

OFFICIAL RECORD OF PROCEEDINGS

Friday, 30 October 2009

The Council continued to meet at Nine o'clock

MEMBERS PRESENT:

THE PRESIDENT

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

THE HONOURABLE ALBERT HO CHUN-YAN

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

THE HONOURABLE LEE CHEUK-YAN

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

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

DR THE HONOURABLE MARGARET NG

THE HONOURABLE JAMES TO KUN-SUN

THE HONOURABLE CHEUNG MAN-KWONG

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 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 ANDREW CHENG KAR-FOO

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

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

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

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

THE HONOURABLE ALBERT CHAN WAI-YIP

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

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

THE HONOURABLE VINCENT FANG KANG, S.B.S., J.P.

THE HONOURABLE WONG KWOK-HING, M.H.

THE HONOURABLE LEE WING-TAT

DR THE HONOURABLE JOSEPH LEE KOK-LONG, 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

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

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

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 KAM NAI-WAI, M.H.

THE HONOURABLE CYD HO SAU-LAN

THE HONOURABLE STARRY LEE WAI-KING

DR THE HONOURABLE LAM TAI-FAI, B.B.S., J.P.

THE HONOURABLE CHAN HAK-KAN

THE HONOURABLE PAUL CHAN MO-PO, M.H., J.P.

THE HONOURABLE CHAN KIN-POR, J.P.

THE HONOURABLE TANYA CHAN

DR THE HONOURABLE PRISCILLA LEUNG MEI-FUN

DR THE HONOURABLE LEUNG KA-LAU

THE HONOURABLE CHEUNG KWOK-CHE

THE HONOURABLE WONG SING-CHI

THE HONOURABLE WONG KWOK-KIN, B.B.S.

THE HONOURABLE WONG YUK-MAN

THE HONOURABLE IP WAI-MING, M.H.

THE HONOURABLE IP KWOK-HIM, G.B.S., J.P.

THE HONOURABLE MRS REGINA IP LAU SUK-YEE, G.B.S., J.P.

DR THE HONOURABLE PAN PEY-CHYOU

THE HONOURABLE PAUL TSE WAI-CHUN

DR THE HONOURABLE SAMSON TAM WAI-HO, J.P.

MEMBER ABSENT:

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

PUBLIC OFFICERS ATTENDING:

THE HONOURABLE HENRY TANG YING-YEN, G.B.M., G.B.S., J.P.
THE CHIEF SECRETARY FOR ADMINISTRATION

THE HONOURABLE JOHN TSANG CHUN-WAH, J.P.
THE FINANCIAL SECRETARY

THE HONOURABLE WONG YAN-LUNG, S.C., J.P.
THE SECRETARY FOR JUSTICE

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

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

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

DR THE HONOURABLE YORK CHOW YAT-NGOK, G.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 MATTHEW CHEUNG KIN-CHUNG, G.B.S., J.P.
SECRETARY FOR LABOUR AND WELFARE

PROF THE HONOURABLE K C CHAN, S.B.S., J.P.
SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY

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

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

THE HONOURABLE MRS RITA LAU NG WAI-LAN, J.P.
SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT

PROF LAU SIU-KAI, J.P.
HEAD, CENTRAL POLICY UNIT

MS FLORENCE HUI HIU-FAI, J.P.
UNDER SECRETARY FOR HOME AFFAIRS

CLERKS IN ATTENDANCE:

MRS CONSTANCE LI TSOI YEUK-LIN, ASSISTANT SECRETARY
GENERAL

MRS JUSTINA LAM CHENG BO-LING, ASSISTANT SECRETARY
GENERAL

MRS PERCY MA, ASSISTANT SECRETARY GENERAL

PRESIDENT (in Cantonese): Good morning. Council will now resume. We will continue with the Third Debate Session. Public officers will now speak.

MEMBERS' MOTIONS

MOTION OF THANKS

Continuation of debate on motion which was moved on 28 October 2009

SECRETARY FOR HOME AFFAIRS (in Cantonese): President, on the section of "Investing for a Caring Community" in the Chief Executive's policy address, a number of Members have mentioned the importance of family to looking after the elderly and raising the young in the debate last night.

Prof Patrick LAU expressed appreciation for the promotion of the Happy Family Campaign. The Family Council will liaise with all relevant parties in the future, assist in promoting the Happy Family Campaign throughout the whole territory, and encourage members of the public to build together families which are treasured by the Hong Kong public through a series of promotional activities, thereby fostering a caring culture among family members.

"Love and care", "responsibility and respect", and "communication and harmony" are family core values established by the Family Council. The Family Council will co-ordinate the liaison with relevant stakeholders in the building of an interactive information platform and support network. Through this web-based platform, family core values will be promoted among the public, and family education and support services will be introduced.

We believe harmonious families can help reduce social problems. In this connection, the Family Council will discuss and study such social phenomena as juvenile drug abuse, prostitution, negligence of care for the elderly and young children, as well as explore options for a new policy to alleviate the problems at the family level.

Members also spoke of social enterprises. The SAR Government will continue to actively promote the development of social enterprises, and

strengthen the concept of self-help and helping the others. The Government will promote the development of social enterprises in the following four areas:

First, to assist the public in gaining a fuller understanding of social enterprises through various means so as to encourage them to use more products and services of social enterprises;

Second, to foster cross-sector collaboration through the Social Enterprises Partnership Programme launched by the Home Affairs Department. We will continue actively exploring room for co-operation between interested parties like business organizations and non-governmental organizations;

Third, to encourage and support the initial operation of new social enterprises through the Enhancing Self-Reliance Through District Partnership Programme of the Home Affairs Department, and to provide employment opportunities in the community; and

Fourth, to identify and nurture more social entrepreneurs from the tertiary education sector in a bid to keep up injecting new strengths into the development of social enterprises in Hong Kong.

Ultimately, social enterprises have to operate in line with the market — it is to be managed by entrepreneurs in the community without reliance on underwriting by the Government. We hope that social enterprises will be able to grow strong, and actually, we have witnessed a number of social enterprises planting their roots in Hong Kong and demonstrating vitality for sustainable development. The media have recently reported on their successful operations such as the example of a restaurant employing specifically the elderly having developed successfully into a chain store business.

We believe successful social enterprises will grow from small to big. However, we hold that it may not necessarily be desirable for a head office of social enterprises of a contractor nature to be established with the resources of the Government because social enterprises are not state enterprises. Having listened to the views of social enterprise operators and the community on the development of social enterprises, we have decided to set up an advisory committee on social enterprise. According to the initial idea, members of this advisory committee may include operators of social enterprises, members of the academia, the business sector and those who are keen to contribute towards the development of

social enterprises. I look forward to the advisory committee providing a platform for absorption of views on promoting the development of social enterprise from different sectors of society, and developing and improving policy initiatives on the promotion of their development, such that the promotion of the development of social enterprises in Hong Kong.

I hope that the work of the SAR Government with regard to the Family Council and promoting the development of social enterprises will continue to receive the support of Members so that a more harmonious society could be created for Hong Kong.

Thank you, President.

SECRETARY FOR SECURITY (in Cantonese): President, it is really encouraging for the territory-wide anti-drug campaign announced in the Legislative Council by the Chief Executive on 7 July to receive active responses from different sectors in society which have shown care and support through different means for our young people. In the midst of societal concern for the juvenile drug abuse problem, the Government has seized the opportunity to step up the speed and intensity of anti-drug work in the five directions proposed by the Chief Executive, namely, social mobilization, community support, testing, as well as rehabilitation and law enforcement.

In this debate, Members have expressed views on three areas, namely, testing, treatment, as well as rehabilitation and law enforcement. I will now respond to comments pertaining to these three areas.

In the area of testing, currently, psychotropic drugs are currently the major problem endangering the mental state of our young people, while the methods, sites of consumption, and the initial damage inflicted on the body are not easily detectable. There is a need for us to introduce drug testing as a new tool to identify early those young people who have started taking up drugs so as to encourage them to accept help as soon as possible in a bid to save them from being further harmed by drugs.

The Trial Scheme on School Drug Testing in Tai Po District (Trial Scheme) which is to be implemented soon aims to reinforce the determination of

the majority self-loving students in staying away from drugs, to arouse in certain drug-plagued students the motivation to receive drug treatment, and provide them with appropriate support services in a bid to help them kick the habit as soon as possible, thereby preventing the continual spread of the drug problem in schools. Last week, we launched a series of over 50 seminars to introduce the Trial Scheme in detail to parents, students and teachers in the Tai Po District; it is anticipated that testing work will begin in December.

In an effort to increase the number of effective tools for testing dangerous drugs, the Government Laboratory will first introduce the technology of hair specimen testing. Although urine specimen testing is fast and convenient, generally, only drug abuse within a few days could be detected; whereas drug intake within a few weeks, or even a few months, could be detected by hair specimen testing. Besides, hair specimens could also be collected easier. In this regard, preparatory work is being stepped up by the Government Laboratory. It is anticipated that service could be launched the earliest in 2010, thereafter, the technology would be transferred to the industry for service of this kind to be rooted in Hong Kong.

As for the mandatory drug testing proposed by the Task Force on Youth Drug Abuse (Task Force), we plan to put forward a consultation paper on the specific programmes and arrangements in 2010 for public consultation.

As regards treatment and rehabilitation services in the downstream, there are a variety of treatment and rehabilitation services available to young people who have picked up the habit inadvertently to provide them with different choices that suit their different backgrounds and circumstances. We undertake to offer more effective rehabilitation programmes and facilities for young people who go for voluntary drug treatment. Currently, we are in close liaison and discussion with the anti-drug service sector in developing, in the light of the experience they have gained and the latest situation, models of service that are both innovative and effective. We will invite various parties to make suggestions in due course.

Apart from introducing new rehabilitation services, we will continue with our efforts to assist existing drug treatment and rehabilitation centers which are in need of relocation to locate suitable sites as soon as possible, so that they could be relocated as early as possible to get qualified for the licensing requirements.

Here, I would like to appeal to Members who support anti-drug activities to help in the promotion and acceptance of the local groups at the district level, so that the relocation scheme for drug treatment and rehabilitation centers could be actualized as early as possible.

Pinpointing the fact that juveniles taking drugs have become increasingly younger in age, highly important is also the role of education in rehabilitation. The Education Bureau will continue to fund drug treatment and rehabilitation centres that operate under non-profit-making organizations in offering education courses for adolescents living in the institutions. The Education Bureau will also assist those young people who aspire to studying to return to mainstream schools upon completion of their treatment. Students with serious behavioural or emotional problems could also attend schools for social development to receive more intensive counselling, such that they can be helped in overcoming their difficulties in adjustment in the short term.

In addition to increasing the quota of our services, we are also committed to increasing the depth of our services. Earlier this month, the two proposals raised by the Task Force were implemented.

The first proposal is to provide basic medical support, which includes medical check-ups, motivational meeting sessions and voluntary drug testing, to young drug abusers receiving services in the seven existing counselling centres for abusers of psychotropic substance. This will help identify drug users, help encourage and enhance their determination to continue with the treatment, and transfer needy cases to substance abuse clinics or other specialist clinics for specialist treatment as early as possible. New resources have been injected into substance abuse clinics by the Hospital Authority in the current financial year.

The second proposal is to implement a two-year pilot scheme that offers more focused, systematic and intensive drug treatment programmes for young drug offenders under probation. Probation officers in charge of the pilot scheme will communicate closely with the Court on the progress of rehabilitation of the young people, and to conduct for them more frequent urine tests and reviews for bringing curfews to a termination conducted in line with need. The pilot scheme also includes intensive counselling programmes, therapeutic groups, employment assistance and school counselling.

Finally, in the aspect of law enforcement, it has been raised by many Honorable Members that influx of drugs has to be curbed at source. Law enforcement is one of the five major directions set out by the Chief Executive, and curbing the source of drug supply has all along been an important part of our anti-drug policy and a matter of concern raised by a good many Honourable Members. Both the police and the Customs and Excise Department of Hong Kong (C&ED) have all along been attaching great importance to work on the combat of drug-trafficking activities, and they are committed to curbing the influx of drugs as well as combating the local supply. Close liaison has been maintained by our law-enforcement agencies with the relevant units on the Mainland, with fruits of work frequently achieved by mutual co-operation. From January to September this year, a total of 697 kg and more than 14 000 drug tablets worth about HK\$190 million in market value have been seized by the police and the C&ED.

Since the announcement by the Chief Executive in July on leading the whole territory to combat drugs, results has been achieved in our law-enforcement actions, in combating both cross-boundary drug trafficking and local drug supply. Hong Kong and the law-enforcement units on the Mainland will, with joint efforts, keep up strengthening mutual intelligence exchange and joint operations to combat cross-boundary drug abuse and drug-trafficking activities. At the international level, we will fully support the State in striving for having ketamine (commonly known as "K Tsai") included under the regulation of the International Conventions on Drugs.

President, anti-drug work is a long-term effort and what I have stated just now are only the bits of work we have recently been striving to enhance. We will continue with the implementation of a wide range of initiatives in publicity and education, drug addiction treatment and rehabilitation, legislation and law enforcement, foreign co-operation, empirical research and care measures for adolescents in accordance with the recommendations made by the Task Force led by the Secretary for Justice for implementing a comprehensive and sustainable anti-drug policy.

I believe that as long as various sectors of the community could pull their hearts and minds together for the shaping of a society that cares for the next generation for them to grow up healthily, their determination to say "No" to drugs could be reinforced, and assistance could also be provided to young people who

have inadvertently picked up the habit, thereby saving them from the claws of drugs.

Thank you, President.

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

PRESIDENT (in Cantonese): End of the Third Debate Session. Now we proceed to the Fourth Debate Session. The theme of the debate is "Optimizing Our Demographic Structure and Attracting Talents". This session covers the following three policy areas: Education Services; Health Services, and Immigration Policies under Security Services.

Members who wish to speak in this session will please press the "Request to speak" button.

MRS REGINA IP (in Cantonese): Directors of Bureaux, good morning. I wish to speak on education.

Education services as an industry is certainly one of the focuses of the six industries with clear advantages suggested by the Chief Executive. Nevertheless, what does industry mean? The policy address has not laid down a definition for this term. By inference, as its name suggests, an industry should refer to services that can make money for Hong Kong people. By this logic, there is in fact only one kind of education services that can make money while truly involving no public money or government subsidy, for example, the provision of low-cost land, and that is, the services rendered by tutorial schools, as Secretary Michael SUEN is also fully aware.

Initially, I found tutorial schools repugnant because I thought that they were super business-like education centres that packaged teachers as celebrity tutors and placed advertisements on minibuses and buses. The sight of such advertisements gives the public an impression of those tutors walking around in town. It has been learnt that these tutorial schools will spare no effort to scramble for students. As regards top-notch students who are likely to obtain

distinctions in public examinations, tutorial schools will compete among themselves to enrol these students on tutorial classes, like what universities will do. I also know some people who have enrolled at tutorial classes in the English Language. However, I have been given to understand that those teachers do not teach grammar as I did but predict examination questions for students. Although I initially found tutorial schools repugnant, their thriving business proves that they are able to satisfy the needs of society and the market, that is, making up for what schools are unable to do.

On this point, Secretary Michael SUEN should do some soul-searching. We have spent so much money, but when it comes to the inadequacy of education services, you and the Chief Executive have always remarked that the Government has spent 25% of the public expenditure on education. If this is the case, why is there such a big gap in our education system that needs to be bridged by the market? Why do students pursue their learning only for the purpose of obtaining several distinctions to facilitate their further studies? All along, the vision of education has not been expounded and I believe the education authority should make reflections on this time and again.

Looking at the education services industry from this perspective, that is, it does not involve any public money but makes money, I cannot understand at all the reasons for the Government's remark that it is possible to develop private secondary schools and private universities. When attending a meeting of the Panel on Education, Secretary Michael SUEN gave Members an explanation that these private universities would charge a tuition fee of some \$100,000. The Government has always said to Members that the subsidy provided to each university student amounts to \$200,000. In charging students a tuition fee of \$100,000, taxpayers actually have to make a subsidy of \$100,000. If taxpayers were to subsidize land expenditure and tuition fees, it would by no means be an industry.

For that reason, although the Government mentions here the diversification of industries, there are actually limits to such diversification or internationalization. If education is regarded as a business, we all know full well that the Mainland constitutes the major source for this market. With respect to internationalization, the most renowned private universities in the United States have also set their respective goals of internationalization. However, even the Harvard University, its proportion of international students will not exceed 20%. These private universities also have a clear vision: The

admission of non-local students does not aim to provide selfless education to students from Hong Kong or Bangladesh — This is one of the objectives, thereby making contribution to mankind — However, the ultimate goal is to bring benefits to students in the United States in terms of broadening their international outlook and attract good talents from all over the world to the United States for the development of its industries. It is only through the retention of such talents in its territory can the United States achieve continuous innovation. Consequently, regarding the industrialization of education, the Government has not given a clear explanation on the goal and nature of such a process, thus leaving our many doubts unresolved.

Let me further speak on the education services in Hong Kong. Provided by the public sector, such services are actually quite unsatisfactory in terms of quality and quantity. We have outstanding universities, which enjoy high international rankings, and distinguished students. Our universities are endowed with the conditions for attracting such talents as Prof Charles KAO. Although this is good, has there been any progress in our education system as a whole, when compared with that several decades ago? In my view, even though there has actually been an increase in quantity, our education system has not seen any significant progress. When attending a meeting of this Council earlier, the Chief Executive spoke on the real estate market. He said the real estate market was divided into various segments, but I cannot recall the Chinese expression mentioned by him. He said there was segmentation and luxury properties were different from other residential properties.

Regarding our education services, there in fact exist gaps from pre-primary to tertiary education. I have profound feelings about this because 40 years ago, that is, in 1969, I sat in the Hong Kong Advanced Level Examination and I was junior to Secretary SUEN by several forms. Back in those days, it was extremely difficult to get admitted to a university because there were only two universities in Hong Kong and the education system resembled a pyramid. Then, how does the present education system look like? It still resembles a pyramid. Take the results obtained by the candidates sitting in this year's Hong Kong Certificate of Education Examination (HKCEE) as an example, although 13 students obtained multiple distinctions, what about the actual figures? There were 115 000 candidates sitting in the HKCEE and 60 000 of them failed to meet the requirements for matriculation courses — 60 000 candidates failed to meet the requirements for matriculation courses. Despite the fact that 58 000 candidates were able to meet the requirements, only 33 000 Secondary Six places were

available. In other words, although there were 33 000 winners, 82 000 candidates were losers. The needs of the latter for higher studies could not be met by the number of university places available in Hong Kong.

