discussed with the officials of the Home Affairs Department (HAD) at the district level on, for instance, the proposal of creating a culture belt in Sham Shui Po. The culture belt may start from Nan Shan Estate at Tai Hang Tung (the Housing Department has indicated its willingness to allocate half of a car park for constructing buildings at the starting point), pass the oldest estate in the territory (that is, Shek Kip Mei Estate, with Mei Ho House to be retained there) and extend to the North Kowloon Magistracy and then to the Han Garden and ancient tomb in Lei Cheng Uk Estate. All of the buildings on the culture belt deserve to be preserved.

While our discussion was progressing quite smoothly, we were suddenly told by some government departments of their intention to turn the North Kowloon Magistracy into a headquarters for the Hong Kong Examinations and Assessment Authority. After a series of discussions, a question was again raised regarding whether Mei Ho House should be converted into an exhibition hall for the Housing Department or used for other purposes. Of course, we were caught by surprise by a quite constructive proposal of converting the factory buildings in Shek Kip Mei into an art centre. Hence, we find that even though we managed to find a direction during the discussions held at the district level, many government departments were found to think differently whenever a certain policy was about to be finalized and then we would be side issues. Consequently, each matter had to go through repeated arguments and discussions. In the end, we compelled the Government with a majority of vote to accede to our request of creating a culture belt. Hence, even though the discussion is now over, we still do not know whether our request will eventually be granted.

In this policy address, the Chief Executive has, starting from paragraph 40 and especially in paragraph 50, spelt out his proposal of revitalizing historic buildings, including heritage conservation. What is spelt out in these several paragraphs is precisely the consensus reached between the community and individual government departments at the district level. In this regard, the policy address is worthy of our praise. Despite our earlier remarks that we are dissatisfied with certain other paragraphs of the policy address, the Hong Kong Association for Democracy and People's Livelihood (ADPL) considers these paragraphs worthy of commendation.

The culture belt aside, there are still some other buildings in Sham Shui Po, such as Lai Chi Kok Hospital in terms of quality city life, the Nam Cheong Station should be we have been arguing about the Nam Cheong Station for a long time too. Despite our annual request for the Government to consult the District Council (DC) before finalizing its plan, the Government had never presented the DC with any plans. Every year, we would raise the same question to the Government and the Government would invariably tell us that the plan would soon be submitted. However, when the plan was really submitted, the Government would have already set the following month as the deadline for the related tender. As the invitation for the tender had already commenced, the DC could only shout out loud and angrily and call the tender to a halt. Then, members of the DCs had to go about everywhere to discuss with the Secretary or even the Kowloon-Canton Railway Corporation to examine whether the "wall effect" could be avoided in constructing the Nam Cheong Station.

After meeting the Secretaries one after another, we found that they all shared the same view that the matter was not their concern, though the Secretary for Financial Services and the Treasury was eventually found to be responsible. Furthermore, not a single DC member could have imagined the connection between the matter and the Financial Services and the Treasury Bureau. Why? He is involved simply because money is at stake. Given that 10 blocks of 50-odd-storey building, that is 50-odd storeys on top of the existing five storeys, will be built, it will bring the Government a total of \$10 billion, or \$1 billion per building. In other words, it will cost the Government \$1 billion if one less building is built. Therefore, it will all depend on whether the Financial Services and the Treasury Bureau is willing to do so. As a result, the wall effect has become a pecuniary issue; but this is unacceptable to us. Hence, I think that this policy address is highly preferable because the Chief Executive has made it clear that screen-like buildings will basically not be built above the Nam Cheong Station. I hope this promise of the Chief Executive can really be kept.

On the whole, I have three points of view on these issues. First, there should be consensus among government departments internally. If consensus has been reached during a discussion with the community, including the DCs, it should be taken as one reached between the DCs and the Government as a whole rather than individual government departments, to ensure that the matter will not be complicated by side issues. The Commissioner for Heritage proposed to be created by the Government may play a co-ordinator role in the future. I hope this proposal is feasible. However, the delineation of powers and

responsibilities among bureaux and departments can sometimes be very distinct. If a certain matter is taken charge of by a certain department, other departments would have no say or could not interfere in it.

Actually, Secretaries paying attention to the matter should have noticed that, before the establishment of the new-term Government, the ADPL already proposed setting up a Culture Commission to perform this function. In many other countries, a Culture Commission will appoint representatives to different Policy Bureaux to advise on cultural matters. Even in an Education Commission, there will be representatives from a Culture Commission to advise on ways to introduce religious or cultural values into education. Hence, besides approving of the creation of a post of Commissioner for Heritage, I am still concerned whether the Commissioner can co-ordinate other government departments, given his power, standpoint and value. I hope that should the post of Commissioner for Heritage be truly created, his or her actual power can be clearly spelt out.

The second point I wish to raise is that the districts are actually very much concerned about the historic heritage within the districts. Furthermore, district participation is of vital importance. More importantly, I hope the experiences of Sham Shui Po will not be repeated. The matter involves not only the DC and the HAD; it also involves the DC and all government departments. In particular, after a consensus has been reached between the DC and the HAD, all government departments should respect the consensus to avoid wasting so much time.

The last point I wish to raise concerns money. If Hong Kong's present economic conditions truly improve and we truly have such a huge surplus, then if we still base our decision to build screen-like stations on economic considerations unless we are really suffering from extreme poverty and we cannot do without \$100 million or \$200 million the screen-like buildings above the Nan Cheong Station are not only a health concern, they are also not compatible with the existing indicator and policy concerning the ridgeline. Although I agree that money is undoubtedly important, I hope we can, to a certain extent, prevent ourselves from being driven by money. It is particularly important that we were told in the DC by government officials that the plan to build so many high-rise buildings above the Nan Cheong Station was attributed to the "85 000" policy set by Chief Executive TUNG Chee-hwa. However, if the Chief Executive did not mention it again, the policy should be considered not in existence anymore. Hence, for various historical factors, I

hope the design of the Nan Cheong Station can be modified to reduce the number of buildings to be built from 10 to six or less. Only in doing so can the public request be met.

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

Lastly, I have to say a few words on the discussion and negotiation conducted between power companies and the Government. The ADPL has actually stated its position on numerous occasions before, and I will not repeat it. We have also raised questions during the oral question time. Basically, we support the Government taking a tougher stance in the negotiations. If it really does not work, the Government may request this Council to introduce legislation. We will support the Government no matter what.

Thank you, Deputy President.

MR JEFFREY LAM (in Cantonese): Deputy President, the Chief Executive has made it clear in the policy address that he will "promote economic development as our primary goal" and provide us with a quality city and quality life. To achieve these, improving air quality is indispensable.

I believe Members are aware that both Al GORE, former United States Vice-president, and the United Nation's Intergovernmental Panel on Climate Change won the Nobel Peace Prize this year for their contribution in global warming studies and promotion of public awareness of climate change. To achieve world peace and harmony, combat global warming and protect the environment is indeed the duty of every one of us.

Early this month, California Lieutenant Governor, John GARAMENDI, visited Hong Kong for a luncheon in which he opened his speech with the remark that Hong Kong was shrouded in a thick mist. I really felt ashamed when I heard this honourable guest who travelled from afar say he was most impressed by the gloomy sky of Hong Kong. However, his words do reflect an undeniable fact of Hong Kong that is shared by a number of foreign officials and overseas businessmen, that their investment incentives are dampened by Hong Kong's poor air quality, and some of them have even openly stated their intention to pull out of the territory. It has also been pointed out by study reports of

political and economic risk assessment consultancies that many overseas investors have been deterred by the fact that Hong Kong is one of the places in Asia which are worst hit by air pollution.

Deputy President, we can certainly not rely on such a pessimistic approach of "wearing a mask when going out every day" in order to improve air quality. Emissions from plants in the Pearl River Delta (PRD) are also one of the sources of pollution. It is mentioned in the policy address that \$93 million will be earmarked for the Hong Kong Productivity Council (HKPC) to launch a five-year programme to assist and encourage Hong Kong-owned factories within the PRD Region to adopt clean production technologies and processes.

For a long time, Hong Kong businessmen have been acting proactively in complementing the Government's green policies. So far, 615 organizations have signed the Clean Air Charter launched by the Hong Kong General Chamber of Commerce to undertake to introduce green elements into all production technologies and processes in the hope of eliminating pollution at source.

Last year, the Environmental Protection Department (EPD) commissioned the HKPC to launch a Cleaner Production Technical Support Pilot Project. The Pilot Project, which can be considered a small-scale pilot scheme, covers seven industries, including textile product, non-metallic mineral product, metal product, food and beverage production, chemicals and chemical product manufacturing, printing, publication and related industries, and paper and paper product manufacturing. A total of 15 Hong Kong-owned factories in the PRD have participated in the Pilot Project, and four of the factories are already in the second phase of detailed study and design work.

In its daily operation, one of the participating printing companies entails a high consumption of printing ink and plate-making fluid, release of volatile organic compounds (VOC), and a substantial consumption of energy by printing machines and hot water and lighting systems. During the past year after the implementation of the new Pilot Project, the plant installed its water-cooled water chiller with a heat-acquiring water heater to recycle the heat produced by the central water chiller into hot water for use by staff quarters. As a result, a few water heaters originally installed in staff quarters have now ceased to operate, and the consumption of energy has been greatly reduced. At the same time, the extensive use of soy ink during the process of printing has greatly lowered VOC emissions and in turn reduced air pollution.

The Pilot Project greatly merits our encouragement because it can achieve four major benefits, namely saving energy, lowering consumption, reducing emission and enhancing effectiveness. Therefore, I support the proposal of allocating \$93 million to launch the Project. Under the new Project, the industrial sector is also required to invest \$30 million, and the payback period is expected to take several years. The new Project will cover eight industries, that is, furniture production on top of the seven existing industries. It is estimated that there are a total of 15 000 Hong Kong-owned factories operating these eight industries in the PRD. It is hoped that 1 000 factories will participate in the project so that they can turn into seeds consequently to spread the technologies for better and greener results.

As the industrial and commercial sectors are aware, the Hong Kong Government and Guangdong Provincial Government have undertaken to reduce regional emissions of pollutants to the 1997 level by late 2010. In this connection, efforts are being made in many areas to complement the policies of the two places in improving the air quality of the entire PRD Region. It is hoped that we can see a clear, blue sky every day.

I support the proposal raised in the policy address that legislation will be enacted to mandate the replacement of industrial diesel with ultra low sulphur diesel (ULSD) in all industrial and commercial processes. However, given the saying that "giving good money for value", the price of ULSD is after all more expensive. As a result, the cost of small and medium enterprises (SMEs) will rise. I therefore hope that the Government can step up monitoring of changes in oil prices to ensure that the burden of SMEs will not be aggravated.

Deputy President, the Chief Executive has also mentioned in the policy agenda that the duty rate for Euro V diesel will be further reduced to \$0.56 per litre to encourage early supply of this more environmentally-friendly fuel with 80% less sulphur content than ULSD on the local market. It is also planned to adopt in 2009 Euro IV standard — excuse me, it should be Euro V standard — as the statutory standard for motor vehicle diesel available in Hong Kong, in tandem with the European Union.

As emissions from roadside vehicles also contribute to pollution, I support the use of cleaner fuels. However, will the setting of duty rate for diesel at \$0.56 per litre ensure that the pump price of Euro V diesel will not be higher

than that of ULSD? Furthermore, will the entire sum of the duty concession be returned to motorists and not be pocketed by oil companies? This is what we hope for. If there is a huge disparity between the pump price of Euro V diesel and that of ULSD, I believe the burden of motorists, especially professional drivers, will be aggravated and hence, they will refuse to switch to Euro V diesel.