Consequently, Secretary for Labour and Welfare Matthew CHEUNG — He used to be engaged in the field of education in the past — has to organize on an ongoing basis the Youth Work Experience and Training Scheme, the Youth Pre-employment Training Programme, as well as other training and retraining programmes. Some Honourable colleagues also mentioned yesterday that these courses spanned 10-odd days to two weeks. I have personally attended exhibitions of such retraining programmes. What courses are on offer? Courses in vocational English, vocational Cantonese and vocational Putonghua are on offer. Secondary Five graduates even have to receive retraining in vocational English lasting 10-odd days or two to three weeks. Can this meet the demand of the knowledge-based society of which Members have spoken extensively? I feel sad about these young people because their chances of social advancement are slim, given their academic qualifications and the limited opportunities of higher education.

As regards the number of university places in Hong Kong, it has stood at 14 500 over all these years. Secretary SUEN has explained to Members that this arrangement is attributed to the failure to bid for funding. I also understand this reason because the recurrent expenditure incurred in this regard has all along given the Government headaches and the failure concerned has nothing to do with the Secretary. Apart from the fact that these 14 500 places are only available for 18% of the young people of the participation age, Members may think about this situation. This year saw 17 744 students meeting the academic requirements for admission to university through JUPAS. Excluding the students eligible for the Early Admission Scheme, non-local students and other students, such as associate degree students, there were 17 744 candidates whose results would actually qualify them for admission to matriculation courses. Nevertheless, only 12 000 places were available. As some Honourable colleagues have highlighted, 5 800 eligible students were denied admission to universities. In this circumstance, the two sites in the urban area reserved by the authorities are very precious. The universities to be established in Ho Man Tin and Wong Chuk Hang will admit 4 000 students. I do not know, but perhaps the authorities hold the view that private universities can evade the Government's restriction that the proportion of Mainland students admitted by publicly-funded universities must not exceed

20%. If half of the number of places available in these private universities is provided to Mainland students, is this fair to local students? As Ms Audrey EU has mentioned, since we have failed to meet our domestic demand, how can we develop education in this fashion?

In addition, a number of Honourable colleagues have recently referred to a report released by the United Nations, which states that in terms of the disparity between the rich and the poor, Hong Kong ranks first among advanced countries. However, this is not a record of which we should be proud. If Members further go through this report published by the United Nations, they will note which countries can export education services, that is, playing the role as an education hub, so that a greater number of people can be admitted to universities. For example, in Canada and the United States — I will only cite Canada and the United States as examples because this report has not contained any information on the situation in Australia — In Canada, what is the percentage of students who can be admitted to tertiary institutions? It is 38%. Secretary Michael SUEN, it is 38%. The percentage for Hong Kong is only 18% while that for the United States is 36%. The respective percentages for the other Scandinavian countries surveyed all exceed 25% or 30%. These countries will satisfy their respective domestic demand and take care of their own students before developing the export of education services. Secretary Michael SUEN, although I know that a lot of matters are not your making, for example, resources, the Government really has to identify methods and refrain from establishing the two private universities in view of its failure to offer education to local students. Or, the Government may consider allocating half of the 4 000 places to Mainland students. However, the allocation of 2 000 places may still fail to satisfy the eager demand of Mainland students. So doing is also truly unconscionable to us and unfair to local students.

Furthermore, no matter how great the demand of Mainland students is, I think that establishing private universities is actually unrealistic. First, the two sites each measuring 4 000 sq m are too small because a university needs more than classrooms. Given its liking for developing infrastructure, the SAR Government perhaps holds the view that a site reserved in the urban area may provide convenience and for that reason, merely building some classrooms will suffice. However, Members present in this Chamber who have received university education or made visits to overseas universities may know that the factors contributing to the success of a university include campus life, student

hostels, libraries, laboratories and a number of recreational facilities, in addition to classrooms. Last week, I attended a sharing session relating to a Mentorship Programme organized by The Chinese University of Hong Kong (CUHK), during which, some CUHK students told me that they wished to live in student hostels because so doing could afford them an opportunity to truly enjoy university life. University education is not merely about studying or acquiring some knowledge. It is also a process that serves to inspire the mind of students. However, I was told by CUHK students that a portion of the student hostel places was reserved for Mainland and overseas students, so it was difficult for them to be allocated such places. For that reason, they are actually unable to enjoy university life to the fullest.

Apart from the issue of the sites being too small, I believe Secretary Michael SUEN is also aware that it takes a long period of time for a university to build up its reputation. Members have a clear idea about which of the eight universities in Hong Kong are rated as the top ones. Although the three universities that occupy a higher position certainly have appeal for Mainland students in the meantime, it is difficult to tell whether or not this will still be the case in the long run. I have some information in hand which relates to the statistics on the number of Mainland students pursuing studies in Hong Kong between 2006 and 2009. I believe the Secretary also has similar information. In 2006, 32 000 Mainland students made applications whereas in 2007, there were 31 000, representing a drop of 2%. The figure for 2008 was only 28 000, registering a decline of 10%. In 2009, there were about 19 000, recording a drop of 30%. The drop in number may be partially attributed to the financial tsunami. Another possible reason can be that Mainland families are actually becoming better-off. Consequently, in selecting universities, Mainland students will choose those considered to be elite universities. New universities that are established without serious consideration may not have appeal to these Mainland students. Hence, if the Government really turns a blind eye to public opinions and uses the two precious sites in the urban area to construct the two small-scale universities that are small in size and need some time to build up their reputation, then, honestly, after the construction of these two universities has completed, the two universities may become "non-prestigious universities" and it is highly probable that no one will apply for admission. At that time, Mainland students will pour scorn on these two universities because it would be better to pursue studies in Australia if they have to pay a tuition fee of \$100,000.

I believe Secretary Michael SUEN may have read a newspaper report and he has a clear idea about the fact that in Shenzhen, we — Shenzhen has a great demand for university places — In fact, a university town has been developed in Shenzhen and institutions from Hong Kong have swarmed to establish universities there. One of our institutions — the Hong Kong Baptist University — has even joined hands with a Mainland university in setting up a university in Zhuhai. What is the outcome then? As reported in a newspaper recently, probably because of its low reputation and status, coupled with its short history since establishment, this international college located in Zhuhai is under-enrolled. Due to fact that it fails to be self-financing, it has to increase the tuition fee significantly to \$30,000 or \$40,000, thus resulting in non-enrollment. In other words, I really hope the Government can think twice. If it really has to utilize our precious land resources and other very limited resources to set up such private universities, this will not only fail to benefit local students but also lead to a severe wastage of our resources because Mainland students may have become better-off at that time, so they may probably scorn to enrol at these private universities. We had better strengthen our existing universities, be it private universities, such as the Hong Kong Shue Yan University, or other newly established universities, for example, the Lingnan University, with our land resources and other resources, in order for them to enhance their existing undergraduate programmes.

What is more, there are in fact problems in various areas of the pre-primary and even secondary education below university education. As I said just now, if the teaching is good and our public education system can satisfy the demand of all parents and students, why do so many students enrol at tutorial schools? When I stood in the street, I came across a mother, who told me that she had to incur an expense of several hundred dollars for each of her children to enrol at a tutorial school. This is true. It is not a small amount of money and to pay a monthly expenditure of several thousand dollars is really not easy for her.

Why does it have to be like this? The teaching methods adopted by secondary schools in Hong Kong and the ways to enable parents to play the role of parents require improvement in a lot of aspects. Are our resources insufficient? Can teachers be provided with more advanced training? In my view, the Education Bureau should give deep thoughts to the allocation of resources to improving local education because in the long run, investing in education means an important investment made by society in intellect. If we fail

to provide quality education and upgrade the intellect of the general public, the so-called knowledge-based economy that we have been talking about will only be an illusive goal to us and other people. Moreover, our failure to do so will serve to plant a number of time bombs in society. As evident in the figures cited by me just now, every year witnesses a large number of students who become losers under the HKCEE while the Youth Work Experience and Training Scheme and the Youth Pre-employment Training Programme are only able to cope with the needs of 10 000-odd young people. Hence, it is not surprising to hear many non-governmental organizations remark that in our society, there are some 10 000 withdrawn youths who only stay at home and abstain from social contact, employment and friendship. Some may even have developed drug addiction.

Drug abuse is actually a social and educational problem. Many young people have told me that they cannot see their future after completing their studies and the feeling of decadence has driven them to abuse drugs. For that reason, I really hope the Government can think twice. Can the implementation of the policy on establishing private universities, which is considered to be empty talk, truly help Hong Kong and even the Pearl River Delta Region?

President, I so submit.

MR CHEUNG MAN-KWONG (in Cantonese): President, Chief Executive Donald TSANG has said that the policy address is about policy direction, not allocation of resources. However, the education policy in this year's policy address has clearly lost its direction because the development of education services is just all talk and no substance. The local university admission rate has neither progressed nor improved in the past 20 years. Many young people can neither continue their studies nor find a job after graduation. Their options are getting fewer and their little sparks of frustration will develop into a serious hill fire sooner or later.

The selling point of this year's policy address is the development of six industries with clear advantages. But in fact, the Education Commission had suggested some 10 years ago in 1999 that more private universities be developed. This proposal has now been "rehashed" to become a new gimmick, as a new ground in education policy. Ten years have passed and the development of private universities has been crawling at snail's pace. Only the Hong Kong Shue Yan College has been upgraded into a university through its own efforts and

dedication. The real problem with our university education is that its development is lagging far behind our competitors in Asia. The local university admission rate has remained stagnant for 20 years and nothing has been mentioned in the policy address. The need for continuing education of our young people has been forgotten. This is the biggest irony of the Government's pledge to develop Hong Kong as a regional education hub: it has sought the so-called internationalization by luring overseas graduate students reading doctorate degrees with subsidies, rather than using the resources to fund additional local university places. This is putting the cart before the horse. Precious resources for education are not properly spent on the children of taxpayers.

President, let me cite an example and we shall all see how exaggerated the Government's proposal to develop education services is. According to the prevailing school design standard, the site area requirement for a 30-classroom secondary school is 6 950 sq m while that for a 30-classroom primary school is 6 200 sq m. But as announced in the policy address, the two sites reserved for the provision of private universities are just former sites of police quarters with each site measuring some 4 000 sq m in area only. How come a university could not even compare with a secondary or primary school in terms of site area? Is that how committed the Government is to developing Hong Kong as an education hub? The Government has even said that it will consider refurbishing old industrial buildings for the operation of self-financing higher education institutions. Is the Government really serious in thinking that it would be sufficient to promote the development of private universities by merely reserving sites smaller than those for secondary and primary schools? Is it sufficient to provide campuses for self-financing tertiary institutions by merely improving vacant industrial buildings? Is it sufficient to promote the long-term development of education services in Hong Kong by merely making available sites from police quarters and industrial buildings, as well as a \$2 billion repayable Start-up Loan?

It takes more than resources to develop private universities. It needs complementary policies and legislation. When the target of a 60% tertiary education participation rate was announced by former Chief Executive TUNG Chee-hwa in 2000, the then Education Bureau which was in charge of enforcing this policy objective had emphasized that different standards were adopted in laws governing local tertiary institutions and hence, there was no way to ensure the quality of post-secondary education. As some of these laws were overlapped

with unclear divisions, a new legislative framework was required. The then target of "85 000" policy in education has now been achieved in haste, and the quality of associate degree graduates has been criticized ever since. On the other hand, nothing has been heard about the new legislative framework for tertiary education in the past 10 years. By coincidence, the then responsible Principal Assistant Secretary in charge of the relevant legislative amendments is now working in the Education Bureau again and also in charge of higher education. I do not know what is on her mind when she sees the legislative proposals on her hands, still unfinished after 10 years.

President, the Democratic Party does not oppose strengthening Hong Kong's position as an education hub. But the most important foundation of an education hub is that the opportunities of local students to receive publicly-funded university education must be increased constantly in tandem with the development needs of society and the rising expectations of parents. When the local admission rate has long been frozen at 18% and when each year, more than 5 000 matriculated students fail to secure publicly-funded university places, the Government is talking about developing Hong Kong into an education hub, increasing the ratio of non-local students and subsidizing non-local students with marginal costs. When the Government is still trying to attract students from other Asian cities to study in Hong Kong and when the education hub has yet to materialize, the Government has further proposed its grand plan on education services. When Donald TSANG has stressed repeatedly that funding provision for education has been capped and there is no way to increase subsidies for local students, why then should he lavish money on non-local students? Why then should he nurture talents for other places? That is exactly why I criticize the Government's tertiary education policy as putting the cart before the horse and having lost its direction.

The appeal and selling point of our education services will not increase simply by the Government handing out fat scholarships to non-local students unconditionally. What matters is the quality of education. In Hong Kong, three of our tertiary institutions are amongst the top 100 ranking universities in the world and such an achievement is only possible with continuous hard work by the staff and the students as well as stable support from public funding. When stable private donations have yet to materialize, a new tertiary institution cannot charge its tuition fees higher than at-cost. Under the circumstances, a self-financing institution with sole income from tuition fees can hardly be able to provide quality degree education, let alone achieving the objective of attracting

non-local talents through the development of education services. When attending the Seminar on Hong Kong-Shenzhen Education Cooperation, Shenzhen officials made it clear that Hong Kong must first resolve specific issues regarding institutions and tuition fees before further development in education services can be achieved. Otherwise, Mainland students would prefer studying in the United States and the United Kingdom rather than in Hong Kong because of the expensive tuition fees charged by Hong Kong universities.

Taking into account these factors, the Hong Kong Government cannot act on wishful thinking alone. It would be just futile to redeploy its trick with associate degree education because neither private universities nor education services would be developed in Hong Kong simply by the provision of land and a start-up loan. I hope the SAR Government will not repeat its mistake with the associate degree courses because under its present proposal, students of private universities will become another "three no's", that is, having no subsidies, no quarters and no quality education. In the end, education services will be caught between two stools and become another "grand, big and empty" education policy.

President, under the Pre-primary Education Voucher Scheme (PEVS), early childhood education has become market-led. But two years into its implementation, the PEVS has come under many criticisms. The major shortcoming of the PEVS, dubbed as the Hong Kong-style education voucher scheme, is that it has exploited kindergarten teachers (KG teachers) by abolishing the stable salary scale they originally enjoyed in the name of free market. By order of the Education Bureau, all KG teachers have to pursue further studies. However, their remuneration would be regulated by the market. This has effectively put KG teachers in a very difficult situation. They could not get a salary raise although they have studied hard to upgrade their qualification. If they ask for a salary increase, the additional cost would have to come from the tuition fees and such an adjustment would ultimately be borne by the parents. With a shrinking KG enrolment and low competitiveness, how can KGs increase their fees willfully? Hence, senior KG teachers have to look for new jobs. But when they do so, they are worried that they will be paid at the starting salary point again because of the absence of a salary scale. During the suspension of classes earlier on as a result of the human swine flu, teachers of primary and secondary schools were mostly concerned about lagging teaching progress while KG teachers were invariably worried about the deduction or withholding of salary and even layoffs.

Instead of bringing respect for the qualifications of KG teachers, the implementation of the PEVS has created a tremendous additional workload for KG teachers as a result of self-evaluation and external review that are pegged to the provision of government subsidy. Having to work long hours with no free periods, KG teachers are left with increasingly less room for teaching. According to a recent study conducted by the University of Hong Kong, employees in the "restaurants/hotels" sector have to work the longest hours: 56.4 hours weekly on average, in excess of the relevant international standard. However, many full-time KG teachers have to work more than 60 hours a week. No wonder that according to the findings of another study conducted by The Hong Kong Institute of Education which were published last week, KG teachers in Hong Kong scored the lowest in various health domains compared with the general Chinese populations in Asia. Such findings bear testimony to the fact that both the physical and mental health of KG teachers are worsening seriously and this flame would burn down the entire early childhood education force. While the PEVS is introduced to improve the quality of early childhood education, KG teachers have made the biggest sacrifice of all.

For the above reasons, the early childhood education sector has asked for a review of the PEVS this year in the hope that a salary scale for KG teachers could be drawn up so that their remuneration will be directly subsidized. The sector also hopes that whole-day KGs could be provided with appropriate financial support while the work pressure of KG teachers could be relieved. Subsidies under the PEVS would be offered on a fair and equitable basis so that all KG children are benefited. According to the Education Bureau, the relevant review would be conducted by the Education Commission. Given its grave concern about the matter, the early childhood education sector has requested that the review be conducted in a transparent manner with adequate channels for soliciting views and direct participation by the early childhood sector. I will also request the Education Bureau to fully brief the Legislative Council on the scope and mode of the review.

On another note, I would like to turn to the New Senior Secondary (NSS) academic structure. The decline in school-aged secondary population will reach its bottom in 2009. If the Government has seized the opportunity to implement small-class teaching (SCT) in secondary schools, the parents will certainly receive the news with a big applause because it can definitely help the implementation of the NSS academic structure. However, the Government has refused to consider SCT in secondary schools. Last year, it even attempted to

close down 50 secondary schools in the coming five years. Although this catastrophe has been averted due to the strong resistance by the education sector, we are still deeply worried that although school closure has stopped this year, whether it will start again next year. And what about thereafter? According to the Education Bureau's estimates, there will be at least 20 under-enrolled secondary schools next year and it means that school culling will start again next year.