What worries me more is that, as a result of the exorbitant pump price of fuels in Hong Kong, drivers might switch to more frequent use of diesel supplied on the Mainland because the price of diesel is lower there. Nevertheless, the standards of diesel supplied on the Mainland are lower compared with Hong Kong. Furthermore, as the concentration of suspended particulates is also greater, the pollution thus resulted will become more serious. Therefore, insofar as the duty concession for Euro V diesel is concerned, in addition to ensuring the attractiveness of its pump price, the Government should also make more effort in studying the feasibility of setting up duty-free diesel stations in the Frontier Closed Area. Guangdong and Hong Kong should also expedite the introduction of a uniform standard for ULSD supplied in the two places to ensure that diesel vehicles in both places can use a cleaner fuel.

Given the extremely low sulphur content of Euro V diesel and the extremely low level of pollution produced, I hope the authorities can actively consider relaxing the existing legislation to permit the importation of green diesel private cars to offer more choices to vehicle owners. At present, diesel private cars in Hong Kong are supposed to comply with the emission standard adopted in California, the United States. However, as far as I understand it, no diesel private cars throughout the world can meet this standard. Although I have asked the Secretary a number of times questions concerning this, I have still not received a definite reply from the Secretary. The legislation can indeed be described as an intangible castle in the air.

At present, a large number of car makers are launching new models of green diesel private cars and diesel/electric hybrid vehicles. These vehicles not only perform remarkably in protecting the environment, they also consume less diesel than gasoline. I think it is inadvisable for the Government to insist that diesel vehicles cause pollution. Instead, it should offer vehicle owners in Hong Kong more green choices.

Starting from October 2009, the European Union will tighten the emission standard for heavy vehicles to Euro V level. I hope the Government can consider our actual circumstances and examine if Hong Kong can keep close to such a high standard to tighten control. Otherwise, I am worried that the situation will end up like the subsidy scheme for replacing diesel commercial vehicles. Since the implementation of the scheme six months ago, the Government has received only 1 579 applications from the 75 000 pre-Euro and Euro I heavy vehicles throughout Hong Kong. The lukewarm response does illustrate that it is a very heavy burden for vehicle owners to replace their vehicles.

Our discussion of reducing pollution caused by roadside emissions and switching off idling engines have dragged on for quite some time, and the Government has all along indicated that consultation will be conducted late this year. I really hope the Government can put its plan into implementation and delay the matter no more.

As regards the environmental levy on plastic shopping bags, the No Plastic Bag Days have proved to be very successful, with many people spontaneously bringing with them their own shopping bags. Therefore, I think the Government should step up encouraging the public to make less use of shopping bags voluntarily before considering introducing the environmental levy. Most importantly, plastic bags should be reused, and the public should not be given the impression that they may get and consume more plastic bags after paying the environmental levy or donating money to charities.

Meanwhile, I hope the Government can expedite the tender for the EcoPark and develop the green recycling industry at full speed to enable recovered materials to be recycled to become useful products of high economic value for which there is a steady demand in the market for the purpose of thoroughly implementing the idea of reduce, reuse and recycle and turning Hong Kong into a truly green city.

Deputy President, I so submit.

MS AUDREY EU (in Cantonese): Deputy President, the Chief Executive, wearing a golden bowtie and holding a golden policy address, presented us on 10

October with a new direction for Hong Kong. What direction was he trying to lead us to? Was it one leading us to mammonism?

He expressed great confidence right at the beginning. Without a doubt, Donald TSANG has once remarked that Hong Kong's economic development is at its best in two decades. However, much of what he said was only superficial. Despite the surge of the stock market to 30 000 points and property prices to so and so dollars per sq ft, we will hear people we talk to in the markets complain of rampant inflation and exorbitant prices of meat, fish and even vegetables at the moment. Such being the case, the Civic Party would like to raise this question concerning our direction of development: Can the fruits of economic development be shared, thus achieving social justice?

With reference to the new objectives set out in the policy address, the Chief Executive makes the following remark in paragraph 6: "I will insist on promoting economic development as our primary goal Without economic prosperity, people cannot make a decent living and all visions are just empty talk." He also pledges that economic development will be promoted through infrastructure projects. Deputy President, this direction is nothing new. I do not understand why he describes this direction as new. Even the Chief Executive himself points out in paragraph 11 that such progressive development actually dates back to the concept of promoting economic development through infrastructure projects introduced in the 1970s or 1990s with the false hope of continuing to maintain the total value of high production through extensive development, instead of upgrading the quality of living of the people through economic transformation and the development of a high value-added and low pollution cyclic economy characteristic of a economizing society.

Despite the Chief Executive's insistence on three objectives in the paragraph captioned "A New Era", two of the objectives, namely sustainable development and social harmony, still rank after the promotion of economic development as a primary goal. Indeed, this is nothing new because it is just a repeat of what he said in his previous policy address: "We must keep up the momentum of economic growth, otherwise this is all empty talk." Actually, his thinking on the economy and so-called progressive development is diametrically opposed to the sustainable development notion which has been widely recognized internationally in recent years.

During the last debate on the Motion of Thanks, I already stated that, to achieve sustainable development, balance must be struck in three areas, namely the economy, society and environment, rather than according priority to development before introducing some cosmetic changes in environmental conservation, culture and conservation and social aspects.

On environmental protection, the Secretary for the Environment seemed to have indicated to us that a large number of initiatives would be implemented this year, and we should expect a busy schedule because of a number of meetings to be convened by the Panel on Environmental Affairs of the Legislative Council. However, if we take a close look, we will find that, despite the apparently large number of initiatives to be introduced, most of them lack concrete substance. I say so because, Deputy President, they have no timetables. All the initiatives are merely for consideration, review and consultation. Without timetables, the initiatives are merely empty talk for no one knows when they can be implemented, as in the case of universal suffrage. For instance, the mandatory implementation of the Building Energy Codes was proposed a long time ago. However, the Government has merely indicated that he public will be consulted, and there is no concrete timetable for implementation.

Furthermore, there is no timetable for the implementation of the second phase of the Energy Efficiency Labelling Scheme. Despite our lengthy discussion on the producer responsibility schemes for tyres, electrical appliances, electronic products, packaged materials and beverage utensils as well as much delay, no timetables are forthcoming. The same goes for the implementation of the adaptation and mitigation strategies to cope with climate change. Even Harbour Area Treatment Scheme Stage 2 has been put off to the indefinite future. Discussions on revision of the air quality objectives and formulation of air quality management strategy will only resume upon the completion of the study in 2009. Neither are there any timetables for tightening emissions by heavy vehicles and municipal waste charging. Actually, projects with no timetables are very often mere empty talk. I hope the Secretary for the Environment can refer to paragraph 128 of the policy address again to ascertain our need — we need practical actions, more practical actions rather than empty talk. I am very worried. Despite the large number of dazzling initiatives proposed for environmental protection, the number that can be actually implemented is indeed very small.

Global warming is another key issue. In his speech delivered earlier, Mr Jeffery LAM remarked that global warming was among the topics discussed in the context of Nobel Prizes. However, it is mentioned in this policy address that the Asia-Pacific Economic Co-operation (APEC) advocates a new method of measuring energy consumed per unit GDP, called energy intensity, before determining the amount of energy required. If energy intensity is used for measurement, it is shown that a 13% reduction in greenhouse gas emissions was achieved in Hong Kong during the decade between 1995 and 2005.

This is actually misleading, because this method of measurement proposed by the APEC targets countries with high emissions, including the United States and Australia, with the objective of creating a false impression that the problem is actually very trivial. However, this violates the Kyoto Protocol, given that total greenhouse gas emissions should be calculated according to the criteria laid down by the Protocol. If such criteria are adopted for the purpose of calculating total greenhouse gas emissions, there was a 3-million-ton increase, rather than a reduction, in greenhouse gas emissions in Hong Kong during the same period. However, this is not mentioned in the policy address. Instead, the policy address has merely stated that our present conditions are not bad, and there has been a reduction in our greenhouse gas emissions, though this is actually not the case.

Despite the policy address' mention of a consultation on the proposed mandatory implementation of the Building Energy Codes and a proposal to conduct a Carbon Audit in the new Central Government Complex at Tamar, why will the Audit be conducted in one building only? Why does the Government not seek to conduct the Audit extensively?

Furthermore, why has the Government still not discussed with us the emissions strategy or air quality objectives to be adopted after 2010? The Government should not delay the matter till 2010 when it must propose countermeasures hastily before the deadline for the submission of national communications to the Central Authorities. Actually, comprehensive strategies must be formulated expeditiously to address global warming. The Civic Party has all along advocated that the Government should expeditiously formulate adaptation and mitigation strategies to cope with climate change and set up an inter-departmental panel, led by the Chief Secretary for Administration, to co-ordinate matters pertaining to combating global warming. All these are indeed matters of urgency.

As was stated by a number of Honourable colleagues earlier, we certainly welcome the Government's telling us in a strongly-worded statement that preparations have been made and it will call for introduction of legislation on emissions ceilings should its negotiation with the power companies fail. However, it is regrettable that greenhouse gases are not covered. I hope the Secretary can include greenhouse gases when considering introducing legislation.

As regards the introduction of legislation to require motorists to switch off idling engines, we certainly welcome the consultation conducted by the Government. However, the progress of the consultation has been slower than expected. Even though the consultation has already commenced, there is still not enough time for legislation to be introduced during this legislative session. Furthermore, the electronic road pricing scheme is still under study.

Actually, there has been a lengthy discussion on the issue of Air Quality Objective (AQO), and the AQO was laid down two decades ago. And yet the Government will not bring it up again for discussion until the completion of its review in late 2008. Just now, Mr Jeffrey LAM also brought the hazy sky to Members' attention, complaining that this would give overseas investors or guests visiting Hong Kong a bad impression of the territory. The fact that this problem is actually largely caused by suspended particulates was raised by green groups and the Civic Party a long time ago. Unlike many other advanced countries in which PM2.5 is used as a regulatory benchmark, Hong Kong is still maintaining PM10 as its AQO.

When it comes to the wall effect, Mr Frederick FUNG was pleased to point out that the Nam Cheong Station the Civic Party shared the same experience when we met with scores of Secretaries. We were led here and there by three of the Secretaries who indicated that they had no idea of the responsible officials. Just now, Mr Frederick FUNG said that he was pleased to see that the policy address hinted the possibility of lowering the density of the above-station property development at the Nam Cheong Station and the Yuen Long Station. However, he should not feel happy too early because it is pointed out in paragraph 44 that the Government will consider a slight reduction of development density. However, what does a slight reduction mean? How much will be reduced and what are the criteria for lowering the development density? What is the definition of wall effect? We have to wait for the Government's response later to clarify all these issues.

Insofar as municipal solid waste is concerned, the Government is engaging in empty talk, though it is prepared to submit the product responsibility schemes, or the "one plus one" legislation, to this Council for discussion, albeit a bit late. According to the Government, it is considering the implementation of municipal waste charging. But the point is that the Government has merely stated that it will "consider" without demonstrating to the public any determination or commitment on its part. Hence, the municipal solid waste problem facing us is actually very serious. However, we have not seen the Government showing any intention to really deal with the matter. This is why questions about the feasibility of expanding landfills and constructing incinerators are being raised. Actually, the Civic Party does not mean to oppose these measures. However, the Government should give priority consideration to such efforts as waste reduction and boosting the recycling industry and recovery. Yet, we cannot see any measures taken by the Government in this regard. While the Civic Party supports the levy on plastic bags, we still hope that a fund can be established according to the principle of protecting the environment subsequent to the imposition of the levy for waste reduction purposes.

Conservation policy is another issue I wish to make in relation to environmental protection. However, not a single word has been mentioned about this in the policy address. In November 2004, the Government unveiled a conservation policy to promote Conservation Management Agreement (MA) Projects and co-operation between the public and private sectors for the purpose of enhancing the ecological value of 12 priority sites for enhanced conservation. However, three years down the line, the MA Projects are now being implemented in two places only, namely Fung Yuen and Long Valley. There is no sign at all that the Projects can be extended to other places with high ecological value. As for the trial schemes involving co-operation between the public and private sectors, the Government received in June 2005 a number of applications proposing the implementation of co-operation schemes in Sha Lo Tung, Mui Tsz Lam in Sha Tin, Wu Kau Tang in Plover Cove, and Tai Ho on Lantau. However, there are still no signs of actions, now that it is already October 2007. Why? Will the Government give us an account later? Without a timetable and a concrete decision, the Government is still engaging in empty talk.

Generally speaking, there is actually considerable consensus in this Council on environmental protection. We have also requested the Government to take a broad-brush approach by launching more green measures to improve air quality and ameliorate the problem of solid waste. However, very often, the

Government will, due to opposition from consortia or the business sector, even resort to restricting emissions by power stations by introducing legislation, and has thus been criticized by some as adopting the tactics used by triad society. Actually, this reflects that some Members in this Council who hold the sway and veto power often believe they should delay the introduction of legislation for regulating matters that should be fairly regulated and legislation essential to improving our environment. I hope it is not because of the absence of "one person, one vote" in Hong Kong that makes it impossible for us to improve our political system and the voting system of the Legislative Council. I wonder if this is the reason for our slow progress in environmental protection.

MR WONG YUNG-KAN (in Cantonese): Over the past few years, Deputy President, the issue of food safety has been causing concern in the community, and this Council has repeatedly expressed its opinions on Hong Kong's food safety regulatory system. It has long been the view of the DAB that our food safety regulatory system is flawed and its standards are lagging behind those in other places. Although the great majority of the food in Hong Kong is imported, the Government is using safety hazard as the criterion to determine the stringency of the food regulatory system. However, we can see in recent years that foods regarded by the Government as of low risk, such as live fish, egg products, and even vegetables, had been involved in serious hazards one after another. The so-called risk assessment regime is no longer effective. Instead of tightening monitoring at the import level, the Government has chosen to concentrate its effort on conducting random checks at the retail level. Coupled with outdated food safety standards and a lack of power in making food recall mandatory, government monitoring has lost its balance and becomes seriously flawed. Therefore, the Government must change its mindset and make the extent of the impact of the safety of a particular food on society as a whole as the factor to be considered when according priorities in regulation before the Government can keep in pace with the changes in circumstances and demand of the people.

This year's policy address has proposed enacting a Food Safety Bill to provide for a registration scheme for food importers and distributors and require importers and distributors to maintain proper transaction records of imported food. Under the new legislation, when public health is under serious threat, the authorities will be empowered to require all wholesalers and retailers to stop selling and recall the food concerned. However, the Government has not stated

clearly what action will be taken after the food is recalled. Will the food be destroyed or returned to food importers? I am concerned about this because I remember, when Hong Kong was hit by ciguatera poisoning two years ago, some fish stored in Hong Kong was shipped back to the Mainland in a circuitous manner. Without a system for destroying food, I am concerned that food prohibited from being sold in Hong Kong may be shipped through numerous channels back to other parts of China for sale. Therefore, in formulating the relevant policy or submitting the bill to the Legislative Council, the Government should re-examine the need to establish a system for destroying food to ensure public safety. In addition, the existing food safety standards should be updated. The DAB considers that, so long as its direction in monitoring is right, the Government will be regarded as having responded to the requests of the DAB and colleagues in this Council.

The DAB considers that the new regulatory mechanism seeks to step up regulation of food after importation. However, the DAB has only requested that effort be stepped up before importation by strengthening management under these schemes, including requiring that all farms in places of food export must be listed farms, and imported food must be attached with health certificates demonstrating stringent regulation and quarantine, as well as labelling of origins of production. I believe the proposed new regime has conditions necessary to the gradual building up of a permission system, which has all along been advocated by the DAB, to ensure better safety assurance for any food entering the retail market.

Furthermore, the DAB holds that food safety standards underpin the monitoring of food safety. Hence, in discussing updating the standards, full consideration must be given to Hong Kong's culinary culture. At the same time, in considering updating the standards, participation of people in the local agriculture and fisheries and food production industries must be enabled, in addition to making reference to relevant information available in the international community, to ensure that new standards to be drawn up are compatible with Hong Kong's needs.

Deputy President, having spoken on the problems with the system, I would also like to say a few words on the work of the Centre for Food Safety (CFS). I have indeed hit out at the CFS on a number of occasions for its unsatisfactory performance over a certain period. However, it must be pointed out that there has been improvement in the work of the CFS recently, particularly in educating

the public to pay attention to healthy diet. I have also noted the surveys jointly conducted by the CFS and the Consumer Council recently on the levels of sugar of bottled beverages and the levels of trans fat in certain street snacks. This has not only aroused concern in the community, but also enhanced public understanding of food and health issues. Such effort should be recognized. At the same time, such surveys have also demonstrated the urgency of introducing nutrition labelling for food. Earlier, the Government revealed that legislative proposals would be introduced for nutrition labelling requirements late this year or early next year. Furthermore, new amendments would be introduced to change from the previous mode of "1+9" to "1+6". In the opinion of the DAB, the Government must provide adequate justifications for the new amendments or even provide statistics on regulatory effectiveness to substantiate its arguments. Otherwise, the new proposals will inevitably trigger controversy in the community, thus delaying the progress of legislation. It is certainly not our hope that the Government merely listens to whatever advice given by foreign countries while keeping its ears shut to advice by others, as pointed out by Mr Fred LI earlier in the meeting. I hope the Government will reconsider the matter.

Deputy President, food safety is naturally a matter of concern to us. However, the recent surge in food prices has also become a bread-and-butter issue of grave concern in the community. According to the recent statistics provided by the Census and Statistics Department (C&SD), food prices have seen a year-on-year increase of more than 10%, with egg prices and pork prices rising by more than 30 and 10 percentage points respectively. A small can of luncheon pork, sold for less than \$5 several months ago, is now sold for \$10 in supermarkets. When pork prices were at their peak, pork could be sold for as high as \$30 a catty. There has also been incessant grumbling from the lower strata as fast-food shops and bistro cafes continue to raise prices. We understand that the surge in food prices is prevalent throughout China. However, from another angle, Hong Kong now has to rely on China for the supply of all fresh and live food (except for the 300-odd pigs and 10 000 live chickens supplied locally) since the tightening of various regulations and restrictions on the local farming industry and the withdrawal of culture licences. As a result, locally produced food can no longer serve to cushion prices. On the contrary, the surge in prices of imported food has been aggravated. The DAB holds that it is necessary to preserve local agriculture and fisheries.

Owing to the incessant surge in prices of imported food and the increase in basic living expenses, the public are experiencing tremendous difficulty in their daily lives. It is imperative for the SAR Government to adjust its policies and give consideration in the direction of stabilizing supply and prices.

Furthermore, I would like to cite a live example in connection with the problem of supply of live pigs. The Government was actually informed early this year of the rising prices of pigs on the Mainland. However, for the sake of expeditiously withdrawing licences voluntarily surrendered by pig farms, more than 10 000 sows were culled in January. With the sacrifice of these pigs, pig farms can no longer operate, and the number of live pigs has also dropped accordingly. At the same time, the tightening of supply of pigs from the Mainland has affected our pork prices. This is why I hope the Government can give consideration in this regard.

I still wish to say a few words about central slaughtering. Despite the Government's mention the other day of a number of practices adopted currently, such as consideration would be given to slaughter live chicken or other practices, I am still worried that central slaughtering will become a "white elephant" one day, thus turning the central slaughtering plant into a burden in the future because the cheapest chickens are those shipped across the boundary from Shenzhen. Even if 10 000 chickens are available locally for slaughter, the number will still be limited to 10 000. How can workers in the industry make a living? What about the prices? Furthermore, chicken will still be sold at exorbitant prices on the market. We hope the Government can consider that there will be massive redundancy of chicken vendors and workers in the wholesale and retail industries should central slaughtering be abolished, and the Government will have to assume another responsibility by then. Therefore, I hope the Government can think twice before acting.

The officers in charge of the Food and Health Bureau obviously lack proactiveness in assisting the sustainable development of local agriculture and fisheries. What is more, they have absolutely no intention to discuss this subject. Deputy President, at a meeting held by the Food Safety Committee last week, the Government even proposed deleting the item of sustainable development of agriculture and fisheries from the outstanding items for discussion. As a representative of the sector, I was greatly dissatisfied with the Government's handling of the matter and protested immediately. I hope the

Government can understand that tens of thousands of people are engaging in agriculture and fisheries at the moment. Furthermore, the direction of sustainable development proposed by us is no longer confined purely to upgrading production, but is also compatible with Hong Kong's actual circumstances. A number of concrete policies must be discussed in connection with a wide range of issues from upgrading the quality of products, enhancing the value of production to developing in the direction of integrating agriculture and fisheries with other industries. In contrary to the Government's naive thinking that the item can be deleted should there be no new proposals, the item should be retained. For instance, Deputy President, the State Ministry of Commerce (MOC) has recently granted the third franchise licence for supplying live pigs to Hong Kong to a farmer who used to rear pigs in Hong Kong. Under the policy of allowing Hong Kong people to invest in pig-breeding on the Mainland, the farmer capitalized again on this advantage in bidding for the franchise and was given the approval to provide "one-stop" services ranging from farming to sale. This can precisely serve as reference for the development of local agriculture and fisheries. Furthermore, it offers a new way forward for local agriculture and fisheries engaging in actual production. Here, though I am criticizing the Government, I would also like to thank the Government, especially Secretary Dr York CHOW, for the enormous assistance he has rendered us in this regard. I am now stating facts and reasons. He has indeed offered us a lot of assistance. Without his assistance, it would have been impossible for the industry to rear pigs on the Mainland to be shipped to Hong Kong for sale and obtain the third licence. Though the decision was definitely not made by Secretary Dr York CHOW, but by the State Ministry of Commerce, I still believe the Secretary has helped us a lot in this regard. Therefore, I would like to thank the Secretary on behalf of pig farmers.

Deputy President, the DAB has earlier released a topical study report on the development of local agriculture and fisheries. It has also sponsored a relevant motion debate in this Council, with the motion being passed by Members too. Although I will not repeat the specific contents of the report here, I would like to advise the Secretary that if he has time to visit some old fishing villages or leisure farms, he will easily find that many people are now yearning for the leisure life of farming. If we take a look at the Mainland and Taiwan, we will also find that their traditional agriculture and fisheries have been transformed into a leisure style of operation. I believe Hong Kong does not compare less favourably than other regions in terms of the conditions for development. Instead, it is because of the lack of proactiveness on the part of

our responsible officials and the obstacles they have imposed that Hong Kong has wasted its chances of development for no reason. I hope the SAR Government can really adopt a "people-based" approach in leading some of our traditional industries to a new way out.