I strongly urge the Education Bureau to stop the school culling policy and maintain the stable development of secondary schools. Otherwise, the Hong Kong Professional Teachers' Union (HKPTU) which I represent will surely fight to the very end. The Education Bureau can consider new initiatives to replace the existing benchmark of school closure with an enrolment rate of less than three Secondary One classes. With many schools resorting to collaboration to offer different subjects to the students, the requirement of "operating at least three classes for each subject" is already obsolete. In fact, some elite schools, though having no problem with student intake, would also collaborate with each other to offer less popular subjects. I would also like to urge the Government to first implement SCT in secondary schools in districts the hardest hit by declining school-aged population. In fact, this is how SCT is being implemented in primary schools. Instead of territory-wide implementation, SCT is only adopted for primary schools in districts with a small school-aged population because there are still practical difficulties with implementing SCT in districts with a large school-aged population. Why can such an arrangement not be adopted for secondary schools? Moreover, the Government should consider freezing the number of secondary school teacher posts and encourage secondary schools to voluntarily adopt four Secondary One classes as the base for operation. By achieving a more even distribution of Secondary One classes, the schools will stand a better chance of overcoming the school closure crisis together. As the declining school-aged population for secondary education will only last for a few years, why can we not join hands to tide over the difficult times? Why did the Government choose school culling as the solution? I think the Government should give serious thoughts to this.

In his policy address, the Chief Executive said he understood well the pressure felt by the young people, particularly those who failed in formal education or public examinations. But the truth is the young people now have face tremendous pressures which the likes of us in the older generation could

hardly imagine. Nowadays, young people have to compete keenly for the limited number of university places in Hong Kong. Very often, graduates have great difficulty finding a job. Even for those who do land a job, their salaries would be too meagre to pay off their debts or support their families or buy a flat on mortgage. The young people now have far fewer opportunities than their predecessors and their frustration is caused by failures of society. Their depressions and anger will finally become an anti-social force, and who knows what destruction it will wrought? The NSS academic structure will bring about new conflicts in the education system. With the introduction of the Hong Kong Diploma of Secondary Education Examination, the number of students qualified for university admission will double when compared with the existing Hong Kong Advanced Level Examination. In other words, the number of students competing for the 14 500 publicly-funded undergraduate places will increase by twofold. We can imagine how hard the young people must fight in order to get into the universities. And what about those who do not perform well in studies? Past results show that half of the students would fail in the Hong Kong Certificate of Education Examination (HKCEE), that is, some 6 000 students would score zero. They will have to study one more year and learn more difficult subjects. How can they cope with the pressure of learning new subjects if SCT is not adopted for secondary schools? How can they emerge as a survivor rather than a loser in the education system?

The NSS academic structure is now in place and many problems have to be addressed. One of the most prominent ones is the compulsory core subject of Liberal Studies. In the past, Liberal Studies was just an Advanced Supplementary level subject taken by some 3 000 students. Now, the number has surged to 80 000. Despite the huge difference in the learning abilities of students, the limited number of subject-trained graduate teachers and the disputes in relation to the assessment criteria, the Government has insisted on implementing the whole package in the first instance with Liberal Studies having to bear all the risks. Moreover, can the NSS academic structure really remove the division between the Arts and Science streams? At present, many schools are just offering "set menu" type subject options which are still based on arts and science streaming. Can we consider this a removal of the division? Or is it just self-deception? Furthermore, subjects like Chinese History and Geography, and even practical subjects have been marginalized. Some schools have even stopped offering these marginalized subjects. But do they have proper arrangements for teaching subjects relating to the so-called "Other Learning

Experiences"? An increasingly heavy administrative burden has been imposed on the teachers. All these problems would worsen with the implementation of the NSS academic structure. In particular, I have to mention that students with special education needs (SEN) are included in the NSS academic structure. When will the discriminatory requirement that SEN students reaching the age of 18 must leave school be removed from the Code of Aid for Special Schools? When will the size of special education classes be reduced?

Primary and secondary school teachers are high-risk groups of emotional disorders. I gather that in the past two years, eight teachers have committed suicide and six of them were related to work pressure. With the introduction of the new academic structure and curriculum reform, pressures are mounting for the teachers. However, the authorities have insisted on the implementation timetable for School-Based Assessment. Likewise, other education reform initiatives would not be scaled down or deferred to accommodate the implementation of the NSS academic structure. With the reopening of a new round of external school reviews (ESR) this year, the teachers will have to deal with the incessant assessments by the Education Bureau like a running treadmill. Once a teacher told me that it felt like shedding an old skin on completion of an ESR for the whole school had to stop everything for a whole year to make preparations. Do you think it is normal? Instead of teaching students, schools are subjected to continuous assessments until all senses and directions are lost. Is that the policy of the Education Bureau?

Now, I would like to talk about the fine-tuned medium of instruction (MOI) policy. Notwithstanding the absence of a consensus view in the community, the relevant arrangements would be implemented next year all the same. This is undoubtedly a policy that brings about uncertainty and alienation in addition to the NSS academic structure. It would also create more labelling both inside and outside schools and intensify the vicious competition among schools. Teachers have already complained that in a bid to enroll more students, the schools — but there is nothing the schools can do because of survival — would use up all 25% of the lesson time allowed for English-medium extended teaching activities without considering the students' abilities. Moreover, some schools would invariably disclose how many classes they run with English as MOI. Their aim is to enhance student enrolment rather than education. Under these circumstances, would the Government not consider that such fine-tuning will result in alienation and degeneration? We have previously proposed that

the fine-tuned MOI policy be suspended during the three-year critical period for the implementation of the NSS academic structure. Is the Government not considering this proposal at all?

Another point which I wish to mention in particular is that while the NSS academic structure is introduced from this year onwards, we must not forget the last cohort of Secondary Five students taking the HKCEE. I have received calls for help from some parents and students of this last cohort of the former academic structure. They said that after the implementation of the NSS academic structure, students who do not get good HKCEE results can only opt to study the NSS curriculum at Secondary Five or re-sit the HKCEE as a private candidate. They do not have the chance to repeat Secondary Five with the former curriculum. But if these students choose to study the NSS curriculum at Secondary Five, there would be a gap in their studies because they have not taken Liberal Studies at Secondary Four level. How do the authorities propose to resolve the problems of these students? As there are many students involved, I have to highlight that the authorities must consider the new problems to be faced by the large number of repeaters because they are the last cohort. The Government must consider ways to resolve their problems.

Next, I wish to talk about the Trial Scheme on School Drug Testing (the Trial Scheme). In consideration of the severity of the youth drug abuse problem in schools, the Education Bureau had proposed to undertake a school drug testing pilot scheme in Tai Po District. But the initial proposal was not well-planned and there were criticisms of the lack of consideration for the human rights and privacy of students. The Trial Scheme was subsequently improved to resolve the relevant problems. However, I have to point out in particular that the effectiveness of a voluntary drug testing scheme is very small. Before the implementation of voluntary drug testing, the authorities should strongly encourage the students in need to participate in voluntary drug treatment programmes in private to help them kick the habit. In fact, we all know that while the Trial Scheme in Tai Po District has yet to start, many parents already took their children for drug treatment during the summer holidays. And this is just the situation in Tai Po District. We can see from this fact that there is a relationship between implementing a voluntary drug testing scheme and promoting voluntary drug treatment in private. In addition, I fully support the implementation of drug testing schemes as a downstream initiative. It would be most imperative for the police to strengthen its drug enforcement actions and to

join hands with the Shenzhen authorities in combating the drug dealers and curb trafficking at source.

President, regarding primary education, the issue which draws the most attention is the implementation of SCT. Out of all the government and aided primary schools in the territory, only 302 schools will implement SCT. The number will increase to 318 next year, but the ratio is still less than 70%. I call on the authorities to closely monitor the demand and supply of school places in various districts so that once a particular district is in a position to implement SCT, the authorities should strive to encourage schools in that district to do so. It is because the implementation of SCT is in line with the new education policy of the Government and the well-being of the students. Many parents have told me about their mixed feelings for SCT. Before enrolment, they hope that their favourite schools would teach in large classes so that their children would stand a better chance of admission. But after enrolment, they hope that the schools would convert to SCT immediately so that their children could learn better. This shows that parents would like to have SCT and the Government should try its best to promote its development.

The aim of implementing SCT is to improve the quality of teaching. Likewise, the stable development of schools could also assure the quality of education. Our statistics show that since 2003, 137 primary schools have been closed down with 3 500 classes reduced. Let us picture this: 137 schools in a system have disappeared. How much effort and energy have been put in by our predecessors in the education sector to build up these schools? These schools simply vanished because there is a very short, just for a few years, spell of declining population. This policy is indeed very frightening. Moreover, the school culling policy has resulted in the increasing number of surplus teachers. This year, notwithstanding the greatest efforts made by the HKPTU and the Education Bureau, 39 teachers remain unemployed after school closure and class reduction. Their qualifications are by no means low. Some are postgraduate degree holders and some are "double-benchmarked". What is "double-benchmarked"? It means that these teachers have passed both the benchmark tests for English and Putonghua. And those with postgraduate degrees are also unemployed. Most of us here are not "double-benchmarked". My Putonghua is surely not up to scratch. All these just show us the danger of the existing system: if you are a teacher aged 40 plus, you could not find a job even though you have the qualifications. Is that what we can consider as a

stable professional system? In the long run, those who can stay in the profession until retirement have to count their blessings. Is that what we should expect in terms of security for a profession and a career?

I also would like to talk about the price increase of textbooks. Recently, Kenneth CHEN has made 15 recommendations in this regard including, *inter alia*, the debundling of teaching materials and learning materials. It is expected that after debundling, the price of textbooks could drop by 20%. This means that out of the Government's \$400 million commitment to textbook assistance, a saving of \$80 million can be achieved. I now request that instead of returning the savings to the public coffers, the Government should give the saved expenditure back to teachers for buying textbooks so that the schools will not have to pay for the textbooks with its own money. There is no reason why a policy benefitting the parents is implemented on the one hand while the schools have to pay separately on the other. I hope the Government can deal with the matter satisfactorily.

Lastly, I must highlight the situation faced by those aided school teachers recruited from 2000 to 2006. It is noted that the starting salary of newly-inducted graduate teachers is higher than those previously inducted by two points. This bizarre phenomenon caused by the latest remuneration system is totally unacceptable. I hope the Education Bureau will consider ways to at least give fair treatment to those graduate teachers who were promoted at the earlier stage. There is no reason why these teachers who were promoted earlier with longer experience should be remunerated at a level lower than the new graduate teachers. This is all caused by the rigid civil service pay adjustment system. This is unfair and undesirable consequences will arise sooner or later. As more young people are promoted as new graduate teachers, the rift between old and new teachers will become bigger. How can things be like that? If a senior civil servant is remunerated at a level lower than a junior colleague, would it not create an uproar in the Civil Service? But the same situation could happen to graduate teachers in aided schools and left unresolved?

Finally, I have to mention in particular an unfair system in government schools. At present, there is a new species of teachers in government schools, the so-called "government school temporary supply teachers". In the past, the Administration had the so-called "3+3" system whereby these teachers could become civil servants. But now, these government school temporary supply

teachers have the same duties as the permanent teachers including teaching classes of public examinations, tutoring, becoming class masters/mistresses and handling administrative work. But unfortunately, they are never permanent staff and they even have to be interviewed in their own schools twice a year, once in the first and the second academic terms respectively. And they even have to undertake chest X-ray again. Is that not a very mean way to recruit the teachers?

But these teachers are highly qualified because those who can teach in government schools now must have postgraduate degrees. They still have to be interviewed twice a year in the same school in order to continue teaching in the next academic term. Secretary, do you not think it is crazy? Please resolve the problem with the existing system or at least give them a stable term of employment so that they will not have to be interviewed and undertake chest X-ray twice a year. At least respect the students you have taught. The young people nowadays are frustrated because they have fully met the Government's expectations by studying what is required of them and working honestly and diligently. However, they have lost all the chances. Even if they managed to attain higher academic qualifications, they could only work as "government school temporary supply teachers" and they must attend interviews twice a year to get an extended employment. This is a crazy system. I call on the Government to pay special attention to this problem. This unfair and unjust system should not be allowed to perpetuate in the government schools operated by the Government.

President, I so submit.

DR JOSEPH LEE (in Cantonese): President, yesterday I spoke on the elderly, ex-mental patients and discharged patients with disabilities in the session on welfare. But unfortunately, Secretary Dr York CHOW was not here. From this, we can see that the Government has compartmentalized its policies which should be inseparable from one another. Among the three portfolios which I have just pointed out, health and welfare are closely related to each other. Certainly I do not wish to repeat what I said yesterday, but I hope Secretary Dr York CHOW and Secretary Matthew CHEUNG could hear that the support of the two Bureaux is a prerequisite to the successful enforcement of policies on the elderly and discharged patients in the community.

As for the topics to be discussed in my remaining time today, I will certainly discuss my own profession, that is, medical and health care. In the policy address, the Government has mentioned the development of medical services, the future reform direction of health care and the development of primary health care. We welcome the Government mentioning this area at greater length in the policy address.

Let me discuss medical services first. I believe the Government has provided the hardware, which is the land allocated for inviting tenders from interested hospitals, and manpower has also been increased. A strengthened foundation is a crucial element to the development of Hong Kong's medical services. Although Hong Kong may have sufficient hardware, there is definitely a problem in terms of software.

Software means manpower, which has remained unresolved over the years. Of course, the Government may reiterate the Secretary's assurance that both manpower and training will be enhanced, but we should not forget that it is questionable whether the additional manpower is sufficient and we do not know the answer yet. However, according to the current statistics of the Hospital Authority (HA), after 2012 — there will certainly be no direct elections — but there will be around 1 600 graduate nurses each year. Are these 1 600 nurses excessive or insufficient? Will there be any new hospital to help the further development of our medical services in the next four years? If not, will there be any excess manpower that can hardly be absorbed by the industry due to an increase in manpower by the Government in the next four years when the number of graduate nurses and doctors have increased? By then, the Government may say that they are unemployed because of an excess supply of manpower and a lack of government resources. Such a phenomenon has precisely indicated that the Government has adopted a piecemeal policy, under which manpower is increased merely in response to the occurrence of some incidents due to a lack of long-term planning.

I pointed out to the Secretary and the Government in 2004 when I became a Legislative Council Member that the medical manpower planning in Hong Kong should be conducted on a long-term basis, that is, in a five or 10-year term. The Government should not say that there is a surplus in manpower on one occasion and say that there is a shortage on another, as a result, causing a very serious manpower problem to emerge in the medical services profession as a whole.

The occurrence of a spate of medical incidents in the past should not be attributed to the manpower problem. But the occurrence of medical mishaps in a high-risk environment is precisely because of insufficient manpower. I hope the Secretary will address the problem squarely.

Just now Mr CHEUNG Man-kwong has mentioned a very interesting issue. Amazingly, the teachers are also facing unequal pay for equal work. But it is a case of those who are of higher seniority earning lower salaries than their juniors. In the health care sector, especially the nurses, although there is a manpower shortage, the nurses, according to the HA's policy, are earning salaries lower than that of their seniors and will not get any pay rise in their first two years of service. Young graduate nurses will leave the HA for the private sector on seeing the dim prospect of a pay rise despite their good performance. This has precisely reflected a very major deficiency in manpower planning. Apart from hardware, software is also indispensable to the development of our medical services. As regards the policy direction, we cannot give a detailed account, but we hope that the Secretary will address the problem squarely and genuinely conduct long-term planning for the health care sector of Hong Kong so as to dovetail with the Chief Executive's pledge of developing the medical services.

Apart from health care workers, the development of medical services also hinges on the entire multi-disciplinary team, as well as physiotherapists, occupational therapists, pharmacists, nutritionists and other professionals. Regular planning for these professions is also necessary in order to ensure that they can render support to the development of medical services. Unfortunately, however, I do not see any mention of these personnel in the policy address, in particular, there are some medical professions which currently are not subject to regulation, such as psychologists, nutritionists and foot therapists. Even though they are small in number, they are influential in the sector and will affect the quality of medical services in Hong Kong. The Government has simply pointed out that no regulation is imposed for the time being because no major medical mishap has happened so far. I remember that this issue has been dragged on for almost 20 years. Can the Government genuinely impose regulation so as to prevent unsuitable people from practising in these professions, for otherwise the quality of the medical profession as a whole will be adversely affected? This the Government must face squarely.

I welcome the Government's proposed review of the medicine regime. However, the separation of drug prescription and dispensing functions proposed

by the sector has been a very important and key issue over the years. The separation of these two functions is an important element to the promotion of primary health care. I hope the Secretary will carefully consider the issue which has been discussed for almost 20 years. I hope he will also seize the opportunity instead of staying at providing primary health care guidelines. Rather, he should strengthen primary health care at various community centres. In fact, there are many voices in the sector regarding the separation of drug prescription and dispensing functions. I think help should be rendered to the improvement of our community health care services. I hope that the Secretary can address this problem squarely.

It has also pointed out in the policy address the need to strengthen primary medical plans and implement a number of measures. We hope that the Secretary can implement the construction of various community health centers expeditiously according to the guidelines or instructions in the policy address, so that primary care services in the community for the chronically ill, the elderly and the needy can be strengthened. In my opinion, the strengthening of this area of service will disseminate a more positive message concerning the health of Hong Kong people as a whole.

Besides, President, I would like to talk about health care financing. Now that our discussion is focused on the direction and health care financing as mentioned in the policy address is based on the major direction of voluntary participation. When we talk about health care financing, we talk about money, on which we may have divergent views. However, financing is a very serious and imminent problem to the existing health care system as a whole. I hope that the plan proposed in the consultation paper to be submitted by the Secretary will genuinely provide an additional informed choice to those who have the means in Hong Kong.

Regarding voluntary insurance plans, some may say that it is tilted in favour of a certain sector and some may query their effectiveness, doubting whether the insurer is the Government or a private organization. Although no concrete policy has yet been formulated, discussion can be initiated upon submission of a new medical financing research paper or consultation paper by the Secretary who can also explain it to the public so that at least one further step can be made in respect of health care financing, which has remained unresolved for many years. The sector is also looking forward to such a positive message.

Finally, generally speaking, the policy address has painted a very positive picture of our sector, be it concerning medical and health care, the elderly or rehabilitation services. And we support that. However, regarding the wealth gap, it makes me feel that something needs to be done. As regards the political system, it can even be described as far from satisfactory and much improvement is expected from the Government. Thank you, President.

MR CHAN KIN-POR (in Cantonese): President, those who are aware of the pressure of an aging population on the health care system will know that it is necessary to implement a health care financing scheme in Hong Kong. I am glad to see in the Chief Executive's policy address that a voluntary supplementary financing option comprising insurance and savings components will be launched as the main proposal in the second-stage consultation. As a member of the Health and Medical Development Advisory Committee regularly participating in the discussion on health care financing, I would like to express my views on the new main proposal in this session.

Over the years, Hong Kong people have been enjoying inexpensive but quality public health care services. But with the increase in population, spending on public health care has also surged. According to the Consultation Document on Healthcare Reform (Consultation Document), the total health care spending from 2004 to 2033 will increase by 3.6 times, that is, from \$60-odd billion to \$300-odd billion, with an economic growth of 1.7 times over the same period. In the future, the Government simply does not have enough resources to meet such a huge spending and reform is practically a must. However, as the issue is related to spending with a bearing on the people's livelihood, any proposal for fee increase is tantamount to slashing welfare, which is hardly acceptable to the public. So, the Government does not have the courage to propose a reform of health care financing, thus leading to delays of the issue. I have heard my predecessors in the medical profession lament that Hong Kong's public health care system, which is like having a cancer, will be in peril if it goes without treatment.

Finally, the Government submitted the Consultation Paper in March last year, in which six major options on health care financing were proposed. During the consultation process, there were divergent voices on these options in the community. The public generally has reservations about any proposal of a

mandatory nature, and according to the Government's survey, 71% of the respondents support the voluntary health care insurance option, which is also the most popular one. Therefore, the Government has adopted the voluntary option as the main proposal of the second-stage consultation and health care financing has been revised as a supplementary financing option as a practical response to the aspirations of the people.

The Government's determination to launch the second-stage consultation on health care financing when Hong Kong economy begins to recover has demonstrated its courage and commitment to reform, which is worthy of our support. In the policy address, the Chief Executive has pointed out that the Government will inject the earmarked \$50 billion into the future supplementary financing structure in order to provide subsidies and incentives to induce people with the means, including those who are covered by medical insurance, to participate, thus enabling them to patronize private-sector medical services.

First of all, I would like to discuss the merits of the new main proposal in terms of its structure and operation. If the new option is ultimately supported and implemented, it is expected that the Administration will set up a regulatory framework to formulate the implementation details before inviting insurance scheme operators to provide services to the public.

I believe the insurance industry is the most suitable scheme operators because it has been providing medical insurance services to the public. It is well experienced and most efficient in its overall operation for the following reasons. First, given its frequent involvement in designing various medical insurance products, it will be more experienced in product improvement in the future. Second, medical insurance requires an enormous computer system to support its operation. Given that the insurance industry has set up a sound and comprehensive computer system for processing medical claims, costs can be saved as the Government needs not invest a large amount of money in the setting up of an expensive computer system if services are provided by the insurance industry. Third, given that medical insurance may involve a high risk of abuses or frauds, the rich experience of the insurance industry in dealing with claims and prevention of frauds can help reduce frauds and wastage of resources. Fourth, with rich experience in supervision of medical expenses, the insurance industry can ensure no wastage of medical resources. Meanwhile, as it is estimated that at least hundreds of thousands or even one million people will participate in the

new option, it will lead to standardization of medical fees and enhancement of transparency, which will be in the best interest of consumers.

In my opinion, there should be representatives from at least four sectors, namely the consumers, the medical sector, the Government and the insurance industry, in the regulatory framework, with the purpose of enhancing operational transparency, in particular to ensure that the yearly fixed premiums should be acceptable to society.

Given that the option is voluntary in nature, it will certainly attract a large number of high-risk participants, such as the chronically ill or elderly, because they often find it difficult to take out suitable medical insurance in the insurance market. So it is necessary to attract a sufficient number of low-risk participants, such as the young and the physically fit, to join the option in order to share the risks. Some people may say that under such an arrangement, the young and the physically fit will be in a disadvantaged position. But we should understand that all young men will grow old and all healthy persons will eventually become sick. Therefore, there is no such thing as who has been taken advantage of. Rather, we should share the risks together. The long-term operation of the option hinges on good risk-sharing arrangement.

Therefore, the Government should make good use of the earmarked \$50 million to provide sufficient incentives and formulate a good option. Incentives can be provided in various forms, for instance, participants who have contributed to the option for at least 30 years or turned 60 years old will be provided protection for life at a lower premium. Alternatively, a premium discount which varies inversely with the age of the participants will be offered and an additional charge will be imposed on quitters.

Given that 500 000 to 1 million participants will share the risks, this medical insurance scheme will provide the public with lots of benefits, which I would like to discuss today. First, the new scheme will offer a wider scope of protection. To avoid too high a premium which will deter potential participants, insurance schemes currently operating on a commercial basis will inevitably impose restrictions on the scope of protection by stipulating that congenital diseases or mental illness are not covered, for instance. Owing to the large number of participants in the new scheme, such restrictions can be removed. Secondly, in the existing medical insurance schemes, there are usually clauses

providing that diseases currently suffered by the participants are not covered. For instance, people who are now suffering from hypertension and diabetes will not be protected against diseases arising from hypertension or diabetes in the future. In the new scheme, such restrictions may be lifted. Thirdly, there are worries that the premium will be substantially increased after claims have been made. But such a situation can be pre-empted under the new scheme. Fourthly, presently the elderly simply cannot take out insurance because the premium will increase significantly according to their ages. For instance, those who are over 60 years old find it difficult to take out policies. In the future, the elderly may join the scheme for a relatively low premium.

There is another important issue to be solved. Currently about 2.7 million people have taken part in various forms of medical insurance schemes, many of which are provided to employees by employers. However, there are limitations in these insurance schemes. For instance, some of these schemes will be suspended after the retirement or resignation of employees, and some, which are taken out by the employers, fail to provide sufficient protection and are unable to meet the specific needs of the employees. Therefore, in order to attract those who are covered by health insurance to join the new scheme without paying double premium, we need to devise a mechanism so that articulation is possible.

In the first-stage consultation on health care financing, I heard many voices about the grassroots being ultimately victimized. I think such a view is clearly erroneous. The purpose of the new option is to attract the participation of the middle class by means of financial subsidies and incentives so that they will no longer rely on public health care services, thus releasing the relevant resources which will benefit the grassroots. As for the middle class, they also want to have wider choices and access to private-sector health care services. However, as there is much room for improvement in respect of private hospital charges and people using such services will often be caught in an overrun in the bill, they are forced to patronize public hospital services so as to avoid the problem. I believe many middle-class people will be happy to join the new option if it can be launched successfully and transparency in medical charges can be enhanced, thereby releasing more public resources definitely for the benefit of the grassroots.

President, I so submit.

MS CYD HO (in Cantonese): President, should the Chief Executive work for the sake of opinion polls, the younger generation or the future of Hong Kong? Let us take a look at how he handles the education policy and nurturing of the people, and we will know what policy objectives he seeks to implement.

In respect of the education policy, the new idea this year is marketization with the focus on the development of the offshore market. However, the policy address this year has not addressed the problems faced by local students and the issue of quality of education that parents are concerned about. The Chief Executive who has always upheld free market and the "big market, small government" principle and introducing competition into education has only proposed increasing private university places at once by providing land and money. Nevertheless, it is really worrying that there is no guarantee for the quality of education. We can see that the Government is rushing to industrialize education services, but we cannot see it enhance the quality of education in an equally forceful manner. If young people have no future or hope under the education system, the prospects of our society will also be rather bleak.

There are 120 additional publicly-funded university places, that is, 14 620 places in total, but nearly 6 000 Hong Kong students will pass the Hong Kong Advanced Level Examination (HKALE) each year and meet undergraduate admission requirements. Yet, they will not be granted places. In fact, inadequate university places and intense competition for university places will have direct impacts on the admission and promotion to secondary schools, primary schools and even kindergartens. The parents are becoming more and more nervous and the pressure on students becomes increasingly heavier, and there is smaller and smaller room for free expression and happy learning. As a result, there are adverse chain effects. If the competition for university admission is not so keen, which makes it necessary for there to be so many examinations and assessments in secondary and primary schools, there will be less chances of dissimilation, and a great deal of unnecessary pressure will be eliminated naturally. Hence, the Government can definitely not evade the responsibility for increasing university places.

In paragraph 29 of the policy address there is this statement "make the best use of social resources in the non-government sector to provide more opportunities for local students to pursue degree education", which can actually be summed up in a few words, that is, "running private schools", and I wonder why it has to be made so cumbersome. But, it also shows that the Chief

Executive is afraid of people learning that he will run private schools because it evidently tells us that he is evading responsibilities, that is, the Government's responsibility to continue to subsidize education with public money. Nevertheless, is running private schools equivalent to diversifying, internationalizing and professionalizing education? I am not optimistic about that because a visual arts school of rather low ranking in the world has recently been granted the right to use the historical building, the North Kowloon Magistracy Building, for offering courses. We know nothing about the quality of overseas education institutions; if we hastily make land and funding provisions for the operation of private universities without securing the relevant quality assurance, this will make the public very worried.

This year, the New Senior Secondary academic structure is implemented for the first time and universities are well prepared for the implementation of the dual system and four-year university programme. But, we have noticed that the schools of professional and continuing education have not yet taken corresponding measures. As a matter of fact, the admission of more than 14 500 students to university is certainly worth our concern. However, there are nearly 80 000 secondary students each year in need of other channels of further studies and vocational training, and it deserves our spending more time and energy on the matter.

This issue is also related to the youth unemployment problem and the latest youth unemployment rate has reached 24%. We understand that a young person looking for his first job after graduation will encounter difficulties as he lacks working experience. This year, the authorities have accepted our proposal to implement the Internship Programme for University Graduates; luckily, the interns have not become cheap labour. Nevertheless, I hope that the Internship Programme can be extended to the schools of professional and continuing education to turn it into an apprenticeship programme for students' participation so that the latter will accumulate considerable working experience before graduation, thereby making their job searches easier in future.

President, the incumbent Chief Executive strongly advocates competition; he worships the GDP and takes figures as the basis on which learning is measured. However, growth is more important to young people during adolescence and we should not just consider their scores in subjects or count the number of times they participate in extracurricular activities. But it so happens in our education system that not much attention is given to the growth of young people. In fact, what secondary students during adolescence need most is to

learn to know themselves, accept themselves and know the world outside. That is a stage of exploration and I believe young people should go through this very confused stage and learn from practical application or even errors. Once young people are enlightened through practical application in daily life and found their directions, they will continue to work hard and move forward, and they do not need others to worry about them.

During that period, what students need most are trust, room and timely counselling at an appropriate distance. In other words, parents and teachers should be concerned about and pay attention to them at a distance so as to respect their privacy, and this requires more time and energy. However, teachers have to bear very heavy administrative burdens and many teachers dare not take sick leave even though they are not feeling well. Also, teachers who have developed mental health problems dare not tell others about their situation.

In recent years, teachers for fear of school culling even have to help schools distribute leaflets in shopping centres to promote admissions lest they should lose their jobs when schools are closed. Under such circumstances, how will teachers have the time to read students' weekly journals carefully? How will they have time to write down their comments in these journals and communicate and exchange views with students in the most private and confidential manner? The problem that the Education Bureau should directly address is that, due to many complicated external assessment procedures, teachers have very heavy workloads and they need to spend plenty of time on administrative duties, thus, they cannot concentrate on teaching and communication with students, which is a great pity. Hence, we hope that small-class teaching would be comprehensively implemented and cover secondary schools, and we urge the Education Bureau to cease measures of culling schools.

Although some students can adapt to the education system, many others fail to adapt to it and some can even not complete secondary education. Young people who are gentle and agreeable will pretend to be obedient to meet the expectations of parents and teachers. When they encounter difficulties in learning, they would force themselves to study hard; and when they are not interested in studying, they would only resort to recitation. However, they do not know how to make themselves happy or give vent to their negative emotions of sadness at all. Those who are more rebellious will find their answers outside schools. Yet, these answers unfortunately include drug abuse and addiction.

For this reason, if the authorities only conduct drug testing instead of trying to understand thoroughly the difficulties faced by young people, it will not be able to solve the drug abuse problem in schools. Students at different stages and with different experiences need different modes of schooling. There is a serious shortage of addition treatment schools, and the disputes and controversy over the siting of the Christian Zheng Sheng College have precisely revealed that the authorities have not tackled the problem at all.

In the course of discussions on the siting of the Christian Zheng Sheng College, the ball was passed among the Social Welfare Department, the Commissioner for Narcotics and the Education Bureau. For a certain period of time, the Secretary even "hid up" and he only responded to the issue after a long while. There was a vivid example just now; when the Secretary responded to the drug abuse issue, he happened to say in a flurry, "nothing to add or respond". Why did the Secretary not make any response? The students become addicted and abuse drugs not just because drugs are sold in the world but because they feel very puzzled and they have a lot of problems that teachers and schools fail to solve. This is the responsibility and failure of the Education Bureau. However, over a long period of time, the Education Bureau has only handled seriously students who can adapt to mainstream competition but given up students who cannot adapt to the competition.

Some young people are really lucky for they can receive counselling from parents and teachers, but some more rebellious young people only recognize that they are wrong when they get into trouble and want to make a fresh start. But, the present modes of schooling will not give young people a second chance. Quite a number of students who have committed offences and abused drugs can hardly return to mainstream schools, while some students who have only violated the school rules, frequently played truant or have been expelled from schools cannot go to school again. Attending evening schools is their only way out. However, since the Education Bureau briefed out evening school operation for the sake of saving \$70 million a year, the tuition fees of evening schools have substantially jumped from \$140 to \$900 and even to \$1,400 for students taking science subjects. How can a student, who has discontinued his studies halfway and works in a convenience store or fast-food store for only \$22 or \$24 an hour which adds up to a monthly salary of some \$4,000, how can he afford the evening school tuition fees of nearly \$1,000 a month when he has to pay for his meals, travelling expenses and give his parents some money for family expenses? Thus, I urge the Education Bureau to expeditiously withdraw the measure of

briefing out evening school operation and revert to the former subsidy system to give young people who have discontinued their studies halfway a second chance.

I have recently come into contact with a social service group called "Unusual Academy" supported by the donation from the Hong Kong Jockey Club. Under the project, social workers will pick up youngsters within the communities and help some young people who do not have a chance to go to school, and these youngsters are offered a three-month course which enables them to know themselves anew and rebuild their relationships with society and their families. Around 200 students will graduate from the course each year. At present, some of these students are studying in The Open University and some students who used to abuse drugs are now taking pharmacy courses. Evidently, students who were given up by mainstream schools can be guided back onto the right track. They just do not have a chance, that is, the Government has not given them a second chance. It is unforgivable for the Government to evade responsibilities this way.

President, even if we talk about competition, there should be fair competition. Many grass-roots families cannot even afford the Internet service charges of their children. But, it is just stated in the policy address this year that "the Financial Secretary will examine" this. As we have noticed, the prices of textbooks increase year after year; though we can barely say that the prices of 80% of the textbooks have been frozen this year, the cost formula actually includes many administrative measures that can be further improved to ease the burden of grass-roots parents. Besides separating teaching materials from textbooks, many entertainment expenses can be saved, for example, sending flower baskets to schools to celebrate their anniversaries, donating prizes for teaching staff's annual dinners, introducing textbooks to teachers at tea receptions held in five-star hotels, and organizing extracurricular activities for students (but participating students need to bear the travelling expenses themselves). All these cost items make up the production costs of textbooks to be borne by grass-roots parents. Therefore, if the Education Bureau can give a strict administrative instruction requiring schools not to receive presents on entertainment occasions, it can reduce textbook costs by around 15%. Yet, why has the Bureau not done so?

President, I am really worried that the Chief Executive's idea of industrialization is that only students who have good family backgrounds, whose family members can help and who are easier to deal with should be chosen to receive training. But some students who have problems or lack support because

of complicated family backgrounds will be given up and ignored. In that case, it would only be an attempt to perfect perfection, but it cannot provide timely help. Some students who fell down during adolescence can never stand up again, which is analogous to the fact that when we fall down in a crowded place, we will be trampled on by those behind us who are moving forward, and we stand no chance of rising again.

However, students in the mainstream system can only participate in some endless and meaningless competition; this is actually the rule of the jungle. Those who managed to adapt will survive. If some students during adolescence try to put forward their ideas and raise doubts, they may be marginalized. But these students who know how to raise doubts and think have independent thinking, and we should cherish them. Why can we not give them a chance to turn their life around?

There is something wrong with our society and the way of thinking of the Chief Executive is one of the sources; we can hardly put it right no matter how the education policy has been patched up. We will have hope only when we can rescue the education policy from the Chief Executive's GDP ideology, make fundamental changes to the values orientation and improve the philosophy of governance.

Thank you, President.

PROF PATRICK LAU (in Cantonese): President, both the industry and I are worried that much difficulty would be encountered in the establishment of private universities given that merely land allocation and the granting of loans are proposed in the policy address as facilitation measures. Universities of the previous generations were fully supported by monarchs, aristocrats or churches through the use of their enormous political and financial power. In modern times, many universities are generally run by governments, or by large sums donated by the rich that cover all the initial operating expenses of a new university, especially the hiring of top calibre scholars with generous packages, constructing campus premises or granting the same as gifts, purchasing books in large volumes, and installing various advanced scientific research equipment. Certainly, the sound policy of the Harvard University of the United States has induced many of the rich people to donate the property of their lives; rendering it rich in resources.

However, for a university to establish its status in the academia, money is not the only factor that matters. Success has to be attained through excellent achievements in academic research over time, and complemented by a sound business and industrial environment, such that students and research projects can be provided with financial and other resource support.

With the policy address advocating internationalization of higher education, students from the Mainland naturally become the targets of private universities. However, both the industry and I hold that under the present circumstances local students aspiring to pursuing further education locally, especially students taking associate degrees, who are forced to give up their studies due to insufficient places should probably be the ones who warrant our prime attention instead. On the other hand, I earnestly hope that the Government will pay heed to — Mrs Regina IP has mentioned this earlier, to which I deeply agree — the construction of sufficient university dormitories, which is very important to local students, as campus life offers plenty of opportunities for young people to learn about how to live independently and how to get along with others.