Now I would like to say a few words on marine conservation — the Secretary has just left the Chamber. The sea is originally the lifeline of fishermen and the economy. However, the Government has been indulging in marine works without regard to the interest of fishermen. Each time when marine works, such as dumping or sand dredging, are carried out, a great number of fishermen will be affected, though these works have been brought to a halt in recent years. Despite the Government's promise to grant *ex gratia* allowance to fishermen, the amount of the allowance is extremely small. During our past discussions with government departments, the reclaimed site for the construction of a highway at Tolo Harbour, that is, the several pieces of land sold by Science Park for more than \$10 billion, was cited as an example. At that time, less than \$5 million in compensation was granted to fishermen for the reclamation of the entire waterfront. In the end, the fishermen were left with nothing. Some of them even thought of refusing to accept the compensation of just hundreds of dollars, because it was even worse than begging on the streets. Filled with great anger, the fishermen had a lot of grievances at that time. This is why we hope that the SAR Government can really consider this to bring new hopes to some local traditional industries.

Furthermore, I would like to come back to the sand dredging and dumping works again. Actually, we will submit our proposal to the Government later. Let me cite the Disneyland works as an example. The Government was originally advised that the works would cover only 5 km, though it was later found that the scope of works stretched some 8 km to 9 km. Furthermore, there were massive deaths of fish fry from sewage caused by dredging and dumping. However, the Government still insisted that the original scope of works was 5 km. As the fishermen were told that no extra compensation would be offered should they fail to produce new evidence, there were considerable grievances at that time. Two years ago, a protest was staged by the fishermen who towed their rafts to the Disneyland. In this connection, the industry has proposed to us that it is only reasonable for sand dredging and reclamation works, as well as all other marine works, to use 10 km as a benchmark for calculation. Of the large number of major works to be carried out by the Government in the future, a

considerable number involves reclamation, including the Hong Kong-Zhuhai-Macao Bridge. As there are abundant fisheries resources in those waters, opposition was already raised by fishermen a long time ago. But as the saying goes, the words of the lowly carry little weight. Their voices of opposition will definitely be drowned out in the end. I hope the Government can learn from its past lessons and fully consult the affected fishermen before the commencement of the works. At the same time, *ex gratia* allowance should be granted to the fishermen.

In my opinion, the Government should set up a marine conservation fund requiring all public or private organizations to, should they undertake any reclamation or marine works in the future, inject a certain amount of funds for marine conservation and carry out marine conservation, including hatching and releasing fish fry, and even make more effort in conservation of resources. Speaking of protection of resources, actually I would like to tell Secretary Edward YAU that there used to be a policy of releasing fish fry in marine parks under the Agriculture and Fisheries Department (AFD). However, the funding of \$100 million for the implementation of the policy was exhausted many years ago. We were informed by the staff of the AFD that money was no longer available for the re-stocking of fish fry. Such being the case, how can marine resources be conserved? Since the Government has often indicated its intention to improve the environment and the marine ecology to give tourists an impression that the waters around Hong Kong are protected, why does it not consider the practices of overseas countries or China by releasing tens of millions of fish fry into the sea annually? If necessary, we may discuss with the Government how we can co-operate.

Furthermore, the Government and some private enterprises mentioned by me just now, including the Hong Kong and China Gas Company, the CLP Power Hong Kong Limited, the Hongkong Electric Company Limited, and even the Airport in the future, will carry out reclamation works. Why can the Government carry out reclamation and tell us upon the completion of the reclamation that marine conservation is someone else's business and even go so far as not to require these enterprises to assume responsibility to protect the marine ecology? I think the Government should make more effort in this regard and formulate some policies to address these issues.

Deputy President, I so submit.

MR ANDREW LEUNG (in Cantonese): Deputy President, it has been 10 years since the reunification now, and Hong Kong has time and again experienced ups and downs. At present, Hong Kong is riding on the great momentum with which the mainland society and economy are flourishing exuberantly. In order to ensure that we can scale yet another new height as we ride on this ever-escalating momentum, I agree with what the Chief Executive has said in the policy address, that Hong Kong needs a new direction, and that we need to have a new mindset to face the advent of the new era. The Federation of Hong Kong Industries (FHKI) fully supports the Chief Executive's adoption of a proactive and pragmatic attitude in planning for the future development of Hong Kong. We believe the development blueprint outlined by the Chief Executive in the policy address will be able to further enhance Hong Kong's competitiveness, maintain its economic growth and enable it to make further contribution to the progress of the country.

The theme of providing a quality life and building Hong Kong into a quality city is one of the five major themes of the policy address, and I believe this is also the common goal of many Hong Kong people. During the past two years, our society has been placing greater emphasis on quality living, and the quality of air and nutrition contents of food, and so on, have become common concerns of the people. This is particularly so with air quality which has become a factor that has a direct bearing on whether overseas talents will choose to work in Hong Kong, and whether multi-national corporates will set up Asia-Pacific headquarters here in the territory. My colleagues from the Liberal Party will speak on the topic of air quality later on. We are pleased that the SAR Government has incorporated the FHKI's earlier suggestion into the policy address, which is to link the power companies' permitted rate of return to their achievement of emissions targets, with a view to improving local air quality. However, I will still speak on a number of issues under the heading "Quality City, Quality Life" in the Chief Executive's policy address.

First of all, I would like to speak on clean production. In this regard, this time the SAR Government has commissioned the Hong Kong Productivity Council (HKPC) to promote and facilitate clean production programmes among Hong Kong enterprises. The FHKI is pleased to see that the Chief Executive and the SAR Government have lived up to the undertaking made to the industrial sector in July this year. Apart from making huge efforts to promote industries in Hong Kong, the Government will provide a funding of \$93 million to launch a five-year programme in support of the clean production programme to be carried

out by local enterprises. The FHKI has all along advocated clean production and green production among its members, and we encourage members to head in this direction. As a matter of fact, some of our member companies have started working on this in an effort to comply with the production requirements of the European Union as well as those of other countries. However, given that mainland authorities have kept tightening the regulations governing the business of processing from imported materials in Guangdong Province, we will be subject to an increasing number of environmental restrictions. As such, we must identify ways of facilitating the survival of many enterprises engaging in the business of processing from imported materials in Guangdong, such as the textile industry, the electronic industry and the tannery and leather finishing industry, and so on. In the past, factory owners in the Pearl River Delta (PRD) Region have adopted a proactive approach to identify solutions for optimizing their production lines, but given the many, various environmental specifications, more often than not, they simply do not have the necessary know-how to resolve the matter. In the end, huge investment is made on green technologies, but the effect is very limited.

The programme in support of the Hong Kong enterprises to implement the clean production drive is a concrete incentive to factory owners running business in the PRD Region. With technological support and consultation designed to facilitate Hong Kong enterprises in improving the green production standards of their factories, factories operators are now able to evaluate their level of pollutant emissions by using the verification service of the HKPC. Advices on the installation of appropriate environmental protection facilities could be given to 100 enterprises, while other factories engaging in the same industries can "model after" these advices and install similar facilities on their own. Furthermore, inspection will be conducted of factories with environmental protection facilities retrofitted to ensure compliance. Both the FHKI and I believe that if factory owners can adopt clean production procedures to ameliorate pollution at source, it will certainly help improve the air quality of the PRD Region. More importantly, this will allow the factories to keep on running.

At present, Hong Kong businessmen are operating over 70 000 factories in the PRD Region. I hope the Government can review the effectiveness of this initiative later on and encourage wider participation from factory owners by increasing the amount of funding for this programme in response to the demand of the industries. The FHKI supports this programme. We also encourage

our members to implement concrete environmental protection measures, such as the One Factory-One Year-One Environmental Project Programme, Green Mark Certification Scheme, the Green Manufacturing Alliance and business facilitation and training schemes designed to enhance the environmental performance of small and medium enterprises (SMEs).

Deputy President, when I discussed the issue of clean production with members of the FHKI last week, many members from the environmental protection business responded by saying that this programme will open up enormous business opportunities for their sector. I hope the Government can adopt a proactive approach to keep up contact with members of the industry. I also hope that the Government can strengthen its communication with the Environmental Protection Bureau of Guangdong Province so as to find out how the Guangdong authorities would respond to this programme and to expand the scope of co-operation between Guangdong and Hong Kong in this respect. Furthermore, I hope the Government can introduce incentives designed to give greater support to the industries to help them engage in clean production, such as providing tax concessions for capital injected into the development and acquisition of environmental protection facilities.

Deputy President, the second issue I would like to discuss is waste management. This item has been described by the Chief Executive in the policy address as our "another challenge apart from improving our air quality". In order to show his determination, the Chief Executive said, "We need to implement the "polluter pays" principle to achieve waste reduction at source by inducing people to change their living habits, and to encourage recovery and recycling." The industrial sector supports and agrees with this direction, but its practitioners have certain reservation about implementing producer responsibility schemes by way of enactment of legislation.

The industrial sector has been stressing that, in order to reduce waste, the charging of levies is not the best approach; instead, a more proactive and positive approach should be adopted, that is, through education and the building of good recycling and recovery systems. At present, what the Government has announced so far is still mainly on the charging of levies or, through the APIs, appealing to the people to use fewer plastic bags and putting waste paper, metal and plastic materials into the tri-colour recycling bins, and so on. But in fact, the Government still has not solved the problem of providing the much needed

matching recycling facilities and even the problem of how to develop the recycling industry.

At present, many people still think that the tri-colour bins only accept old newspapers, soft drink cans and plastic bottles, but they do not know that wrapping papers, clean foam lunch boxes and compact discs, and so on, can be recycled. There are also many problems with the design of the Government's tri-colour bins. For example, recyclable items of larger sizes cannot be put into the bins; recycling bins are filled to the extent of overflowing, but the situation was not rectified by the recyclers for several days. We worry that producer responsibility schemes might be introduced before adequate matching facilities are provided. In the end, the people might have to pay an additional 50 cents or even \$1 for taking a plastic bag when they do shopping in chain stores or supermarkets. In doing so, we are in effect only creating a new source of revenue for the Government. Yet, on the other hand, such an approach may make those who can afford this think that, as long as they can afford it, they do not need to take up the responsibility of environmental protection. It simply cannot help achieve the target of waste reduction.

In order to reduce waste, apart from making proper arrangements in the process of collecting recyclable materials, more importantly, waste that has been recovered has to be recycled, so that it will be converted into something useful, such as raw materials of economic value. For example, waste plastic can be converted to plastic pellets. This does not only alleviate the pressure of the landfills, but also reduces the burden of the plastic industry at times when raw materials for manufacturing plastic products become more and more expensive. However, there is only one large-scale factory in Hong Kong at present that recycles plastic products into pellets. Due to the limited floor area of the factory, there is not enough capacity to process all the plastic waste, thereby creating a "missing link" in the recycling chain. If the Government is committed to waste reduction and recycling, it must make efforts to attract more people to the recycling industry. This is not about where to build a waste incinerator that will attract least public opposition or how to achieve waste reduction by levying charges; this is about taking concrete actions to perfect the production chain for the process of recycling. A bill on this subject will be tabled to this Council for consideration in this Legislative Session, and while the Government will be drafting this bill, I also hope that it can introduce relevant measures to encourage the operation of the recycling industry.

Furthermore, I would also like to discuss briefly the development of the convention and exhibition industry. As I remarked last week on a motion on the same topic, the convention and exhibition industry is a very important business in Hong Kong that covers a wide range of trades, and it can generate economic returns amounting to thousands of billion dollars per annum. In the past, as of today, Hong Kong has always been the preferred venue for staging conventions and exhibitions in the region. However, large-scale infrastructure projects are being undertaken in cities around us such as Shenzhen, Guangzhou and Singapore for the construction of major convention and exhibition facilities. In comparison, the hardware facilities in Hong Kong now will be lagging behind. We should make good use of the competitive edge we have in software in respect of the convention and exhibition industry, including a tax-free free port, a reliable legal system, a comprehensive system for the protection of intellectual property rights, comprehensive transport networks, our proximity to the production base in the PRD Region, as well as the high quality convention and exhibition services we offer. I hope that the Government will promptly respond to the calls from members of the industry for enhancing the convention and exhibition facilities in the urban area in the cross-sector steering committee. Of course, today Members may also pass the motion I proposed last week, which comes close to having the unanimous support of Members of this Council.