Finally, as the Chief Executive encourages all of us to strive for "happy families", there should be happiness in this Council and among Honorable colleagues. There will be numerous happy events in the Council lately time in particular; here, I would like to specially congratulate the Chairman and Mr TO. I hope all Members will not have to consider resigning, nor to throw objects at meetings again; all we should hope for are happy families. What I hope most is that better policies could be offered by the Government to enable all members of the Hong Kong public to live happily.

I so submit. Thank you, President.

MISS TANYA CHAN (in Cantonese): President, just now, Prof Patrick LAU wishes us to be happy; I do not know if he feels the Legislative Council should be like a big family.

However, in this big family, even the youngest member is so worried as well — worried whether students would be able to gain entry to universities upon completing secondary school education. While those who are able to make it to universities are bound to be happy (at least they can get subsidized places); every

year, there are many who are less fortunate. Over the past 20 years, there has not been any increase in the number of subsidized places, the number of 14 500 subsidized places having remained unchanged all these years; and there has been a decrease of 1 000 students gaining entry to universities through JUPAS from 2000 to 2009. Currently, there are only over 12 000 students admitted by universities through JUPAS.

Could internationalization, diversification and specialization really help our local students? Many Honorable colleagues have just said that we are all worried about this. While tuition fees for private universities are expensive; self-financed programmes are even much more expensive. Last week, Secretary Michael SUEN stated that students could take on self-financed programmes. Putting it in a more vulgar way, those are courses that "fend for themselves". Why? Almost all students have to borrow money to take up those courses; and they would be in debt of over \$100,000 upon completion of the courses. In the event that university structure is changed to a four-year one in the future, their indebtedness could be up to \$200,000. For the youngsters who carry debts of \$200,000, many start to work while still studying in order to repay part of the loan now so as to reduce the principal owed when they set out to work in society in future. Under this circumstance, can we expect that when they set out for work in society in future, they can be able to buy a home, get married and raise children? Given that they have not settled their debts, how would they have the money to get married and buy a home?

That the Government only looks outward but not works on improving the quality of local education is, indeed, most unfair to both local students and their parents (that is, Hong Kong taxpayers). Mrs Regina IP mentioned earlier a report of the United Nations, which I have borrowed for a look; and after surfing on the Internet, I discovered a very interesting phenomenon. Although Hong Kong ranks the first 38th in HDI index (that is, people's development index), its rankings in the education index and enrolment ratio are very low. If Hong Kong ranks the first 38th, its education index is 0.879, while its enrolment ratio is 74.4; how should a comparison be drawn out of this? There are many places that rank higher than Hong Kong, as Mrs Regina IP said, for Australia ranks the second, and Norway, Japan and Singapore all rank higher than Hong Kong. The only ones that are less advanced when compared to Hong Kong are An Er-degree (a small country) in Europe, Kuwait and the United Arab Emirates. Let us think about this. Even though Hong Kong has implemented free education for more

than 10 years, our indexes are still so low that they really reflect the scarcity of places in tertiary education for Hong Kong students.

I earnestly hope that the Secretary could first take care of the local students, especially students who take associate degrees or higher diploma courses — first understand their living conditions and mindsets — and then pursue development beyond Hong Kong for, in the end, if the quality of our local students falls, Hong Kong would not match its brand name, rendering it difficult to attract quality people to come and study here even with the provision of land and other resources.

Thank you, President.

MS STARRY LEE (in Cantonese): President, today, on behalf of the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB), I am going to talk about our views on the section on education services in the policy address. First of all, I would like to discuss the two reviews to be conducted by the Education Bureau very soon. The first one is the review of the voucher, and the DAB supports the implementation of this scheme. In the past, in the area of education, the SAR Government fully adopted the planned mode, and schools had a very low degree of autonomy in terms of admission, curriculum, teaching methods or medium of instruction, and parents had not much choice. So, the voucher scheme has actually altered the practices adopted all along and parents could vote with their "feet".

It is a great pity that, when the voucher scheme was introduced, it was not a comprehensive and some private schools were excluded. Upon the introduction of the scheme, the Government has not considered the fact that, in using the vouchers, the way in which resources are allocated will marginalize whole-day kindergartens. If things continue this way, I am really worried that whole-day kindergartens would be eliminated for they cannot possibly enrol larger numbers of students than half-day kindergartens regardless of how many students they admit.

Besides overlooking the resource arrangements of whole-day kindergartens, when the voucher scheme was introduced last year — Secretary Michael SUEN may recall this — it happened that some poor students had to pay more tuition fees under the voucher scheme. I also know that the Government

tackles specific matters in specific ways and that was how the matter was handled.

However, apart from poor students and whole-day kindergartens, the pressure on kindergarten teachers should not be neglected. Kindergarten teachers hope that the voucher scheme would be able to help them. But according to a survey conducted by the DAB, more than 70% of kindergarten teachers told us that, since the implementation of the voucher scheme, their pressure had considerably increased (in respect of school assessments, self-assessments and continuing education); most importantly, even after the completion of continuing education, they would not benefit directly in terms of salaries.

Thus, I hope that this voucher scheme review conducted by the Education Bureau through the Education Commission will have a wider and deeper scope. A wider scope means that all stakeholders will be invited to participate. For a long time in the past, the Government has overlooked whole-day early childhood education. I hope that it would listen more to the views of various sectors this time, including private and independent kindergartens, parents and their representatives. A deeper scope means that we hope it will review the appropriate amount of a voucher and deal with the pressure faced by kindergarten teachers after the introduction of the voucher scheme. That is the first review.

Concerning the second review, I know the SAR Government will in the future conduct a review of the Non-means Tested Loan Scheme. As a number of Honourable colleagues have said, last time, I spent some time during the first debate session to urge the Government to increase subsidized university places. When "the Golden Hoop" of the university admission target of 14 500 cannot be broken, Hong Kong students who want to make their way upstream can only do as the Secretary has repeatedly said, and look for self-financing degree programmes or take other education courses at their own expenses.

With the implementation of the "3+3+4" academic structure, we believe the bottleneck will become increasingly narrow and a large number of students will have to complete their university programmes through self-financing places. If the SAR Government continues to make cost recovery as the objective of the Non-means Tested Loan Scheme, I am very worried that some students may not be able to complete the courses because of a lack of means, or they may owe

loans of hundreds of thousand dollars and become heavily indebted when they graduate, forcing them to give up substantial campus life.

Next, I would like to talk about textbook prices and Internet service charges. For several years in the past, the DAB has conducted surveys on textbook prices and I remember that a similar survey has been conducted this year. Indeed, the textbook prices this year have not increased substantially, but the accumulated rate of increase is considerable. I recall that a reporter once asked me what the substantive results had come out of the surveys conducted throughout the years. Having thought about that for a while, I really think that there are no substantive results.

President, I would like to ask the education authorities the same question. The question has actually troubled parents and students for a long time. In view of the continual increase in textbook prices, what are the substantive results of the Government's assistance? I have also noticed that the Government has recently announced a proposal about Textbooks and E-learning Resources, requiring the debundling of textbooks and learning and teaching materials in pricing, and changing textbooks' "three-year rule of no revision" to a "five-year rule of no revision". Nevertheless, I think that these measures can at the most exert a little more pressure and they have no specific effects in substantively reducing textbook prices.

In fact, is a "five-year rule of no revision" essential? I think that the matter can be handled more flexibly. For some subjects, for example, music and religious studies, five years may be too short a period for any revision to be made. Actually, should the time for a revision to be made be specified on the basis of the demand for the subjects? Furthermore, we are now in computer age; when we buy software, the shopkeeper will tell us that, when a new version is issued, we can upgrade to the new version at a preferential price, or upgrade to the new version free of charge within a specified time. Indeed, can this method be applied to textbooks? When a publisher requests minor changes, can the Government require it to issue through schools information on the pages revised to parents and remind parents on the book lists of the actual changes in each version? I think these administrative measures are feasible and can give parents substantive help.

Of course, as Honourable colleagues have just mentioned, publishers have frequently been criticized for spending lots of money to encourage schools and

teachers to choose the textbooks published by them. I agree that if publishers can save these sums of money and with the Government's administrative instruction, textbook prices can definitely be reduced considerably, and parents and students will ultimately be benefited.

Lastly, I would like to spend some time on the section on education services in the policy address. A lot of Honourable colleagues have asked earlier if education services can be developed in Hong Kong. I have thought for a long while about this question before answering it. President, we actually have a market for these services. Along with economic development in the region, the Mainland residents have increasing incomes and they want to send their children to better schools to receive better education. As there is a considerable demand, there is a market. Does Hong Kong have the conditions? Hong Kong has some of the conditions because our higher education institutions are really very outstanding in terms of ranking in the world.

A number of surveys have shown that, though Hong Kong is such a small place, many local universities have high rankings. Not long ago, the EMBA programme of The Hong Kong University of Science and Technology ranked first in the world. However, we lack certain conditions because our domestic demand has not been met. As a lot of Honourable colleagues have remarked, if "the Golden Hoop" of the university admission target of 14 500 cannot be broken while many Hong Kong students who want to pursue university studies will not realize their hopes, how will they support the Government in opening up on a full scale university places to other students within the region?

However, from another perspective, the policy address this year is entitled "Breaking New Ground Together", and we need sufficient talents to support the development of industries. For this reason, I think that the increase in subsidized university places and the development of private universities can provide Hong Kong with more talents to meet the needs of development of education services into an industry. As we all know, there is going to be very intense competition among cities in the future and we need sufficient talents to emerge as a winner. Hence, the increase in subsidized university places or the development of private universities can nurture more talents in Hong Kong. Thus, I think that the development of private universities is necessary. Nevertheless, as a number of Honourable colleagues have mentioned, each of the two "tiny" sites in Ho Man Tin and Wong Chuk Hang earmarked by the Government has an area of slightly more than 4 000 sq m, even smaller than some

large secondary schools. We want to set up private universities to give young people who want to study more opportunities, but university education is definitely not just about going to school and going home after school. A regret of mine is that I had not lived in a hostel when I was in university.

The development of private universities is not only aimed at allowing students to go to school and go home after school. How can other ancillary facilities and hostels be developed on these sites of slightly more than 4 000 sq m to enable young people to really enjoy healthy university life? I have talked with some students taking self-financing degree programmes, and learnt that they do not think the curricula are that much different; the biggest difference is that they cannot live in hostels with other students and enjoy university life like ordinary university students. I think this is regrettable. I actually do not understand why the Secretary has chosen these sites in the urban areas. As a matter of fact, there are a lot of sites in the remote parts of Hong Kong where larger sites will be more easily allocated for the operation of private universities. I hope that the Secretary will take this into consideration, and perhaps this is just the first step. If the development of private universities is really implemented, such small sites are definitely not good choices for the development of whole-man education.

I remember that during an earlier discussion on the development of private universities, we expressed concern about the number of places reserved for Hong Kong students. At that time, we were told by the Education Bureau that the ratio of Hong Kong students to non-local students admitted to private universities would remain unchanged. That being the case, this would actually bring very limited financial benefits to Hong Kong because there will only be two private universities and so few students. Thus, I hope that the SAR Government's objective in the development of private universities is to nurture more talents for Hong Kong instead of making money.

Yet, from a broader perspective, the higher education institutions in Hong Kong have substantial advantages indeed. How can we help higher education institutions play more important roles in the region? I think that the Secretary could consider exporting education. Actually, I also know that many universities in Hong Kong have attempted to go beyond the boundary and offer courses on the Mainland and even in other countries (including the Southeast Asian region). But, under the Regulations of the People's Republic of China on Chinese-foreign Co-operation in Running Schools, tertiary institutions from Hong

Kong cannot run schools independently. I hope the Bureau would play a proactive role. If universities from Hong Kong can run schools on the Mainland independently or co-operate with more Mainland universities in offering courses under the current mode, they can really contribute more to the nurturing of talents in the region. From the perspective of these services as an industry, these institutions are Hong Kong enterprises, so if they can nurture more students outside Hong Kong, it will naturally be conducive to the economic development of Hong Kong.

On the other hand, I also hope that the Secretary could fight for Hong Kong students. The Government is often saying that the number of 14 500 cannot be changed. Therefore, besides publicly-funded university places, students who want to be admitted to universities can only take self-financing courses. In addition, if family financial situation permits, they will certainly choose to study abroad. As far as I know, many students will consider studying on the Mainland because there has gradually been mutual recognition of educational qualifications in both places and there are increasingly frequent economic exchanges between the two places. Yet, Hong Kong students face the problem of sitting the joint admission examinations of Mainland universities. As a matter of fact, the SAR Government can strive for the Central Authorities' approval of dovetailing the education systems in Hong Kong and the Mainland in light of the implementation of the "3+3+4" academic structure in Hong Kong. The Government should fight for the exemption of Hong Kong students from sitting the joint admission examinations of Mainland universities so that they will have more opportunities to compete with Mainland students and study in Mainland universities so that they would be given a broader outlook.

President, these are my views on education. Taking the opportunity of Secretary Ambrose LEE's presence, I would like to talk about the population policy. The United Nations published a report earlier on — which is also cited by many Honourable colleagues — in which it was stated that Hong Kong ranked first in the world in terms of the Gini Coefficient. In fact, Honourable colleagues widely expressed their views yesterday on tackling the poverty problem, and I also believe that we cannot just rely on measures of giving away candies. Yet, the population policy is a crucial factor contributing to the problem of disparity between the rich and the poor in Hong Kong. According to an editorial in *Ming Pao* in October, for a certain period of time in the past, Hong Kong imported a large number of workers with relatively lower educational attainments. Based on the analysis, among those who came to Hong Kong on

One-way Exit Permits, the ratio of young people dropped from 29.7% in 2004 to 24.6% in the first half of 2008 while there were more people in the age group above 40 caught in more serious unemployment. I hope the Government will work with the Mainland and examine the population policy together.

PRESIDENT (in Cantonese): Your speaking time is up, Ms Starry LEE, please sit down.

MS AUDREY EU (in Cantonese): President, when Ms Starry LEE spoke just now, she expressed her support for the Government to develop private universities, but I am worried that private universities would become the government's "compact fluorescent lamps in education." President, it is not that we oppose the idea, which is good in itself, but there are problems with the manner of implementation. Just as in the last few sessions of our debate on policies regarding compact fluorescent lamps, a "cunning" government had been "brought to light". While it is the intention of the Government to promote environmental protection, deep down inside, it looks to the business community for subsidies through raising electricity tariffs. By the same token, it would indeed be impracticable for the Government to operate private universities without sufficient commitment and complementary measures. No "shortchanging" could be possible in the implementation of these policies. Due to the time constraint, I cannot speak in too much detail; all I can say is that I agree to the comments on private universities raised by Mrs Regina IP, Mr CHEUNG Man-kwong, and Prof Patrick LAU.

President, first of all, let us talk about the education services as an industry. It is already very problematic for the Government to use the word "industry" ("產業" in Chinese). Secondly, in which section of the policy address is the education services placed? It is placed under "Economic Priority", which gives people an impression that education is operated for the purpose of making money. In fact, it has been the intention of the Government to increase places through self-sufficient means; this kind of "shortchanging" approach does not work. President, I wish to point out clearly that the Civic Party does not have the faintest idea of opposing education; nor does it oppose the Government investing in education, internationalization, diversification, or admitting students from the Mainland. However, when we look at Hong Kong's domestic demand, as many Honorable Members have pointed out in their speeches, the problem of domestic

demand in Hong Kong still remains unresolved, and the Government has to deal with this problem before it could put forward the proposal of industrializing our education.

President, due to the time constraint, I would like to make a few points regarding the consolidation of domestic demand. First, as Hong Kong is a knowledge-based society, with the local Gini-coefficient ranking the first in the world, we have to rely on education to resolve the inter-generational poverty problem. For example, it has been stated in paragraph 92 of the policy address that assistance from the business community would be sought for Internet access charges, which is actually a basic need. As for the disadvantaged groups, including children with intellectual disabilities, it is hoped that a real "3+3+4" academic structure — a real New Senior Secondary Academic Structure — could be attained by the time they reach the age of 18. Second, while the Civic Party does not oppose pre-primary education vouchers, childhood education is also a basic need which should form part of free education. Third, small-class teaching should be implemented not only in primary schools, but should be considered for implementation in secondary schools, especially in the promotion of critical thinking and general education. There is a need for secondary schools to introduce small-class teaching rather than just merely small group teaching. In addition, issues of teacher's workload and school closure must also be dealt with. As resources in education are extremely precious, it is hoped that the Government will first strengthen Hong Kong's domestic demand before it talks about expanding the education services into an industry.

Thank you, President.

MR ABRAHAM SHEK (in Cantonese): Since I have an appointment at 11 o'clock, I would like to thank Dr LEUNG Ka-lau for letting me speak first. Thank you, President.

Secretary, while I lend my utmost support to Hong Kong becoming an education hub, President, is education an industry? Looking from the education perspective, I am not sure what kind of industry it is. President, I hold that education is a social investment from which the return is higher than any business or industry, for no society would be civilized without education. Hence, I earnestly hope that if education is to be developed into an industry, we have to

make good our current education system. I think that our education is sound at present, only that there are still a lot of inadequacies. This is particularly so as I am speaking for Dr Fernando CHEUNG, who represents a group of extremely unhappy families of students with intellectual disabilities. They earnestly hope that the Government can let these students continue with their studies. They have to keep on learning all through their lives, for they are different from ordinary students. For this reason, it is earnestly hoped that a sound environment could be made available for their continued learning. They were put in a most unfair position at birth, making it necessary for them to make extra efforts and bear great hardships in learning. Why does the Government have to drive them away when they reach 18 years of age? I know that the Chief Executive and the Secretary are both keen to help them, but they are just paying lip-services without really giving them consolation and letting them continue with their learning. President, I hope that the Secretary could give them happy days.

Second, President, I would like to take this opportunity to offer my apologies to Ms Audrey EU, and Dr Priscilla LEUNG in particular, for I had used both their names on that day. Especially for Dr Priscilla LEUNG, the brand of the handbag she used on that day starts with a "T", to which I had misread to be the small letter "t" and mistook it for a copy from Temple Street. However, the fact is that it was the "T" of Tiffany. Hence, I have to offer Dr Priscilla LEUNG my apologies. If she has to do charity in the future with this handbag, President, I am most pleased to help her so that she could derive some comfort from it and be a happy Member. Thank you, President.