Finally, I wish to spend a little time on discussing the promotion of brands. Of course, after listening to the instructions of the Chief Executive and the Central Authorities, practitioners of the industrial sector may go ahead to develop their own brands. This is a high value-added industry which can bring lots of benefits to Hong Kong. Creative industries can also be developed. In particular, under the "zero-tariff" policy of CEPA, we have the extensive market of China. But the promotion of Hong Kong brands is not a task that can be achieved by ordinary SMEs. I hope Secretary Frederick MA can think more proactively to see how Hong Kong brands can be promoted, together with the advantages of Hong Kong, to enter the strong and rapidly developing consumer market of our country.

Deputy President, I so submit.

MR ABRAHAM SHEK: Deputy President, I do not intend to speak in this session, but having been named, I must speak.

I congratulate the Secretary for the Environment for practically achieving the impossible — to win praises from the Honourable WONG Kwok-hing and unconditional support from my colleagues sitting in front of me, but sitting opposite to you, who are your newly acquired friends. I think it is very important for the other ministers to take a crash lesson from you on how to love and be loved by your enemies. You will be paid later.

(THE PRESIDENT resumed the Chair)

Similarly, I also wish you could be praised by your friends, who are us, and your newly acquired friends, that we can see the sky of blue and cloud of white every day and can breathe clean air. Please give us a timetable and a roadmap for this simple wish from a simple person.

Everyone in Hong Kong supports the Government in its negotiations with the two power companies to reduce pollution and cut electricity bills upon the expiry of their franchise agreements. There is no doubt about it.

But my criticism on the issue is the way you have conducted the negotiation. Negotiation must be conducted on the ground of mutual respect and trust. There is always an element of give and take. This is the normal way for negotiation. But for my friends, your newly acquired friends, they probably do not understand this normal worldwide business practice, as we have witnessed in their demand for constitutional reform: it must be their way and no other way. You are now embarking on the same route of singing the song "My Way".

Negotiations must be conducted in good faith and in the absence of threat. But by coming to this Council hinting for legislation even before any sign of breakdown in negotiation is totally abnormal and is also lacking good faith. This is unbecoming of any good institution, not to speak of the Administration. I am sure that with the support of your newly acquired friends, Mr WONG Kwok-hing and the others, you will be able to call the shots "good luck on you" and win the day. But a battle you win is a war you are going to lose in making Hong Kong Asia's world city, where a level playing field and the absence of threat are very important.

Another reason why I am so anxious to criticize is that by coming to this Council and making the whole issue political instead of handling it as an administrative issue, you are taking a very serious step in a wrong direction, different from what the Chief Executive expressed in his policy speech, which is going in a new direction. Under the Basic Law, the Administration must be an executive-led government, not a legislative-led one. But by coming here to ask for support even before there is a need for doing so, you have completely derailed the executive-led basis of our Government under the Basic Law, setting a very dangerous precedent. This is not what your friends would like to see, because we would like to have an executive-led government and good governance. But this is probably what other people would welcome. So, good luck to you. Thank you, Madam President.

DR KWOK KA-KI (in Cantonese): Madam President, although the policy address of this year does mention making improvement to food safety legislation, food safety standards and the nutrition labelling scheme, we have already heard of these items for many years.

It was 2003 when the Government first brought up the discussion on a nutrition labelling scheme. When the Government released the relevant papers in 2005, it explicitly put forward the "1+9" proposal, which was intended for submission to the Legislative Council for discussion in 2006. However, after we had waited for more than a year, no progress was made at all. Instead, through the mass media, we came to learn that the Government had probably been subjected to pressure from "foreign powers like those in the Boxer Uprising", as mentioned by Mr Fred LI just now, and it had to bow to such pressure and make concession. I am most shocked at hearing this. Has the Government been affected by the influence of foreign forces? I hope the Secretary can clarify this in his reply.

However, there are several points I wish to make. In particular, I notice that cholesterol-related labels could be removed. I am most concerned about this. We all know that the most significant purpose of having good food labelling is to safeguard public interests and give consumers the right to know. Under the present circumstances when there are widespread calls for healthy and balanced diets, if the Government allows cholesterol to be removed from the label, I, for one, must voice objection.

Of course, I know the Government may take trans fat into consideration in its subsequent amendment. I cordially welcome such a move. In fact, the Consumer Council had explicitly indicated in its press release on 15 October that if a person consumed an ordinary shredded coconut cream bun, his intake of trans fat would have already amounted to 60% to 70% of the maximum limit specified by the World Health Organization and the Food and Agriculture Organization of the United Nations. This has exactly demonstrated that trans fat does have very great impact on Hong Kong people, and it is also the major cause of many diseases such as cardiovascular diseases. I very much hope to see that the Government can live up to its earliest promise in 2005, that is, to implement a good "1+9" labelling scheme as soon as possible.

If the Government really proceeds to remove three items from the label, namely, dietary fibre, calcium and cholesterol, then I would like to ask a question: At present, many food products are marked as "high-fibre", but the Consumer Council had discovered in past tests that those food products claiming to be high-fibre or contain dietary fibre actually did not contain any fibre at all. The second one is calcium. Many food products claimed to have high calcium content, but some so-called high-calcium food products were found to carry substantially different calcium contents from their claims after test. If the Government proceeds to remove these two labels which the people are very concerned about, and which would affect their right to know as well as their dietary health, how can they have something to rely on in order to have the confidence to buy food claiming to contain high contents of calcium or dietary fibre? I hope the Secretary can heed our advice, so that he can adhere to his own plans in formulating a nutrition scheme, and do not be easily influenced by the trades.

We of course very much hope that the Government can table the food safety legislation to the Legislative Council for discussion as soon as possible. Although I know this bill will not be tabled to the Legislative Council before 2008, there is nothing I can do about this. All we can do is to wait for the Secretary to take this course of action. But I do hope he would not cause any further delay in removing the bill once more.

The second point I wish to discuss is heritage conservation. We all know that when we talk about heritage conservation, it is not a cause that can be pursued without paying a price. Why does the Chief Executive place so much emphasis this year on this aspect? We all know that we have suffered some

damage. From end of last year to the beginning of this, some incidents happened one after the other which enabled Hong Kong people to see that the Government has no heart, no exertion and no intention to conserve heritage. From the Star Ferry Pier incident, the Queen's Pier incident to the recent King Yin Lei incident, it really has saddened many Hong Kong people.

Now, the Government has given us a new starting point, and I can see that the new Development Bureau does demonstrate the intention of doing something. However, if we turn the clock back by several years, that is, between 2000 and 2004, the Government also said then it was necessary to continue discussing the policy on heritage conservation, in the hope that a comprehensive heritage policy could be formulated. However, today, as evident in the papers presented, the Government says that it is tentatively not necessary to discuss either the legislation or the policies of this issue any further, and that all we need to do is to make some administrative arrangements and the problem can then be solved. I hold different views. All significant cities and countries over the world have some explicit heritage conservation policies and legislation for compliance.

Naturally, we do not believe that the incumbent Secretary or the governing team of the Government might have overlooked the issue of heritage conservation, but I cannot allow certain individuals to override legislation, nor can changes be made to some significant work just due to the existence or the preference of certain persons. In future, if there are some personnel reshuffles in the Government, or if the administrative arrangements do not facilitate the immediate implementation of relevant measures, then will the issue of elevating heritage conservation to a higher level be considered unnecessary again? Without an explicit policy, without an essential enactment of law, it would be very difficult to implement heritage conservation.

Today, when I come across the response given to Dr YEUNG Sum's question on whether the site of cultural heritage can be included in the Environmental Impact Assessment Ordinance (EIAO), I am very disappointed. It is because, as a matter of fact, the Government had already said in the papers that it would not be necessary to formulate policies and legislation since the existing EIAO is possibly assisting the preservation of monuments. However, after reading the Government's reply, we can say that it is preaching one theory, but actually practising quite another. By this, I mean to say that the Government has not considered listing the value of heritage items as an important

element or as the element that must be considered in the EIAO. Under such circumstances, how can we protect such heritage items by virtue of explicit legislation or policies?

Besides, I also wish to point out that heritage conservation does not only involve hardware. With regard to software, if we take a look at the heritage policy or cultural policy in Hong Kong, we find that they have all along been subject to criticism. The former Secretary had really done a very bad job on this issue, including heritage conservation policy, revitalization of monuments, and so on. I think it is not sufficient for us to rely entirely on the Development Bureau to do the work. The discussion on the West Kowloon has already illustrated this point. Many people or representatives attending meetings have also explicitly pointed out that the Government has been feeble and powerless and does not have any commitment in policies on culture and heritage conservation. Even if we can spend tens of billion dollars on the hardware in future, yet with reference to the present situation and the anticipated situation, the very likely scenario that will emerge, which I do not wish to see, could be: Many major "white elephant projects" are built, but they are only some landmarks devoid of any contents.

Thirdly, I wish to discuss environmental conservation. Incidentally, the Asia-Pacific Economic Co-operation (APEC) held a conference in September this year, and the Chief Executive had attended it and discussed how Hong Kong can learn from others in implementing environmental conservation. However, it embarrassed us a lot that, among many of the initiatives Hong Kong had undertaken that were mentioned by the Chief Executive, the most important one was the planting of 11 million trees. With regard to issues contained in the Kyoto Protocol, such as the reduction of greenhouse gas emissions and the formulation of territory-wide energy-saving targets, the Chief Executive did not say much.

Of course, many people support Secretary Edward YAU. In particular, I heard that — Selina is not in the Chamber right now — I found that apart from Arthur LI, some other people would also say "you will pay". This is a kind of new culture. I was most surprised at hearing that because as a matter of fact, public interests are involved in certain matters. We all know that I am referring to the two power companies, which have been given the permit to operate monopolistic businesses. Every single move made by them, including the control of their returns and their emissions, would have impact on all the people.

They have obtained the best possible conditions and resources to operate their business. But they have adopted the "head I win, tail you lose" attitude. They want to reap profits, but they do not want to be put subject to control, and do not wish to see the enactment of legislation. In addition, some so-called representatives of their trade even resort to intimidating principal officials of the Government. I have to express my deepest regret over this.

So, it is the natural duty of the Legislative Council to enact legislation. In this Legislative Council, if it is necessary to make use of legislation to exercise control over some significant public utility companies, in order to make them comply with the aspirations of the majority of Hong Kong people on issues such as profit control, environmental protection or reduction in gas emissions, and if such a move does reflect the true aspirations of the majority of Members as well as the majority public, then we should go ahead doing it, and we should not submit to the threats or intimidation of certain individuals or the so-called representatives of the trades.

I so submit, Madam President.

MISS TAM HEUNG-MAN (in Cantonese): Madam President, the Chinese version of this year's policy address has departed from the past practice of using "eight-character theme topics"; instead, a "five-character theme topic" (香港新方向) (A New Direction for Hong Kong) is adopted. However, after reading the entire policy address, I cannot help feeling that it has failed to live up to expectations. No matter which way I see it, I cannot find any direction. On the contrary, there are plenty of rehatched "old ideas" borrowed from the past. Instead of saying that this policy address is a "new direction for Hong Kong", we may more appropriately describe it as "A Backward Move for Hong Kong" (香港向後轉).

For example, the policy address has devoted considerable coverage to the so-called 10 major infrastructure projects to stress the direction of propelling the economic growth of Hong Kong by implementing large-scale infrastructure projects. Does this not resemble the Rose Garden Project proposed by the then Governor David WILSON? Allow me to cite another example. Once the public coffer is full of cash, the first thing that comes to the mind of the Chief Executive is to introduce tax reduction, just like what he did 10 years ago when

he was the Financial Secretary. It seems Hong Kong's development pattern has regressed to those adopted in the 1990s.

The Chief Executive should have realized that Hong Kong's golden era in the 1980s and 1990s had already become history. We cannot only rely on the past old tricks to propel our development. As such, I had hoped that the Chief Executive could put forward a beautiful five-year policy blueprint in the beginning of his five-year term. However, the Chief Executive's two-hour speech once again disappointed us.

Madam President, allow me to come back to the policy subject of this session of the debate. I wish to talk about the Schemes of Control of the two power companies in this session as well as some suggestions in respect of home affairs.

First of all, I shall discuss the two power companies. The Chief Executive has explicitly said in the policy address that the power companies' permitted rate of return will be linked to whether they can achieve the emissions reduction targets. Of course, this point does deserve our recognition because the local power plants are among the major culprits of air pollution in Hong Kong. However, other than this arrangement, I cannot find any other policy directions of the Government in the development of the electricity market. Does the Government mean to say that, once the emissions reduction targets are achieved, all the problems can be solved?

I can say that, at the moment, there are still a lot of outstanding problems with the two power companies or the electricity market. For example, the new Scheme of Control is still inclined to use the fixed assets return rate as the index for calculating the permitted rate of return. In other words, the power companies can still boost their returns through increasing their fixed assets, even without making any efforts to improve their operational efficiency. If such an approach is adopted, is it good for consumers?

Moreover, both the people and the business sector have been complaining about the high electricity tariffs which bring about excessive pressure on living and business expenditures. Therefore, there have been calls on the Government to identify ways of lowering the tariffs. The most effective way of lowering the prices of goods is certainly the introduction of competition. Yet, the policy

address is silent on how the Government will open up the market. On the other hand, the Government has also explicitly said that during the validity period of the new Scheme of Control, that is, the next 10 years, or even 15 years, it will not introduce a third electricity company into the market. From this, it seems the situation, in which consumers are at the mercy of the two power companies, will continue for a certain period of time.

I hope officials can let us know why they still insist on using fixed assets return as the mechanism for calculating the permitted rates of returns for the two power companies, as well as what the Government has done in opening up the electricity market. I do not wish to see that environmental protection is the only focus in the Government's electricity policy, whereas all the other areas are left blank.

Madam President, next, I would like to discuss some home affairs issues. The policy address has put forward 10 major infrastructure projects, saying that they can create employment opportunities and provide relief and benefits to the people. However, does the Chief Executive know, as an idiom goes, "A distant river cannot help extinguish a fire in the neighbourhood"? Nowadays, many construction workers are still in great difficulties. In order to earn a living, many of them have to take the risk of working in Macao where labour protection is poorer. Unfortunately, among the 10 major infrastructure projects, even the earliest one will not commence until two years later. Can construction works endure hunger for two years? And can their families wait for these two years? What we need now are some projects that can be commenced right away.

Community facility projects such as parks, football pitches and swimming pools, and so on, in remote new towns are the best projects that can meet the urgent needs. However, I do not understand why the Government is willing to spend \$250 billion on infrastructure projects, but is reluctant to provide the capital to complete such community projects which the people have been longing to have for a very long time? If such projects are implemented, they can immediately create employment opportunities on the one hand and improve the living of the people on the other. Why does the Government not do it?

Another issue I would like to discuss is related to building management problems. Although the Building Management (Amendment) Bill 2005, which

has just been passed, has solved some of the problems in building management, there are still many problems that need to be solved rather urgently. Among matters of concern to the people, the most significant ones must be the licensing system of building management companies as well as the liabilities insurance system for owners, which was triggered by the Albert House incident.

First of all, let us discuss how we can assist the taking out of third-party insurance by buildings. As in the case of the Albert House incident, the compensation arising from the injuries caused by the collapse of illegal structures is not covered by insurance, as it involved illegal structures. Nowadays, many buildings are still plagued by plenty of illegal structures which cannot be cleared in the short term. The Buildings Department is very slow in making progress to deal with illegal structures. Since third-party insurance does not cover illegal structures under the existing Ordinance, there is a need for such illegal structures to have insurance coverage, as the possibility of a recurrence of the Albert House incident does make many small owners worry all the time. This is all because they cannot take out insurance on their illegal structures and they are not protected. Should the Government deal with this in a more proactive manner, so as to ease the minds of the owners?

Besides, as early as we first scrutinized the above Bill two years ago, many colleagues had already mentioned that it was necessary to have a licensing system for building management companies, and the Government had also undertaken to follow this up. Now, the Bill was already passed, and this is the right time for the Government to follow up our request. May we ask the Secretary how long we still have to wait before the next amendment to the Building Management Ordinance is proposed in order to solve these problems?

Madam President, in my opinion, new Hongkongers should not waste all their effort and energy on making money. Instead, we should maintain good health. Without good health, how can we have the energy to make money and bring the local economy up to another summit? Therefore, the Government should devote more efforts to encouraging Hong Kong people to develop the habit of doing physical exercises and take part in more sports events.

The Government may think that by launching promotion campaigns to encourage the people to be concerned about the Olympic Games 2008 in Beijing and the equestrian events in Hong Kong would be sufficient for promoting sports development. However, the Olympic Games are too far away from the

ordinary public because not everyone has the chance to go to Beijing in person to watch the events. Equestrian competitions are also only for the minority, so it would not have very remarkable effect on the promotion of the sports culture among the ordinary people. On the contrary, the Government seems to have forgotten another golden chance for promoting sports, that is, the East Asian Games to be hosted by Hong Kong in 2009.

We are only two years away from the opening of the East Asian Games in 2009, but I cannot see the Government has any plans for the East Asian Games. I really worry what may become of the East Asian Games. Will we be caught in a situation with insufficient preparation?

Madam President, launching infrastructure projects is a significant means of promoting economic development, whereas environmental protection is an important element of improving the quality of life of the people. However, these are absolutely not the only items on the agenda we have to deal with. I hope the Secretary can spend more time on working out more comprehensive proposals and working hard in more policy areas.

Thank you, Madam President.

MR LEE CHEUK-YAN (in Cantonese): President, a United Nations special panel specially charged with the responsibility of studying changes in climate has released a report this year, which said that global warming would lead to extreme climatic conditions, resulting in threats of drought, flooding, famine and epidemics to millions of people. In fact, Hong Kong would not be able to keep itself aloof from all these. The Observatory has already said that winter would become non-existent 40 years later and that the annual mean temperature in Hong Kong would go up by 3.5°C within this century. Such hot weather will in fact directly threaten the health of socially disadvantaged groups such as the elderly in poverty as well as outdoor workers.

In the face of the global warming issue, I think the Government should definitely take the lead to combat it. If we are to ask where does the pollution come from, one of the significant sources of pollution must be the two power companies. Therefore, I think the Government has an absolute responsibility in causing the two power companies to reduce emissions. I know Secretary YAU Tang-wah had said in a meeting of the Panel on Environmental Affairs that if

consensus could not be reached by the end of this year, the Government would table a bill to the Legislative Council in a bid to regulate the two power companies by legislative means. After the Secretary made such a remark — I was not present at the meeting that day, but I heard — several Members of the Liberal Party, in particular Mrs Selina CHOW, express dissatisfaction that the authorities had converted the Legislative Council into their chips on the negotiation table, which had the effect of putting the Legislative Council in an unrighteous position. Such a remark could be taken as speaking in defence of the two power companies. I do not know whether it is because the heads of the two power companies had chosen not to nominate any candidate in rivalry to those of the Liberal Party in the District Council elections that the Liberal Party adopted a more relaxed approach. I do not know whether or not the case was like this.

Mr Abraham SHEK was even more "radical", saying that such behaviour smacked of triad tactic President.

MRS SELINA CHOW (in Cantonese): President, I wish to seek a clarification on Mr LEE Cheuk-yan's remarks which had seemingly launched an unfair attack on the Liberal Party and this is entirely inappropriate.

PRESIDENT (in Cantonese): So, you want me to make a ruling on whether the remarks made by Mr LEE Cheuk-yan earlier constituted an offence.

MRS SELINA CHOW (in Cantonese): Sorry, I didn't catch you.

PRESIDENT (in Cantonese): Do you want me to rule whether the remarks made by Mr LEE Cheuk-yan earlier constituted an offence against Members?

MRS SELINA CHOW (in Cantonese): Yes.

PRESIDENT (in Cantonese): Then I will have to suspend the meeting and go in to review the video tape. *(Laughter)*

MR LEE CHEUK-YAN (in Cantonese): Why not wait until I have finished my remarks about Mr Abraham SHEK before going for the playback? *(Laughter)*

8.09 pm

Meeting suspended.

8.26 pm

Council then resumed.

PRESIDENT (in Cantonese): Members, I went in and viewed the video tape repeatedly. At first hearing, it may have indeed given an impression that Mr LEE Cheuk-yan seemingly had not been fair to the Liberty Party. However, after carefully viewing the video tape time and again, I found that Mr LEE Cheuk-yan had uttered a crucial sentence, which was "I do not know whether or not the case was like this", that is, it was a question. So I rule that Mr LEE Cheuk-yan's remarks do not constitute an offence against other Members.

Mr LEE Cheuk-yan, please continue with your speech.

MR LEUNG KWOK-HUNG (in Cantonese): President, thank you for being so wise.

PRESIDENT (in Cantonese): It is not yet your turn to speak, Mr LEUNG Kwok-hung, so do not speak casually. The meeting is in progress, so you are not allowed to speak casually.

Mr LEE Cheuk-yan, please continue.

MR LEE CHEUK-YAN (in Cantonese): President, I did not intend to offend anyone.

However, next, I will still comment on the earlier remark made by Mr Abraham SHEK. The remark was made to the effect of saying that the Government had used the enactment of legislation as a threat, and that it was like the behaviour of the triads. First of all, I think it is disgusting for us to hear someone describing the act of enacting legislation as the behaviour of the triads. How on earth is it possible for a Council or a government to be seen as behaving like the triads when it indicates that it is going to enact legislation? For the sake of public interests, one of the responsibilities of the Government is to enact legislation. Therefore, I do not know why this time Mr Abraham SHEK should have acted in such a "radical" manner as to compare the Government to the triads, and had even told Secretary Edward YAU "you will pay". On hearing that, it seemed Mr Abraham SHEK had been possessed by the spirit of a triad. *(Laughter)* President, may I ask if this was the case? *(Laughter)* I could not believe that he had said so. At first hearing, it made me think that Secretary Edward YAU was another triad who had trespassed the territory of Mr SHEK. After all, I still think that, even in his capacity as a Member returned by a functional constituency, he still has to take the interests of all the people into consideration, instead of just safeguarding any particular consortia.

However, President, I must also direct my criticisms at Secretary Edward YAU. I think it is absolutely not necessary to conduct any negotiation on this at all because emission-related issues should actually be resolved by way of legislation. This is not an attempt targeting at the two power companies. In fact, any persons operating power companies should reduce emission as required by law. In fact, we may also look at the issue from this perspective: That this is not an issue of agreement, nor is it involving any companies; instead, this is actually an issue of policy.