PRESIDENT (in Cantonese): Perhaps Dr Priscilla LEUNG has to thank you, for Temple Street is her constituency.

DR LEUNG KA-LAU (in Cantonese): President, I do not have a complete script, so I have to speak slowly. I will talk mainly about health care and, regarding other areas, I will talk about them as ideas crop up in my mind. I hope Members would not feel too bored.

First, I wish to talk about compact fluorescent lamps (CFLs). In fact, I do not know much about CFLs, so why do I want to talk about them? Because this is trendy. I have an observation, that is, has the Government ever put itself in

the shoes of the people to be affected when formulating many of its policies? Take CFLs as an example, which Honourable colleague in this legislature would ever personally go and buy light bulbs to replace the ones fried in their homes? Most of them would leave this to their family members. What sort of experience do I have with CFLs? I am responsible for the replacement of all the light bulbs in my home. Two years ago, since it was said that CFLs would use less electricity, I bought one but little did I expect that it would break in a week. I had never used such an expensive light bulb before. Subsequently, someone told me that in fact, CFLs should be left on for a long time, otherwise, they would go out of order easily. If they are turned on and off frequently, they will go out of order quickly, so my CFL broke in a week. However, there is no reason to leave the light bulbs in washrooms on all the time and of course, they are turned on and off frequently. In other words, the use of CFLs is not suitable in many circumstances. Secretary Edward YAU said earlier on that he intended to ban the use of incandescent light bulbs (ILBs) but he definitely must not do that! When formulating policies, it is really necessary to communicate more often with the affected parties.

I have profound feelings about the adoption of such a policy in health care. I will talk mainly about the medical services industry. Before the delivery of the policy address, I had communicated with a number of Policy Bureaux. I do not mean the Food and Health Bureau but the Development Bureau and the Chief Executive's Office. Concerning the development of the medical services industry proposed in this policy address, which remark am I the most happy with? It is, "We will closely monitor the demand of the market and medical sector for land, and ensure that suitable sites are available for the development of medical services.". Such is the promise and it means let us wait and see.

I have heard the views of many people on the medical services industry. Mr SHIH Wing-ching is a member of the Task Force on Economic Challenges. In the subsequent forums, he said frequently that he did not believe the Government could promote the medical services industry because from his experience, he found that all along, it was often not the "flowers" that the Government cared for that Hong Kong succeeded in developing but the willows planted by the wise public that flourished and gave shade. He pointed out that it would not work for the Government to arrange for the development of those industries. I have also heard other people say that on the development of the six industries by the Government, it seemed only the supply of land had been mentioned but there was a lack of specific development goals under any actual

plan. How do I take all these opposing views? In fact, it all depends on the actual situation, that is, on how strong and astute a government is.

To an astute government with strong capability in governance, say, the Singaporean Government, its direction of development is very clear and it is also prepared to commit large amounts of resources, so any development is made a lot easier. However, insofar as the Hong Kong Government is concerned — I am only talking about the medical services industry and not other industries — I would rather leave the task to the industry. Let me cite an example. In order to develop the medical services industry, the Government has earmarked four sites but they are all located at fairly remote places. Has it ever occurred to the Government or officials that were they the investors, would they invest in such places? If the location is at Tung Chung, for how many years will losses be incurred before it is possible to break even? The Government really has to put itself into other people's shoes.

After some overt and secret enquiries, I managed to ask government officials why such remote sites were identified for health care use. In fact, health care as an industry is highly dependent on local patients. At present, there are 13 private hospitals in Hong Kong and none of them can rely entirely on non-local patients. Over half and even 70% to 80% of their patients are local residents. Well, what is the reason for the remoteness then? It turned out the Government thinks that the construction of hospitals requires a lot of land and at least 2 hectares are required. I have done some homework and found that among the existing private hospitals, the largest site used to build one of them is only 0.7 hectare in area and the smallest hospital occupies less than 0.1 hectare of land. It is useless for the Government to provide such large sites. Even if they were used, they would just be used for other purposes. For example, back then, the Government only allocated 2 hectares of land to the Union Hospital. In 2004, it managed to vacate half of the site to apply for a change of land use to residential purposes because it really did not need that much land. I do not oppose the granting of large sites. However, the siting and competitiveness may be affected due to the excessively large sites, so this will only hamper the development of the medical services industry.

Just now, I heard Ms Starry LEE say that there was no need to develop private universities in the urban area, but the Government had all the same earmarked two small sites in the urban area for the construction of universities, so what good would they do? This presents an excellent opportunity. Since Ms

Starry LEE and people in the education sector have said this and since the Secretary for Education and the Secretary for Food and Health are both present, if the site in Ho Man Tin can be used to build a hospital, developers will be drooling, so perhaps the sites can be swapped. If the site in Tung Chung is swapped with the one for building a university, it will not be necessary for the university to be located in the urban area and even student hostels can be built on the remoter site. Moreover, one can build as many as one likes. If the site in Ho Man Tin can be used to build a hospital, that would be great.

In addition, the Government says that investors in the medical services industry would be consulted to invite them to express intentions. To those who can provide low-fee beds, concession in land premium will be offered. I just cannot figure this out. Let me ask Members a mathematical question. Suppose I plan to build a hospital with a budget of \$1 billion and assuming that I use \$100 million to buy land from the Government and \$900 million to build the hospital, and the annual operating cost is perhaps about \$400 million to \$500 million — this is an estimate — if, as the Bureau said, it is planned that 20% of the beds will have to be used as low-fee beds provided on a cost recovery basis, the sums do not add up. For example, if \$1 billion is spent on building the hospital and a saving of \$100 billion in land premium is made, I will have spent \$900 million on building the hospital. However, 20% of the beds are not productive and cannot yield any return. This means if \$900 million is spent on building a hospital, \$180 million has to be handed over to the Government. Moreover, the future operating cost has not been factored into this. The annual operating cost may amount to \$300 million to \$400 million but 20% of the beds do not yield any return. If 20% of the beds are low-fee beds, in terms of commercial operation, put simply, the cost of the remaining 80% of beds has increased. So how can the sums add up?

If the Government proposes a policy to assist in the development of an industry, it has to provide concessions to lower the cost and reduce the business risks. If, as the Secretary sees it, low-fee beds have to be provided, this is to exact a levy even before the industry has been developed. In that case, how can the development of the medical services industry be assisted?

Besides, I agree that manpower is a major consideration but manpower can also be classified into many types. Many people said that developing these high-value-added industries would only benefit the professionals. Insofar as the medical services industry is concerned, I can tell Members that apart from the

professionals, a great deal of auxiliary manpower is also required. The greater the scale of development, the more the manpower needed. Take public hospitals as an example, the 50 000-strong staff includes 5 000 doctors, 20 000 nurses and a large number of auxiliary staff. In the private market, operating an out-patient clinic requires one doctor and other staff members, such as five to six assistants or secretaries. For this reason, the development of the medical services industry will lead to a direct and substantial increase in service personnel. This has not yet taken into account the increase in manpower in other industries that will benefit indirectly from it, such as the development of the tourism and the hospitality industries.

On professional manpower, the greatest obstacle to the development of the medical services industry is the lack of health care workers, that is, nurses. The greatest shortage of manpower can be found among nurses. I welcome the gradual reopening of nursing schools by the Government in conjunction with the Hospital Authority (HA) because these nursing schools can provide the required manpower most expeditiously. Student Nurses can practise in hospital wards, that is, to help with the work, after one to two months of training. However, insofar as doctors are concerned, the policy address says that 70 additional places for medical degree programmes would be provided but in fact, this decision was made two years ago, so this is not a new measure. In fact, to assist in the development of the medical services industry, the manpower of doctors should have been increased two decades ago. It may take two decades before the doctors trained through these 70 places will be able to join the medical services industry and become competitive.

Just now, I asked what the Government and the industry can do to develop an industry. Often, I wonder why it is necessary to develop this industry. Why can other regions not catch up? We often say that this is because other regions think that Hong Kong is a mark of confidence. In fact, in the short term, there are many things that the Government will have difficulty in achieving. Let me give a simple example. In recent years, many Mainland pregnant women came to Hong Kong to give birth to their babies. In fact, the Government or the industry did not create this situation deliberately. The reality is that if these women give birth to their children in Hong Kong, their children are entitled to Hong Kong identity cards. We do not have to give any publicity to or advertise on this. It is on account of the identity cards that a lot of people come to Hong Kong to give birth to their babies. As a result, the revenues of private hospitals

have increased. Even the HA has reaped hundreds of millions of dollars and this is not a small sum. Apart from obstetrics, what advantages do other specialties enjoy? There are many things that we do not know.

Quality has to be accumulated from one generation to another. What advantages does the medical services industry possess to attract people to Hong Kong? Let me tell Members that in fact, the HA conducts some internal audits to compare the death rates of the 14 acute hospitals in performing a certain operation. It turns out that the difference can be very great and one hospital clearly stands above the other 13 hospitals. In fact, this kind of figures can attract patients. The hospitals in the United States are also rated. For example, the Mayo Clinic and MSK Cancer Center are two reputable hospitals and their ratings are both very high. Moreover, the Mayo Clinic is a hospital complex and patients from all over the world would seek consultation there. Not only can the medical services industry be found in Asia, it can also be found in the United States, but what is being developed there is state of the art medical technology.

Only high quality can truly attract patients. If a hospital in Hong Kong announces that a certain type of operations performed by it is the best in Asia, if not in the world, patients would seek consultation there. Do we possess such advantages? We do. However, for the time being, we are not allowed to place advertisements to give publicity to anything. In addition, we cannot tell people which public hospital is the best or I would that is, all the patients would go there — I did not say "my" because I still have a lot of time (*Laughter*) — that hospital that is not a Member of the legislature, so it is really very busy, so we are not going to do this kind of promotion. If we were to develop the medical services industry in the future, this could be the direction to go.

In what ways can the Government help us? The United States has one strength. Apart from clinical work, a great deal of scientific research is also conducted. If we have made some achievements in scientific research, it is important that they are advertised or publicity is given to them. For example, we can tell the public by how many years can one's life be prolonged. These things are very important. It is really necessary for the Government to be willing to give us some time and space, so that such developments can take place. In overseas countries, even in public hospitals, a great deal of time is also reserved for doctors to engage in non-clinical work. Many doctors have already obtained their doctorate degrees before they are awarded fellowships. This is one of the conditions under which they can be further promoted to the rank of

senior doctors or consultants. Apart from being a form of recognition for these members in the industry, the development of the industry as a whole will also stand to benefit. This is because if we want to develop the medical services industry, it must have some selling points and one cannot simply reply on cheap prices. It takes a long time to build up a good reputation and not everyone can do so. However, on scientific research and development, the reputation in performing a certain kind of operation can serve to attract patients.

Concerning other health care issues raised in the policy address, such as an increase in government commitment, an electronic health record sharing system or the development of community medical service, they have all been raised before, so I am not going to talk about them. One thing that I am most pleased to hear this year is that the Government will promote a supplementary financing option based on voluntary participation by using insurance packages with savings components as the major means of supplementary financing. I welcome this.

In addition, I agree with most of the comments made by Mr CHAN Kin-por, who is seated next to me, and I have no objection to a minority of them. That is to say, our thinking is more or less the same. He did not raise two points, so I wish to add them. I also hope that the Secretary will consider them when formulating insurance proposals in the future. The first is the aspirations of the middle class and its views, that is, its reactions.

In the past, I did not think about the aspirations of the middle class either. When I was on a flight back from Beijing, a surveyor was sitting next to me and he told me about his discontent with this kind of voluntary insurance schemes. He said that as a taxpayer, he felt that it was right to pay tax to subsidize health care services for the poor because this was what taxation was for. However, in the tax paid by him, apart from subsidizing the poor, he also had a share in it, that is, he also had the right to seek treatment in public hospitals, had he not? He said that if he had joined any private medical insurance scheme, he could not use the share that he had paid for himself. Do Members understand this? Because when he pays tax to support public hospitals, he is also entitled to a share of the service. Do you not understand what I mean? If you do, that is fine. If he is to join a voluntary medical insurance scheme, he should be allowed to get back the share to which he is entitled in public hospitals. Simply put, there must be some kind of tax concession or rebate and I think this suggestion is also very reasonable.

I also wish to explore this further. Although what he said is right, can private medical insurance schemes cover all kinds of services? That is, would it be totally unnecessary for him to seek treatment in public hospitals? That would not be the case. In that case, since he has got back his share in public hospitals, if he goes to them for treatment, how can we settle the account? It seems that there is a point here but in fact, the account can still be settled. If people who have joined such voluntary insurance schemes seek treatment in public hospitals, the public hospitals should charge insurance companies and this is how the sums would add up. At present, one of the greatest failings of our medical insurance schemes and public hospitals is that when people who have taken out insurance policies go to public hospitals for consultation, they are only charged \$100 per day and this is tantamount to benefiting insurance companies, is this not? For this reason, in the future, when voluntary medical insurance schemes are implemented, this point has to be taken into consideration, that is, first, it is necessary to have tax rebates and second, if people who have taken out insurance policies want to go back to public hospitals to seek treatment, insurance companies should be charged.

Moreover, a couple of days ago, when I was having a meal with a reporter, he also asked me about voluntary medical insurance schemes. He said that he surely would not take out such an insurance policy because he was young. Since there is no restriction on age, that means one can join such schemes at any time, can one not? Given this, of course, he would take out such a policy only when he is sick. Why should one take it out so early? One may as well keep the money in one's pocket. He also has a point. If all people are unwilling to join, what should be done?

After discussing for a while longer, we came up with a solution. Just as the case of life insurance — please excuse me for being ignorant but long ago, suicide was not covered by life insurance, that is, if someone killed himself after taking out a life insurance policy, he would not be compensated. However, sometimes, suicide itself is also a kind of illness — what method did they come up with? If someone committed suicide within two years of taking out a life insurance policy, he would not be compensated. If he committed suicide after two years, he would be compensated because this was probably not a planned act, rather, it was probably due to depression or an illness that made one weary of life, so in this case, one was entitled to compensation. I said to this reporter that this being so, I had a solution, that is, one could take out an insurance policy at any

time but of course, the older one was when taking out an insurance policy, the more expensive the premium would be. In addition, after joining this voluntary medical insurance scheme, any medical condition existing before the policy is taken out would be excluded from the coverage for one year, that is, if one took out an insurance policy immediately only after finding that one had cancer, insurance companies would probably suffer heavy losses. If one took out an insurance policy immediately after finding that one had cancer, the treatment for cancer in the following year would not be covered and it would be covered only after one year. No one taking out an insurance policy after having cancer would wait for a year before seeking treatment, is that right?

On this kind of arrangement, I hope that the Government will consult doctors, the insurance industry and patients extensively to listen to more views and improve the proposal as far as possible. This is because concerning insurance, there are a lot of shortcomings in the existing insurance schemes and the biggest of them is that it is paid by a third party, that is, should the insured encounter problems, the insured and the service provider no longer have to pay any money and the insurance companies will assume full responsibility. As Mr CHAN Kin-por said, many instances of abuse could occur. The control on them will have to be spelt out clearly in the terms.

Besides, in the policy address, the Government also mentioned the issue of a safety net because ultimately, there will be many people who may not be able to afford taking out insurance policies and often, insurance policies do not cover some new drugs, for example, many new anti-cancer drugs, such as Gleevec. We have all heard many such examples and the most expensive drugs, such as those for treating mucopolysaccharidoses, may cost several million dollars a year and they are utterly unaffordable to the middle class in general.

The Government said that it would strengthen the safety net in medication but it seems that apart from being willing to add some drugs that it previously was not, no change will be made to the system. I hope that the Government, apart from adding some expensive drugs, that is, expensive drugs with marked efficacy, will also consider changing the system, for example, by imposing a ceiling on drug expenses paid by patients of the middle class. Take Gleevec as an example, a friend told me that his total family income was \$500,000 but he spent \$200,000 a year on this drug alone, so he was indeed seriously affected.

I suggest that the Government consider setting a ceiling for these costly drugs and after a family has paid for drug expenses with 10% of its income, the Government should bear the remaining expenses. Comparatively speaking, this kind of costly drugs is not very large in number. The Government said that the proportion of health care expenditure to total government expenditure would be increased from 15% to 17%, that is, three years later, there would be an additional \$2.6 billion to cope with this arrangement comfortably. I think it is more appropriate to spend public funds on these areas.

There are several amendments to the Motion of Thanks. Regarding the constitutional system, the Government has already met with Members on 6th of this month. I do not think it necessary to discuss in detail this issue in the policy address. Therefore, I am not going to comment on it.

On poverty alleviation, a longer period of time is required for this task and there are also two amendments concerning poverty alleviation. I can tell Members that my middle-class friends do not support the handing out of candies either because these candies come from our pockets and they are our tax payments. Although we can also get a share, ultimately, they come from our tax payments. I also agree that the Government should have a set of long-term policies. Poverty alleviation does not mean that the Government must dig into its own pocket. It can also provide assistance through its policies. Measures to hand out candies should only be taken in countries with heavier taxes. For instance, in European and American countries, tax revenue accounts for more than 40% of their GDPs, whereas it is only slightly more than 20% in Hong Kong. In fact, the Government does not have enough resources to hand out candies but it can achieve a balance through its policies.

What policies are there? There are in various areas. Simply put, take the protection of labour rights as an example, the legislation on a minimum wage is now going through the legislative process and I agree with it. However, regarding working hours, excessively long working hours do not just affect income but will also create many social problems, such as the problem of drug abuse among youths. To some extent, family factors play a very important role in it. Parents may have to work for long hours and have no spare time to take care of their children. In the long term, the development of the cultural industries will also be affected. Take the development of West Kowloon as an

example, if the working hours of Hong Kong people continue to be very long, no one would visit the area. No matter how good a job the drama troupes or performers are doing, how good our cultural development is and what resources the Government has committed to it, after working for 10 or 12 hours, one would rather go home and sleep, so how can one have the time, the leisure and the mood to enjoy these programmes? For this reason, working hours do not just affect income.