Therefore, President, actually I think Secretary Edward YAU can work from the perspective of reducing remission, and that legislation should be enacted to specify that all the power companies must comply meet the minimum standards set by the Government. I very much hope that, for the sake of the blue sky, all of us should join hands to strive to attain this target. Thank you, President.

MR LEE WING-TAT (in Cantonese): President, I still have 13 minutes of speaking time left, and my responsibilities in the Democratic Party lie in the spheres of housing, planning and lands. However, as I reviewed Mr Fred LI's

speaking note, I found that he had not spoken on the two power companies. We cannot allow this to happen because I fear that the Secretary might have doubts about our position. Therefore, on behalf of the Democratic Party, I am reiterating that, we support the Government's move to enact legislation if the negotiations fall through. We support the Secretary in doing the work in this regard in a balanced manner. I had categorically pointed out in the meeting of the Panel on Environmental Affairs held on Monday that, on the one hand, the Government should put forward the bill ready for enactment for public discussion, and, on the other, it should concurrently conduct the negotiations.

We have never changed our positions regarding the two power companies, such as making downward adjustments to their rates of return; demanding that their profits be linked to the emission of pollutants; and in due course — of course the sooner the better — if they cannot attain the goals, then the Government may open up the market in the interim. The Democratic Party strongly insists on these three major principles. Most unfortunately, during the past two days, when the Secretary discussed the progress and mentioned the issue of enacting legislation in the meeting of the Panel on Environmental Affairs, some weird phenomena emerged. First, the Liberal Party criticized the Secretary and queried why he had made use of the Legislative Council in advocating his cause, and then they also made allegations relating somewhat to the triad society. I do not know whether the Secretary sometimes might feel that there is a confusion of roles. In fact, everyone in the opposition camp, as often referred to by Secretary Stephen LAM, is supporting him. Actually I did not intend to speak because this is not my sphere of responsibilities. But, as Mr Fred LI did not speak on this, so I think I must rise to speak. Not only do I rise to speak, but I will also speak for several minutes. *(Laughter)*

I hope the Secretary can understand that it is only the Government's own mindset to differentiate its relationships with the various political parties according to the respective degrees of affinity to the Government. Can you ask Secretary Dr York CHOW, who is sitting next to you right now, when he was proposing the anti-smoking legislation, which political party had rendered him the most unrelenting support? It was the Democratic Party. Among Members, who condemned him most? It was Mr Tommy CHEUNG. Therefore, sometimes the Government's own mindset is in fact not desirable. We certainly hold divergent views from those of the Government in many

aspects, particularly in respect of constitutional development. But we would not be at loggerheads with the Government on each and every issue just because we do not agree with the Government in constitutional development. We would not be excessively lenient or stringent on any particular issue. We would examine issues that we agree with and we would also examine issues that we disagree.

On this issue, we hope other Members who have been criticizing the Secretary may also consider this point. When the Secretary made the declaration on Monday, was what he said unreasonable? The world we are living in is not one in which power is all supreme, nor is relationship. What matters as well is, when a person comes forward (not a triad expression), that is, when a person states his case, we would ask whether his words are supported by good justifications. I believe what the Secretary has said is supported by good justifications. Since the negotiations have been going on for more than a year, and in my words, the negotiations have come to a standstill without any progress at all. If the Secretary does not say that he is inclined to enacting legislation at this point of time, he could well be described as irresponsible. I feel that it is already overdue for him to mention this now; he should have mentioned this earlier. Although he has been late in doing this, the Democratic Party still supports him because the renewal of no major agreement would be left dangling in the air one year before expiry. You may recall that the Schemes of Control signed with the two power companies are among the most significant agreements of the Government. Now only one year is left before the expiry of the current agreements in September or October of next year. Therefore, I think this is a correct approach. Hence, I think that the Secretary is supported by good justifications and that the Government's approach should not be criticized.

I heard that the negotiations are supposed to be confidential. The Secretary did not tell the Democratic Party in advance that he was going to discuss this issue. I did not know that, nor did Mr Fred LI. No one in the Democratic Party had any prior knowledge of it. He only mentioned it on Monday. However, someone, who is not the Secretary himself, told the Democratic Party what the Secretary would say on Monday. May I ask the Secretary, since the negotiations are supposed to be confidential, and since he has not told others, nor has he lobbied political parties, why would some other people be able to release the information? Was such a practice appropriate?

I would also like to share one thing with friends in the Legislative Council, that is, please do not consider the words of Secretary YAU as his personal decision. Sometimes, I feel that we should make subjective guesses about others' intention. I would say Secretary Edward YAU is a handsome and imposing Director of Bureau (*laughter*), but regarding such an important decision, I do not believe — perhaps I am too naïve — I do not believe it is Secretary Edward YAU's personal decision, nor do I believe that this is a decision made without consulting the Chief Executive and the Chief Secretary for Administration because this decision could be a "time bomb" that could go off anytime and lead to major consequences. Therefore, will those who regard Donald TSANG as their good friends time and again and consider themselves part of the ruling alliance think about this: Is this the personal decision of Secretary Edward YAU? If both Chief Executive Donald TSANG and Chief Secretary for Administration Henry TANG have basically agreed to releasing this piece of information, had some people acted inappropriately?

From the perspective of the Democratic Party, we only consider one point, that is, public interests. In our opinion, you cannot find another power company in the world that can earn a return of 13.5% or even 15% from a relatively low-risk investment. Frankly speaking, they even make some sorts of investments through other forms of loans, and we can figure out that the return rate of the two power companies has actually amounted to 25% to 30% of shareholders' investments. Please think about this: Where else in the world can we find such good investment returns? Of course, the stock market has recently been trading rather crazily, that would be another story.

Therefore, we should adjust the returns downwards to single-digit figures, which are already very good for investments as stable as the two power companies. Our Mr Joseph YAM, Chief Executive of the Hong Kong Monetary Authority, allocates part of the Exchange Fund to buying American bonds. What are the returns he can get in terms of percentage points? It is 4% or so. If he can get 8% or 9%, it would already be considered very good. Therefore, Secretary, I have only one piece of advice for you: Don't chicken out. When you made the decision, I dare say you must have thought of the imminent objection that would be raised by certain political parties in the Legislative Council. As in the case of Secretary Dr York CHOW who last year — not last year, but two years ago — courageously said that he would enact a piece of legislation to ban smoking indoors. In fact, I did not attend the meetings with him. But Mr Fred LI asked him whether he had thought thoroughly about the

situation because he would be smashed into pieces by his political allies. But he was really courageous. Although he had been under ferocious attacks for more than a year, in the end, he still managed to complete the enactment of the legislation. So, Secretary Edward YAU, you will not be under attack for very long. It will be all over within a year. I think it is of the utmost importance that you would not chicken out just because of the criticism launched by those so-called "supposed-to-be" political allies of yours. Secretary, you must hold fast to your own stance. Thank you.

MR BERNARD CHAN: Madam President, Abraham SHEK is supposed to speak in this time slot but he has asked me to swap the slot with him. I guess this debate would be much tamer if he had remained to speak in this time slot and not earlier. *(Laughter)*

Madam President, I would like to focus on the Chief Executive's plans to strengthen the Government's commitment to heritage conservation.

Public concern about the loss of heritage sites increased quite suddenly in recent years. This is an area which affects many long-term aspects of government policy, notably in areas like planning and physical development. It is not easy to adapt to shifts in public expectations in such a short time.

I believe the Administration deserves credit for reviewing its policy in a flexible way to meet these new expectations. The plan to include heritage impact assessments at an early stage in public works projects should help to avoid problems like the Star Ferry Pier in the future. The plan for a Commissioner for Heritage is also an important step forward.

I agree with the Chief Executive that this is not just a question of preserving old structures. These old buildings are important to us because of the role they used to play in our lives. To do them justice, we must find new roles for them — not just leave them sitting there doing nothing.

For this reason, I look forward to seeing NGOs find new uses for some of our government-owned historic buildings. There are countless ways in which such groups can help bring these old buildings back to life and make them part of the community again.

I also look forward to seeing commercial businesses play a role here. I do not mean developers or major retail chains, but smaller niche companies which can use old premises in unique and interesting ways. The proposed plan for the old Central Police Station will probably offer some good opportunities in this respect.

It will be interesting to see what ideas people have for the nearby Police Quarters at Aberdeen Street. One thing I notice is that people seem to automatically suggest a museum or a park as a use for heritage sites like that. The only alternative we have ever had is giving the site to developers. For years, we have not looked at other possibilities. I hope that with this new approach by the Government, we will give our heritage sites new life in the community of tomorrow.

Madam President, on the subject of environment, I am glad to see that air quality has improved in the last couple of months, but we should observe how the situation will turn in the winter months. As a financial hub for the region, there is a continuous need for us to attract the best talents from the world, and one of the most important conditions for the expatriates to consider in making their move, or perhaps at least for the expatriates with family and kids, is the quality of life for their family members. They are likely to travel extensively in the region, but they will prefer to keep their family in a place where life is safe, air is clean and school places are sufficient for their children. If we are to compare Hong Kong with many other major cities on the Mainland, I suppose we are still okay, but that is still not acceptable by world standard. I very much hope that the Bureau can continue to work closely with our counterparts in Guangdong as well as other vested parties in Hong Kong to come up with sustainable improvement.

Another important factor for Hong Kong to remain as a premium city in China is quality control over our food safety standard. Much has been said by my fellow colleagues and I will not repeat them. My only hope is that we can narrow the difference and immediately move ahead with the legislation on food labelling. This legislation is much overdue and I urge the Bureau to move ahead without hesitation, and to enhance transparency for the consumers. Thank you.

MISS CHOY SO-YUK (in Cantonese): In this session, I shall be speaking on behalf of the DAB our responses to issues relating to the West Kowloon Cultural

District (WKCD) and policy on conservation and environmental protection, and so on.

In the previous session, I already discussed certain cultural policy issues. Generally speaking, I believe that, while the public support the WKCD development project, they still have lots of doubt about certain details of the project. A simple issue as it may appear: Should the project be named a cultural centre or an arts centre? It does require proper clarification. Or whether advance application would be required before members of the public could stage singing performances or other performances in the cultural park to be built; or how the venue could best be used for promoting non-mainstream art programmes of the local culture and the cultures of individual ethnic groups. These are all issues related to the details. On the one hand, we are glad to learn that the parties involved are keeping an open mind, prepared to listen to views from other parties; but on the other hand, I would like to point out that, as of today, the information available still appears to be inadequate. I hope the consultation exercise can be strengthened and speeded up, because many people would like to see that the project can be commenced as soon as possible.

In particular, I hope to see that a Children's Museum can be established. The DAB has been promoting this concept for a long time, and the idea is to provide some room for creativity and allow children to learn by getting their hands on something through touching, playing and experiencing the exhibits and they can play and learn in whatever way they like. I am talking about a Children's Museum. Let us look at other places in the world. For example, in the United States, there are 300 Children's Museums. In other Asian metropolises, Children's Museums are established in Shanghai, Seoul, Osaka, and Taipei, and Hong Kong is the only exception, where a museum like this is not even planned in the WKCD project. I hope the Government can seriously consider establishing a Children's Museum in the WKCD project.

I once visited the School of Creative Media of the City University, where there is a game designed by it specifically for children. In playing the game, the players' psychological state can be assessed to determine if they are under stress as well as the origin of such stress. This will be enormously helpful to the healthy development of children. I hope the Secretary can think about this seriously. The WKCD would be a good place to start planning for a project like this.

Now I would like to talk about conservation issues. Conservation consists of two aspects, namely, the conservation of antiquities and monuments, and the conservation of the bio-diversity of nature. Let me talk about the conservation of antiquities and monuments first. Basically, the Chief Executive's policy address has made a big step forward in the aspect of conservation. We welcome this move, and we can see the Government's sincerity in this regard. I very much hope If this policy address was presented last year, disputes over the Clock Tower of the Star Ferry Pier and the Queen's Pier would not have emerged at all.

It is all very good that the Government is willing to retain the bazaar in Tai Yuen Street and Cross Street. However, should this concept not be promoted to all the 13 open-air bazaars, where there are well over 100 stalls (if I have not remembered the number wrongly), and list them as designated points of conservation? As a matter of fact, there are many other areas in Hong Kong that are worthy of conservation. For example, the DAB organized a "Gough Festival" early this year in a bid to revitalize Gough Street. Through holding the "Gough Festival", we have achieved enormous success in revitalizing Gough Street. Gough Street is a place with unique historic significance. As Members may be aware, it was called a "printing street" in the past. In the late Qing Dynasty, the Four Desperados once gathered in a shop in Gough Street to discuss how they could rebel against the Qing Dynasty. Therefore, it is a place with great historic significance. I believe there are also many other items of cultural heritage with historic significance like this one. Just now, I also told the Secretary that there were many other antiquities and monuments that the Government should verify, repair and revitalize expeditiously, such as the tomb of the mother of Dr SUN Yat-sen.

However, there are still inadequacies in the general direction of conservation. For example, there are no specific policies providing for the transfer of plot ratio, nor is there any mechanism to provide for same-district land exchanges, cash compensation and the acquisition of privately-held buildings with historic value by making use of money in a certain fund. Therefore, we hope the Secretary can consider this seriously and introduce certain effective mechanisms as soon as possible, so that the dwindling number of antiquities and monuments that are treasured dearly by everyone can be properly conserved.

I still have plenty of time left, so I can take my time discussing the environmental issues. Just now I talked about the idea of transfer of plot ratio, and I believe we can apply this to maintaining the bio-diversity of nature. This is something that has not been mentioned at all in the policy address, but I do hope the Secretary can consider it seriously. In fact, when it comes to conservation of bio-diversity in the New Territories, it would be far simpler if the method of transfer of plot ratio is adopted. The sites where those antiquities and monuments stand cannot be compared to sites in the urban areas, since lands in the urban areas are very valuable and it would be relatively difficult to work out the considerations. However, the transfer of plot ratio for the purposes of conservation of bio-diversity, which is under discussion now, does not involve any exchange of land. Instead, by increasing the plot ratio of rural land in the New Territories, higher buildings can be built, and this is a direct and effective measure for conserving places where there is a rich bio-diversity.

The Government once designated 12 sites for conservation, and a considerable amount of money was allocated to establish a fund and invite conservation proposals, eventually only one and a half of those sites were really conserved. Even so, that was not a sustainable model of conservation. Continual injections of funds by the Government were required so that the organization responsible for the conservation could keep up the conservation efforts. That is a most undesirable way, and we hope the Secretary can consider DAB's proposal. The DAB has submitted a detailed proposal which can effectively and in a sustainable manner conserve places with great bio-diversity without the Government's injection of investment.

President, I am very glad to see that, in the current policy address, the Chief Executive has adopted many proposals put forward by the DAB, such as the mandatory implementation of the Building Energy Codes. We are also very grateful to the Secretary for incorporating this measure into the policy address. Other proposals submitted by us, such as expansion of the scope of the Mandatory Energy Efficiency Labelling Scheme, the promotion of rooftop greening developments and the introduction of bio-fuel, and so on, have received considerable support as well.

Having said that, we still do not think that the policy address is entirely flawless. We noted that although a great variety of promotional measures have been proposed, the actual effect would not be too great. Let me cite a few

examples. The Chief Executive said he sought to achieve a reduction in energy intensity of at least 25% in 2005 which is considered the base year. This seems pretty impressive, but the actual amount in the reduction of greenhouse gases still falls short of public expectation by a large margin. This is because, apart from energy intensity, we still have to take into account the rate of economic growth as well. Therefore, the 25% reduction, subsequent to factoring the rate of economic growth, may not be able to reflect the actual amount of energy consumption and total emissions.

Therefore, if the authorities are serious in achieving emissions reduction, it should model after the Kyoto Protocol, which requires the signatory countries to publish the total volume of emissions instead of just using energy intensity for computations.

Besides, there are actually a lot of ways to reduce the emission of greenhouse gases, and we have also put forward several suggestions that can be used in Hong Kong. However, only a few of these suggestions have been incorporated into the current policy address, and the majority of them have not been adopted. For example, regarding the proposal of requiring the two power companies to comply with the emissions reduction target, the policy address has made no mention of it.

The second way of doing it is to list carbon dioxide as an item under regulation in the Guangdong-Hong Kong Emission Trading Scheme for Thermal Power Plants. As a matter of fact, doing so does not cost the power companies great losses, but it will at least give us a target for really reducing the emission of greenhouse gases. As we all know, over 80% of the greenhouse gases emitted is carbon dioxide. Yet, carbon dioxide is not listed as an item under regulation in the Guangdong-Hong Kong Emission Trading Scheme. As such, whichever way the authorities try to put it, they simply cannot convince the people that they are committed to reducing the emission of greenhouse gases, addressing the issue of global warming and living up to their responsibility to the Hong Kong people.

Furthermore, we suggested implementing a demand side management scheme for electricity and requiring the two power companies to draw up overall planning for daytime and night-time demand on electricity, with special emphasis on encouraging users to use less electricity in daytime and saving electricity for use at night-time. But these have not been made part of the policy address, nor

have we seen any more aggressive targets set for encouraging the use of renewable energy.

We hope the Government can require the two power companies to increase their target production volume of renewable energy to 5% of their total volume of electricity generation. For instance, the CLP is planning for the use of wind turbine for electricity generation. The Government should implement some incentive measures in this respect.

The fifth method proposed by the DAB is the opening up of all electricity supply networks so as to enable renewable energy providers to access the grid. We have not seen any such measures in the policy address either.

The policy address did mention several points though, such as conducting a carbon audit in the Tamar Project. We hope that the carbon audit will be conducted not only in the Tamar Project, but can be expanded to cover all new government buildings. I do not mind the Government taking the initiative in this respect, and private enterprises should be encouraged to take part in this initiative voluntarily. Yet, the carbon audit should be conducted not just in the Tamar Project, but should be expanded to at least cover all major government projects, such as the WKCD project and the Southeast Kowloon Development project, and so on.

The proposal of using ultra low sulphur diesel for industrial processes is a good suggestion, but even if the new legislation is in force and a more stringent standard adopted, a 4% sulphur content will be taken as law-compliant for the vessels in the harbour, while the ideal sulphur content we are talking about is 0.05%. How can that be taken as a standard? That cannot be used as a standard at all. At present, apart from the two power companies, the vessels in the harbour are major users of unclean fuels in Hong Kong, but all that the Chief Executive has said is just conducting a feasibility study in respect of the vessels plying the harbour. I hope the Government can introduce as soon as possible measures requiring the use of clean fuels by vessels plying the harbour.

President, I would like to talk about an issue relating to greenhouse gases, which is about the methane emission from the landfills. At present, the emission of methane accounts for 12% of Hong Kong's total emissions of greenhouse gases, and it is one of the three major gas emissions in Hong Kong.

However, only 50% of the methane emission from the landfills is being utilized. I am aware that the Government will sell such methane gas to Towngas, which is a good measure indeed. However, the Government should better utilize the methane emission from the landfills and put it to more extensive uses, so that it can meet the dual targets of generating revenue on the one hand and reducing the emission of greenhouse gases on the other.

Besides, when we talk about controlling air pollution, we must mention carbon offsetting. By carbon offsetting, we are referring to greening. It means making use of plants to absorb carbon dioxide and increasing the green coverage. It seems that the Chief Executive only mentioned the method of carbon offsetting in the APEC convention held in Australia, whereas all other methods mentioned by me earlier were not mentioned at all. However, even for this method, we still do not think that the Government would adopt it very soon, even though its implementation is very easy.

A case in point is the Territory-wide Greening Master Plan. After the DAB has strongly advocated it and exerted pressure, the Government has done work in two aspects. First, it has speeded up the process. Originally, it takes five years before the coverage could be extended to include Hong Kong Island East, but now this will be done in three years. Second, the Master Plan has already been extended to cover the new towns of the New Territories. But I still think that it can be speeded up a little more.

In addition, there are vertical greening and rooftop greening. For people who visited Guangzhou two years ago, if they visit it again now, they would find that the city looks substantially different. On a previous trip to Spain, a bureau chief in Guangzhou found that the footbridges and flyovers there were all draped in green plants and looked very beautiful. So after returning to the country, he wasted no time in implementing it. Within one year, all the footbridges and flyovers are draped in plants. This has really achieved carbon offsetting effectively.

And then, we also have rooftop greening. Now in Hong Kong, surprisingly it was the private enterprises that had launched some sustainable rooftop projects. As far as I know, the HSBC had launched a solar power generation project in Mong Kok. The project collects rainfall automatically. Therefore, without providing electricity and water supply separately, some green plants can be cultivated there. Both Japan and Germany have enacted laws to

require the implementation of rooftop greening. However, in Hong Kong, we still have not seen any such measures being adopted — not even in the projects to be launched on the Tamar site. Therefore, as a matter of fact, we have lagged substantially behind in this regard.

Finally, I wish to discuss the Environment and Conservation Fund. I am very glad to hear that a sum of \$1 billion will be injected into the Fund. President, I wish to make a declaration of interest because I am a member of the Environment and Conservation Fund. Since I am a member of the Fund, I have been able to see its operation during the past few years. It has been mentioned in the policy address that the approving criteria of the Fund will be reviewed. I also find this necessary. As a matter of fact, there is a very major limitation with the Fund, that is, any project running longer than two years will not be approved. Therefore, many projects that promote the cause of environmental protection have failed in their fund applications as they have longer periods of operation. For this reason, such projects cannot even be launched at all.

Of course, we strongly agree that we must spend public funds very prudently. However, the Fund has already been established for 13 years, and it has already accumulated ample experience and no major slips have ever been found in granting approvals to fund applications. Therefore, if we can make some adjustments according to the experience accumulated, and see if the past approval procedures had been too rigid or whether there had been too many restrictions, which prevented the Fund from being utilized I shall find it very good if such adjustments are made. In fact, I also wish to find out how the Government will make use of the \$1 billion because if it is to be spent on education only, I consider the amount too excessive for the purpose. However, if the amount is to be spent on helping the development of environmental protection, conducting some studies and financing some projects, then the amount appears to be too small. So actually how should it be used?

Besides, I wish to talk about the producer responsibility schemes and the "polluter pays" principle, which are currently under discussion. I hope the Government can allocate such levies — the Government does not use the word "tax" — to an environmental protection and conservation fund. Money collected from environmental protection sources should be spent on environmental protection causes. Of course, I can still recall the Financial Secretary promising a few years ago that, after collecting the levies, though they

are placed in the custody of the Treasury, they would still be spent on environmental protection causes. However, I do not know, after the levies are paid to the Treasury, how much of them would eventually be spent on environmental protection, and how they will be utilized. After all, I have always hoped to make use of such levies to establish a fund which can then be used more effectively on promoting the work of environmental protection. President, I so submit. Thank you.

SUSPENSION OF MEETING

PRESIDENT (in Cantonese): It is now four minutes past nine o'clock. I now suspend the Council until 9.00 am tomorrow.

Suspended accordingly at four minutes past Nine o'clock.