On workers' rights, we should not just direct criticisms at employers. If the business environment of employers can be improved, naturally, they will hire more workers and offer more reasonable pay. What is the greatest difficulty faced by employers? It is high land prices. In fact, the Government is absolutely capable of dealing with this. We are not asking that the Government dismantles the market, but make adjustments to it. To give a simple example, originally, the shopping malls and shops under The Link REIT were designed for commercial tenants with average competitiveness. I do not say low competitiveness because in overseas countries with average land prices, these people can survive and it is only in this place called Hong Kong, where land prices are particularly high, that the competitiveness of these people is comparatively speaking low. If land prices are not too high, in fact, the competitiveness of these people is not weak. If the Government is willing to buy back The Link REIT with a small sum of billions of dollars, it will be able to provide better conditions for the survival of commercial tenants and residents.

Many people said that these labour policies would undermine the overall competitiveness of Hong Kong. Yes, I believe it will be undermined but we must strike a balance. So long as we are still competitive enough and can make wealth distribution in society more even, what does it matter? A simple indicator is that the GDP of Hong Kong as a whole is quite high. It amounts to US\$30,000 per year, does it not? Even if our competitiveness is undermined a little bit but wealth can be more evenly distributed, in fact, this is not a big problem. A pendulum cannot swing too far to one side and a middle-of-the-road approach should be adopted.

President, I so submit.

DR LAM TAI-FAI (in Cantonese): Secretary, many Honourable colleagues already expressed their views enthusiastically this morning on the education. They nailed on the head the current problems in education in Hong Kong, including insufficient university places, prospects of graduates under the New Secondary School Academic Structure, closure of schools, pressure on teachers, education voucher scheme and the pressure on schools in connection with assessments.

They are also doubtful of and not the least optimistic about the result and effectiveness of the development of education services into an industry by the Government. Putting it in a simple way, as far as the policy on education is concerned, there are no new measures for the improvement of the local education policy and systems; and from another point of view, they have remained the same. Since I do not have much time left, I do not want to repeat my comments in this regard. I would like to speak on issues about special education as Mr Abraham SHEK did.

According to the regulations of the Education Department, all students with intellectual disabilities (ID) who reach 18 years of age have to leave the special schools. The policy in Hong Kong at present lags far behind that of the many similar developed regions overseas. According to statistics, subsidized education provided to ID children in Hong Kong amounts to 12 years; while the figure in the United Kingdom is 14 years and that in California of the United States is as long as 18 years. To my knowledge, there are certain places that provide even longer durations. The education provided for ID children starts from the age of six in Hong Kong, while it starts from the age of five in the United Kingdom and as early as three in California of the United States. In Taiwan, provisions were implemented a few years ago for special education to start from the age of three. As far as the ID students are concerned, 18 is only indeed a biological age which does not reflect the mastery of adequate self-care and ability to integrate into society.

I hold that if training could be received by them for a few more years, it would certainly help them in their self-care ability. That they could acquire more skills would certainly be helpful to their lives and their earning for a living in future. This is tantamount to offering an internship programme to university students for fear that they would be in lack of work experience. Therefore, I fail

to understand on what basis this 18-year-old barrier was imposed by the Government. Why does it not listen to the voices of the parents and gain an understanding of their situation? There is a saying in "Dao De Jing" which goes like this: sages are impermanent at heart and are heart to heart with the ordinary people. In fact, those who are in power have to listen more to the voices of the people and to better understand their situation.

The Government has all along been advocating people-based administration and for the people, why does it not step up the efforts to help those who are in need? Perhaps I have used an improper term; the correct term should be the disadvantaged. A society is composed of families of different categories, with mutual interaction and support; mutual protection, love, and care for the fostering of mutual prosperity. I believe most people will not oppose to the Government taking the lead in providing more assistance and support to people with intellectual disabilities. Therefore, I earnestly hope that the Government can be more understanding towards them, deal with the matter with wisdom, and help them with more compassion. Every time when I read the newspapers — for example, today, when I learnt that ID students and their parents had taken to the streets to demonstrate, protest, or even taken the matter to Court — I feel unease at heart. I hold that as a loving and caring society, we should be doing more, for work done in this area has been inadequate.

President, I so submit.

MR CHAN HAK-KAN (in Cantonese): President, I speak on behalf of the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB) on the health care policy in the policy address.

In his policy address, the Chief Executive proposed to develop six industries, with medical services being one of them. Talking about medical services as an industry, in fact, many different areas are involved, such as treatment, rehabilitation, physical examination, pharmaceutical production and research and development on medical instruments. Therefore, to develop the medical services industry, we have to ask ourselves where our strengths lie. I hold that the strengths of Hong Kong's medical services lie in their sound quality and ethics, as well as the development of certain state of the art medical

technology. Therefore, as far as the industry of medical services is concerned, apart from the several competitive edges just mentioned, I believe the most prominent characteristic of our medical services lies in the "sound combination of Chinese and Western medicines". I believe it will be more desirable and practical for the medical services industry to be developed in this direction.

Though it is said that Hong Kong has "sound combination of Chinese and Western medicines", when comparing the development of Chinese and Western medicines, it is evident that in the public sector, Western medicine dominates the scene, where Chinese medicine plays only a secondary role. Since Chinese medicine is only limited to out-patient services, and no Chinese medicine specialist service is available, joint Chinese and Western medical consultation services are in fact only limited to a confined scope, which conveys an impression that there appears to be an inclination on the part of the Government to reduce Chinese medicine to a second-class medical profession.

The DAB holds that both Chinese and Western medicines have their respective edges and inadequacies; if the two can co-operate to offer joint medical consultation, there would be much room of development for the industry. The Government should actively assist the development of the Chinese medical services industry, and to narrow the gap between Chinese and Western medical services. In the policy address, it has been raised that four sites will be allocated for the construction of private hospitals, including the possible construction of a hospital of Chinese medicine that offers Chinese and Western joint medical consultation. President, I would hereinafter refer that as "Chinese medicine hospital". The DAB welcomes the proposal, an idea which has been advocated by the DAB all along.

However, we hold that it is not enough to allow the establishment of a Chinese medicine hospital only. We suggest that, on the premise of fair priority, the Government should grant priority to groups interested in operating hospitals of Chinese medicine in bidding for sites so that they can build a hospital of Chinese medicine. If a hospital of Chinese medicine can become available as a base, more internship opportunities would be made available for medical students graduating each year from the Chinese medical school, thereby saving them the trouble of travelling long distances to the Mainland or other places to look for internship opportunities. At the same time, that would also attract renowned

Mainland Chinese medicine practitioners to deliver lectures in Hong Kong and participate in joint consultations, thereby increasing opportunities of talent exchanges.

Apart from consultation services, we are also concerned about the regulation of Chinese medicine, which is a very important subject as well. In the policy address, it is mentioned that research on the standard of Chinese herbal medicine has to be expanded, that is, to expand from the current 60 species to 200 species in 2012. However, I wish to point out that in fact, a standard for Chinese herbal medicine had already been established in the mainland long ago, and there are standards even for Chinese medicine yin pian, patented Chinese medicine and Chinese medicine extracts.

Given that we are to implement that only now, would there be inconsistencies with the standards on the Mainland? As the Mainland is the main place of origin for Chinese medicine, in the event that inconsistencies in standard and testing work exist between the two places, that would indeed pose a great hurdle to the development of Chinese medicine. Therefore, it is imperative for the Government to consider how the standard should be brought on par with the ones on the Mainland, and also to strengthen the exchange of information between the two places. In addition, by strength of its professional standard testing and certification, Hong Kong could assist the Mainland in attaining internationally approved standards, and various brands of Chinese medicine in the Mainland to open up overseas markets.

President, talking about overseas markets, in fact, recently, many Southeast Asian countries like Thailand and Malaysia are actively expanding medical tourism. Many Honourable colleagues in the Council will not receive medical check-ups in Hong Kong; some even participate in medical tourism programmes overseas and have physical examination conducted while travelling overseas, for these countries actively promote medical tourism to the Southeast Asian region to attract those living outside their territories to take the opportunity to undergo medical check-ups, and even certain minor operations while travelling abroad. Policy-wise, a lot of support for medical tourism industry has been rendered by these countries, such as designing medical tourism products, pulling medical institutions and tourism industry together for mutual co-operation, as well as offering facilitation measures for visa entry and renewal. All these worthy reference for the SAR Government, especially when Hong Kong itself is already

a city of tourism. With the Mainland providing a huge potential customer base, Hong Kong definitely has the potential to develop medical tourism.

However, I would like to emphasize that the focus of development of the medical services industry should not be placed solely on external demand, but attention should be paid to domestic demand. As we all know, public health care has all along been the mainstream of medical services in Hong Kong. Though, like me, many members of the public have taken out health insurance, the coverage is only confined to seeking out-patient consultations with private medical practitioners. In the event of serious or chronic illness, they would still rely on the public health care system.

In fact, one very important reason that members of the public are not willing to switch to the private-sector health care system is the lack of transparency of charges of private hospitals. Patients would not know how much they would have to pay until the time of discharge, resulting in the possibility of hospitalization costs failing to be covered by medical insurance and patients having to pay large sums of money out of their own pockets. This affects their participation in medical care services offered by the private medical organizations. The numerous medical incidents of private hospitals revealed recently have caused worries among members of the public about private medical services.

Therefore, we hold that regulation is necessary when land is granted by the Government for four private hospitals in future, and that would include requiring the hospitals to set out fees on charged items with transparency, and to provide a certain proportion of "middle-and-low-cost beds" to alleviate the pressure on public-sector health care. Dr LEUNG Ka-lau may not agree to our views in this aspect, but we believe this could provide the middle class with one more option and better medical services.

President, talking about the imbalance between public and private health care services, it has been the intention of the Government to resolve the problem through financing arrangements. However, there is indeed great discontents among members of the public about mandatory contributions, that is, the so-called "mandatory medical fund". Fortunately, Secretary Dr York CHOW finally heeded public opinion and in the policy address, a supplementary financing option through voluntary medical insurance is proposed.

The DAB holds that this direction merits further examination, but it is imperative for the Government to explain several major issues in the new round of consultation. First, in future, how would this financing option articulate with the medical insurances already taken out by the public? Second, what does the health care financing option cover in scope? Third, what is the mechanism for future premium adjustment, and what is the premium level? Fourth, earlier, the Government has pledged a \$50 billion commitment for health care financing, so how would that be integrated into the health care financing option? Granting clear explanations on these issues to the public, I believe the public would be happy to see the new health care financing option. Otherwise, consultations carried out in the past would only be a waste of efforts, rendering the health care reform proposal making no progress and the imbalance between public and private health care systems not resolved.

President, in these last remaining few minutes, I would like to say a few words on the prevention of influenza. Since the outbreak of A H1N1 influenza in April, from the initial fears and panic, the public has now grown accustomed to this new disease. But I would like to remind the Secretary that in this incident, while he did extremely well during the early stage, he should not relax at this stage, as autumn, which is also a time for the recurrence of seasonal influenza, has set in, and particularly with the announcement of entering a state of emergency for influenza by the United States, Hong Kong has to raise its alertness and get prepared accordingly.

Sometime ago, the tendering exercise of the Government for the purchase of vaccines for the new influenza was indeed not smooth. The DAB hopes that the Government can speed up its pace as soon as possible in the procurement of an adequate supply of vaccines, and to launch the injection programme. Certainly, in the process, there were some minor hick-ups and setbacks during the vaccination for children and the elderly earlier on, especially in the arrangements in respect of the number of medical staff and the amount of vaccines. Therefore, in the event that Hong Kong is to conduct large-scale vaccinations in future, work in this area has to be strengthened, and lessons have to be learnt from the inadequacies of the earlier injection work and improvement made.

President, I so submit.

MR FRED LI (in Cantonese): President, I will focus on discussing issues of medical care and health with Secretary Dr York CHOW. This summer, I have visited more than 20 elderly organizations, hold six consultation sessions on the policy address, and attended four Cantonese opera performances and carnivals with many elderly people in attendance. Throughout the summer of this year, a total of 2 000 to 3 000 people have attended these activities.

Three issues have clearly been raised by the elderly living in Kowloon East; the first is about dental health. Many members of elderly centres, that is, elderly people who are not residential inmates but who are much more capable of taking care of themselves, think that dental care services provided by the Government are most inadequate. Due to dental problems, eating to the elderly is very inconvenient. Given the saying that disease breeds from the mouth, so as a doctor, you will know that poor dental health will affect their daily lives.

The second is about the issue of health care vouchers. Some of them have used the \$250 vouchers a long time ago. A lot of the private Western medical practitioners charge \$150 or \$200 for each consultation. I do not know whether Dr LEUNG Ka-lau is aware of such a situation, that is, some doctors will say that they will prescribe an extra three days of medication for a one-time charge of \$250; for, otherwise, patients would have to top up a hundred-odd dollars on their next consultation. The amount of \$250 comes as a certain kind of embarrassment as far as the health care vouchers are concerned — as patients have to top up the difference, they would rather have an extra three days of medication. That is in fact meaningless. Is that really a good phenomenon?

In addition, many elderly say that the doctors whom they habitually patronize have not participated in the scheme. As far as the housing estates are concerned — whether it is the shopping arcades in Sau Mau Ping Estate, Po Tat Estate, or Ping Tsui Estate — a lot of shopping centres of those housing estates got no Western medical practitioners participating in the scheme, thereby generating a feeling among the elderly that they have not been benefited. They do not know where to go for Western medical consultation, and it will even be more inconvenient if they have to take a ride for a consultation. Therefore, eventually they go to the United Christian Hospital or government clinics, not using the vouchers. Some of the elderly whom I asked indicated that they had used the vouchers, but some said they did not intend to make use of the \$250 vouchers because the Western medical practitioners usually patronized by them

have not participated in the scheme, resulting in the need for them to take a ride elsewhere before they could locate the Western medical practitioners who have participated in this scheme.

Therefore, I hope that the value of health care vouchers can be increased to \$1,000, and in that case, I believe at least more Western medical practitioners would participate. Many Western medical practitioners hold that profit is limited with the \$250 per year. Further, much administrative work would be involved, after which claims have to be made with the Government, but all the business that could be generated would only be one consultation and treatment. If the voucher value is increased to \$1,000, three to four consultations could be involved, thereby offering more incentives for Western medical practitioners to participate in the scheme. Once more Western medical practitioners participate in the scheme, a virtuous cycle will be created. However, now, the situation is exactly the opposite with the forming a vicious cycle. Since not much funding has been allocated by the Government, only a few Western medical practitioners have participated in the scheme; hence, there is no way for the elderly to make use of the vouchers for medical consultation, resulting in turn in a lack of interest in participation. The end result is that the intended effects in launching the health care vouchers could in no way be achieved.

Third, in Kowloon East, among the 18 districts, Kwun Tong has the largest elderly population. The United Christian Hospital indeed could in no way cope with the elderly demand for specialist out-patient consultation, including orthopedics and treatment of cataract. President, you have suffered from this as well. In our district, there are a lot of elderly suffering from cataract but could not have them removed because the waiting queues are too long. Hence, elderly people living in Kowloon East are most unfortunate because medical service in the district is inadequate. Those elderly living in Kowloon West or New Territories West or East would perhaps be better off. Why is there such a discriminatory situation?

Now, there is a small ray of hope with the approval of the Government and the Hospital Authority of an expansion project for the United Christian Hospital valued at billions of dollars, involving the clearance of two buildings and replacement by a new one — a project which can improve specialist out-patient services and shorten the lengthy waiting time. Therefore, Secretary, I hope you can clear the hurdle of the Financial Secretary, who should also now understand

that health is very important, actively seek funding from him, and then come to this Council for funding approval to launch the works as soon as possible, so that the expansion project of the United Christian Hospital could be commenced. This is our work, Members of Kowloon East. The Democratic Party also hopes that you, Secretary, would see the need, give us a clear answer, and work on improving the long-standing acute shortage of certain specialist out-patient services in Kowloon East as soon as possible, particularly geriatrics, so as not to let down the elderly in our district once again.

I so submit.

MR CHIM PUI-CHUNG (in Cantonese): President, the fourth debate session on the policy address is on the theme of "Optimising Our Demographic Structure and Attracting Talent".

President, as we all understand, the so-called problem of disparity between the rich and the poor is very serious in Hong Kong. But most importantly, we have to figure out the fundamental reasons and the root of the problem. In my personal opinion, first of all, it is absolutely necessary for the Government to review the system of allowing 150 people to come to Hong Kong every day. In other words, there are nearly 55 000 people coming to Hong Kong every year. As far as this system is concerned, we cannot say that all these 55 000 people are elderly, frail and incompetent. But at least, they should be excluded from the quota of other talents. In Hong Kong, there is a population of about 7 million. If 55 000 people are allowed to come to Hong Kong, our population will increase by about 1% each year. Secondly, the population in Hong Kong is ageing rapidly. If another 1% of the population is ageing, they will lose their working abilities or be forced to retire as well. Thirdly, some of the young graduates cannot find the jobs they need. Fourthly, some domestic helpers are exploiting their right of abode to create other conditions to meet the residence requirement.

President, regarding the several points mentioned above, according to my analysis, the overall population policy and other labour policies in society will create nearly 3% of the Hong Kong permanent residents or the soon-to-be permanent residents with relatively low competitiveness each year. In such circumstance, the Government should consider these policies. It is because if we have 3% each year, we will end up with 30% in 10 years' time. The quality

of living or other problems in society will thus change without being noticed and for no reasons. Therefore, the Government has to pay close attention to those factors which will lead to the disparity between the rich and the poor.

More importantly, the Government should enable some young people to figure out what the disparity between the rich and the poor is. Indeed, when comparing people with poor financial means with the rich, young people should be fully aware of the fact that it is only a kind of disparity in monetary terms. Most importantly, the Government should enable them to foster a mentality and thinking that even others are richer than them, they are not ultimate losers. Young people should have a sense of belonging to Hong Kong and a determination to work for their goals. They are at least wealthier than some of the rich people in terms of age, as those rich people are approaching the end of their lives. Therefore, in this regard, they are much wealthier. Besides, apart from health, regarding knowledge and self-possession, the Government should also enable people from all walks of life to have confidence in their own future on all fronts, so that they will have a feeling of being very wealthy. Compared with the rich, they merely do not have so much money. But as for other aspects, they possess more favourable conditions.

Talking about education, I personally think that if the Government wants to perfect the population in Hong Kong, it is most imperative for it to review the investments made by talents in Hong Kong or their opportunities of integrating into our society. As I always say, in order to make all Chinese people in the world, especially those with better financial means, make Hong Kong their second home, Hong Kong should have a population of high quality. Of course, in order to possess such conditions, President, we should enhance our living environment, transport and law and order correspondingly. President, talking about education in Hong Kong, no matter in the budget or the policy address, I consider that the Government has all along made a lot of efforts on it. If we still consider it inadequate, there may only be insufficiency in the system. As for other arrangements on education, I firmly believe that the Government has already done a good job.

President, I would like to say a few words in passing on Chinese medicine practitioners under the topic of health care services. Although we have reunified for 12 years, as I have mentioned, because of some objective factors, Western medical practitioners in Hong Kong have vested interests. If we have to offer

concessions to Chinese medicine practitioners by taking away anything from the domains or pockets of Western medical practitioners, I believe they will not be so generous. Even in the entire health care structure of the Government, it is basically dominated by Western medical practitioners. Under such a situation, I hope the Government can wake up. Although most doctors receive Western medical education, Hong Kong, after all, is a metropolis embracing both eastern and western cultures. Therefore, we should make full use of the conditions and environment of Chinese medicine practitioners. Of course, if someone argues that they are being discriminated against, the Government will certainly deny it. However, there does exist discrimination in terms of policy, behaviour and actions. In case there is any discrimination, I hope the Government can put in more efforts, at least in respect of the licensing system and other aspects. Although they do not have any certificates, they have practical experience. If the Government can offer them concessions on various fronts, they will have a sense of belonging. And if resources are available, the Government should genuinely take some actions to enable Chinese medicine practitioners to develop a feeling that they are given care for and attention, which will in turn facilitate the overall administration of the Government to foster a harmonious society.

Inevitably, there is a great expectation of Chinese medicine practitioners all over the world, only that those Western medical practitioners with vested interests do not fully understand it. Therefore, I hope that the development of Chinese medicine stressed by the Chief Executive in the policy address can be realized, so as to achieve even better development.

President, I would like to say a few words on the H1N1 as well. I personally think that Hong Kong is too nervous in this regard. This may be attributed to the fact that as the Director-General of the World Health Organization is a Hong Kong resident, we answer her call. In fact, there are always people suffering from influenza and fever all over the world. Why are we so nervous? As we are so nervous, once the Government announces that thousands of people have been infected, others have no idea what is happening to us and wonder if the situation is very serious. Of course, I am a frequent traveller, and the health inspection staff at the Hong Kong-Macao Ferry Terminal and other airports always gives me a form. So what? What does it mean? I think it serves no practical purpose at all, especially for those travelling in and out of the Mainland. Certainly, with advancement in our country, the health situation has become a matter of concern. This is praiseworthy. However, in

my opinion, such an overreaction will not only rock the confidence of all people in Hong Kong, but also make other regions in the world query what is happening to us.

Personally, I consider that no matter what kind of diseases, we have to face up to them squarely. We should seek medical treatment if we are ill. It is not a big deal to have fever and influenza, right? Is it necessary for us to eradicate them? It is impossible to do so. Therefore, if the SAR Government has to follow blindly or show its care and concern, our tourism industry will definitely be affected. It is because others may say that as Hong Kong has a disease which is unknown to them, they will not come here. This will bring about substantial intangible losses. The Government should keep an eye on this point. We should in no way expose the overall economy to the effect brought about by some objective factors simply because of such a selfish desire to show our concern and care. This will not only fail to achieve any outcome or result, but also ruin the local economy and other sectors. I think no matter in the policy address announced by the Government or on other occasions, we should pay attention to this point.

President, my speech in this session ends here.

MR LEE CHEUK-YAN (in Cantonese): President, first of all, I would like to talk about the education problem. Yesterday, I joined a meeting organized by the "Coalition of Parents Concerned about Right to Special Education" ("關注特殊教育權益家長大聯盟"), for discussions on the need of special education. I still do not understand why the Secretary et al insisted that they should leave schools at the age of 18. This is really discrimination against those children with special education need (SEN). How can you provide education in such a mess? Of course, you won in the lawsuit. But I wonder if it is your reason for thinking that there is no problem at all. In fact, at the end, it depends on how you treat this group of SEN children. If you regard offering them school places as a kind of alms and welfare and ignore whether they can receive education or not, you can, of course, adopt such an attitude and ask them to leave schools at the age of 18. It is because the welfare to which they are entitled will not be provided at the age of 18.

However, please think about this. They are also humans. Each of us should have the right to receive education. Their starting point may be low, and some of them may be in the middle, which is different from that of the mainstream schools. Each of them has a different starting point. However, it does not imply that they do not need the "3+3+4" academic structure; it is not necessary for them to repeat; nor do they not need a learning ladder. Yesterday, they showed me their curricula. I noticed that all of them, in fact, had a learning ladder. If you ignore that learning ladder and force them to promote to another grade once they finish their coursework, turning a blind eye to their learning situation and requiring them to leave schools at the age of 18, you simply do not treat them as humans. I think you do not have any benevolence at all. You are the greatest hindrance.

Secretary, I am most furious as you all are very brilliant persons, receiving hundreds of thousand dollars or hundred-odd thousand dollars in pay. However, you do not give any consideration to how best this group of people can be helped. On the contrary, you simply seek to impose restrictions on them, forcing them to leave schools earlier, so as to enable the Government to save expenditure. Do you have such a mentality? Secretary, your answer will of course be in the negative. However, there is a very abnormal phenomenon now. Let me tell you. I wonder if you have ever heard of it. In fact, among this group of children, some of them have skipped grades. Why do they have to skip grades? Their schools tell us that after calculation, as they found that upon implementation of the "3+3+4" academic structure, some of them will have reached the age of 18. This is not allowed. Therefore, they have to skip grades. Why are they still studying in Form Four at such an old age? Perhaps, it is because of their illnesses, learning problems or the fact that they have repeated before. But how can their schools arrange for them to skip grades after calculation? How can it be so ridiculous as to let them leave schools at the age of 18? I wonder if the Secretary knows such a situation or not. You have met them before. Why has such a situation arisen? How can you come up with these measures to force them to leave schools at the age of 18?

Moreover, why do you insist on setting 18 as the age limit? At present, Singapore and Taiwan have set the limit at the age of 22. In view of their special needs, shall we not offer them more assistance? However, you have not done so. Rather, you simply wish that they can leave schools earlier. Therefore, I hope the Secretary can act sincerely, so that there is no need for their

parents to come out frequently to have gatherings and marches. They have already been exhausted. However, they still have to confront the bureaucratic system, in order to strive for the right of education for their children. I think you should feel very sorry for them.

President, as for the education problem, the second point I would like to comment on is the industrialization of education. Insofar as industrialization is concerned, I keenly wish to ask the Secretary these questions. What is the positioning of your education services industry? What is your mission? As far as I remember, LUGARD said in the past that the founding of the University of Hong Kong was for China. He of course had some kind of colonial mentality. However, putting aside this point, he had a mission. Now, what is your mission in establishing private universities? Are they established for earning Renminbi? Have you turned education into a philistine, solely for earning Renminbi? If this is the case, as compared to the mission in education of the former colonial government, the SAR Government can be regarded as a regression. In the past, they established the university for China. But now, you establish universities for earning Renminbi. Is this the case? I hope this is not. Please tell me, apart from earning Renminbi, what is the mission? If you say this is not the case and there is a mission, that Hong Kong, being an international metropolis, can hopefully attract more students from the Asian Pacific Region, Asia and the Mainland, rather than merely for earning Renminbi, then, you should consider setting up scholarships. However, you will not consider these issues. You will simply leave them to those who intend to engage in such development to consider. However, the Government has allocated a piece of land. Apart from earning Renminbi, there is no other objective at all. This will not work. Therefore, I hope the Secretary can tell me later what your commitment and mission are.

On the contrary, local university students or youngsters are worried that if the Government only aims at earning Renminbi, the development of tertiary education in Hong Kong will come to a standstill. We have discussed this issue for years. Each year, we would call on the Government to review the cap of 18%. It should not restrict that only 18% of the students can further their studies in universities. Each year, we request the Government to increase the places for associate degree graduates, so as to enable students to further their studies in universities. However, each year, it is just like squeezing a tube of toothpaste, that only limited resources can be allocated. Without any change, the ratio still

remains at 18% now. Opportunities for youngsters in Hong Kong to pursue further studies in universities are thus restricted as the Government has set this cap at 18%. Therefore, education in Hong Kong has hitherto seen no progress at all. On the other hand, the Government only puts emphasis on making money. Is this the existing education policy in Hong Kong?

President, lastly, I would like to talk about health care services briefly, hoping that Secretary Dr York CHOW can address the unfair allocation of resources among different clusters. In New Territories West, the population is particularly large, but the resources are extremely scarce and the waiting time is unusually long. The Government is now seeking ways to move the public from the public sector medical system to the private one. Therefore, it tries to make the queue as long as possible. If the public want to obtain services expeditiously, they have to turn to private hospitals. However, the poor do not have the means to do so. Another alternative is to charge on medicines, that is, asking patients to purchase expensive drugs at their own cost. This will also put the public into great hardships, as this practice is no different from that adopted by private hospitals. Again, the poor will suffer.

Lastly, Secretary, you have made an undertaking to construct a hospital in Tin Shui Wai. I hope you can honour your promise and get it done within the shortest period of time without any further delay. Recently, it seems that you seldom talks about this. We hope a clear undertaking and progress can be seen in this regard.

Thank you, President.

MR ANDREW CHENG (in Cantonese): President, I speak on health care services on behalf of the Democratic Party. Mr LEE Cheuk-yan has pronounced "產業" ("tsan yip") as "慘業" ("tsam yip") just now. Although he said that he had not pronounced it wrongly on purpose, it really makes us query in case the development of these industries by the Government is unsatisfactory, will they really turn out to be miserable industries?

To develop the health care services as one of the six industries, the Government is prepared, by the end of this year, to invite expressions of interest from the market to develop private hospitals on four sites, and then make

appropriate land grant arrangements based on the expressions of interest received. A few months ago, the Government also stated that lands for the construction of private hospitals would be granted at discounted prices, the purpose being attracting non-local patients to use and promote medical services in Hong Kong. As for the public and patients in Hong Kong, it seems that the development of medical services will bring no advantage to them at all. It is because the lands granted by the Government will be used for constructing private hospitals and perhaps, those to be admitted are mainly patients from the Mainland. Such medical services may, at any time, even sacrifice patients in Hong Kong.

What the Government has given away may be some public resources. Even if the Chief Executive can realize his wish to make these industries a success, is there any relationship with the public in Hong Kong? Similar to luxury properties of \$70,000 odd per sq ft, they are built on lands in Hong Kong. However, the people of Hong Kong can only see those rich people from the Mainland living in these luxury flats. But there are still many cubicle apartments in Sham Shui Po. Therefore, the development of the six industries, to the general public, may simply be castles in the air, and these industries may turn out to be miserable industries.

President, the development of medical services will, at any time, affect the quality of medical services currently available to the people of Hong Kong. There is a serious shortage of medical personnel in Hong Kong. Recently, the Court of Final Appeal has passed a judgment on a case relating to doctors' working hours. As responded by the Hospital Authority (HA), improvement measures have been put in place since November 2007. The so-called objective is to reduce doctors' working hours to at least 65 hours per week, and gradually restrict their consecutive working hours to the level of not exceeding 24 hours. This has revealed the long working hours of doctors and the shortage of manpower. Under the situation that medical personnel can hardly cope with the existing service demand, coupled with the influx of non-local patients for treatment, how can they maintain their services at a reasonable level? Recently, a lot of medical blunders have occurred, and many of them are related to obstetrics and gynaecology. This really makes us query if it is attributable to the fact that a huge batch of medical personnel of obstetrics and gynaecology have joined private hospitals to take care of those pregnant women from the Mainland. As a result, the quality of medical personnel in public hospitals is affected, thus greatly increasing the incidence of medical blunders.

Chairman of the HA Anthony WU stated that the development of medical services was not merely aimed at attracting visitors to Hong Kong for medical tourism. The Secretary also said that medical services mainly covered treatments for heart diseases and cancers. These treatments require the top calibre medical personnel. The number of years required to train them is much longer than that for training midwives. If those experienced and quality specialists in public hospitals are drained to private hospitals to serve patients in private hospitals, most of the public, who rely on public medical services, will have to face increasing blunders and ever-declining service quality. Although Anthony WU said that medical expenditure would not be reduced, public hospitals have to improve their remuneration package in order to retain talents. In that event, medical costs will inevitably rise, and the shortage of public medical resources will further deteriorate, thus causing the people of Hong Kong to suffer at the end.

The development of medical services is closely related to that of public health care, and the problem is extremely complicated. The Government has not provided any concrete evidence to convince the public whether the development of medical services will adversely affect the services they are now enjoying. The Government has not made any commitment that by granting lands at discounted prices, inexpensive and reasonable private medical services can be provided to those with moderate income. Nor has it made any concrete planning to convince the public that Hong Kong is capable of coping with the additional service demand. The policy address stated that 70 additional places for medical degree programmes would be provided, while the Secretary also advised that he would strengthen the training of medical personnel and enhance the professional standard of local medical talents. At the same time, he would examine how best to attract overseas talents to Hong Kong. However, no concrete information has yet been provided, for example, the anticipated number of foreign or Mainland patients being attracted by the four sites and the additional manpower of medical personnel required. Neither has he made any long-term manpower planning correspondingly. The policy address mentions that it will attract overseas medical talents to come to Hong Kong. However, the Government has not mentioned how the licensing process will be relaxed for these overseas doctors to practise in Hong Kong.

Seemingly, the policy address only aims at developing medical services hastily to raise the Gross Domestic Product (GDP) of Hong Kong. However, as we all know, our GDP is already high in the world and only a minority will be

benefited. I think very few people will consider that the development of medical services can really bring benefits to them. On the other hand, the Government has not set any clear objective to show, apart from the manpower of doctors and nurses, the number of additional posts to be created, and among them, the number of posts to be created for the grassroots who are hard hit by the unemployment problem.

In fact, in view of our service quality with frequent occurrence of medical incidents, coupled with our medical complaints system which has been criticized for years as "doctors shielding one another", we may not be able to attract non-local patients to come to Hong Kong for treatment and developing our medical services.

At present, the notification system of medical incidents in private hospitals and the complaints system of handling medical incidents are lagging behind and more closed than those in public hospitals. Even though medical incidents occur frequently in hospitals under the HA, there is at least a notification system for serious medical incidents. However, in private hospitals, they do not have even a standardized system for disclosure of incidents. Moreover, there is no requirement under the licensing system of private hospitals that they have to disclose medical incidents. It is only required that in specific circumstances, the hospitals should report to the Department of Health (DH) within 24 hours after the occurrence of an incident and submit a report within four weeks. From 2007 to August this year, there are nearly 100 medical incidents in private hospitals, involving complications during surgery or deaths of pregnant women and new born babies, which have to be reported to the DH. However, private hospitals can refuse to disclose the details. Moreover, upon receipt of a report, the DH is not required to disclose it. There is a complete lack of transparency.

Insofar as these medical incidents are concerned, there is even no channel for patients of private hospitals to lodge complaints. Whenever a medical incident occurs in a private hospital, very often, it is not clear whether the mistake is made by that private hospital, the in-house medical personnel or the independent private practitioners who provide services in that private hospital. Recently, Prof Felice LIEH MAK, Chairman of the Medical Council, disclosed that consideration was being given to taking the initiative to investigate these incidents, but the targets of investigation would only be restricted to public hospitals. As there is no notification system for private hospitals, the Medical

Council has no target to initiate any investigation. Moreover, the Medical Council, as a professional regulatory body, is tasked to ensure that doctors act in accordance with their code of conduct. It is not the most appropriate body to look into the truth of these incidents. The Government had made an undertaking nearly 10 years ago that it would improve the process of handling medical complaints. However, nothing has yet been implemented to date. Although the Legislative Council has, earlier on, passed the motion on establishing a medical ombudsman office proposed by me, the Government is reluctant to accept this. Without a reliable mechanism, how can we enable foreigners to have confidence in coming to Hong Kong to use our local medical services? And how can we develop our medical services?

In fact, the Government is duty-bound to establish a medical ombudsman office. In particular, the policy address proposes to "work on a supplementary financing option based on voluntary participation which will comprise insurance and savings components". The Government is prepared to "make use of the \$50 billion set aside to provide subsidies and incentives to enable a wider choice of private health care services for members of the public who can afford it." If the protection of the right to information and the channel of complaint in respect of medical incidents for those patients using private medical services is inferior to those using public medical services, how can the Government encourage members of the public to subscribe to medical insurance and savings schemes voluntarily and use private medical services? The Government really has to address these problems. Moreover, the Government only encourages members of the public to use private medical services without providing any comprehensive system to protect their rights and interests. The Secretary should think twice about this.

Regarding the supplementary financing option mentioned in the policy address, as no details have yet been provided, it is very hard to comment on it for the time being. However, the Government should take some overseas experience and studies into consideration. According to the results of an international research conducted by the Organization for Economic Co-operation and Development (OECD), the administrative cost of private insurance schemes is very high. In the United States and the Netherlands, due to marketing, insurance personnel and product design, the administrative cost can be as high as 10% to 14%, much higher than that of public medical services, which only stands at 3% to 4%. The public pay a lot of money to subscribe to private insurance

schemes. However, as evident in the research, the expenditure on public medical services will not be reduced as a result, and in some countries, there is even a rise on the contrary. Some OECD countries, such as Australia, has attempted to promote the private insurance market, hoping that part of the service expenditure can be shifted away from public medical services. However, as shown by the research result, it is not very effective. While private insurance has increased the overall service demand, those with private insurance will continue to use public medical services all the same. The coverage of private medical services has extended, but the waiting time for public medical services has not been shortened. In such countries as France, Australia and Switzerland where private insurance has a larger market share, the percentage of private or public medical expenditures as a share of the GDP is higher than that in other OECD countries. Private medical expenditure in the United States is the highest, but public medical expenditure still accounts for 7% of its GDP. Therefore, when the Government introduces the option of using public money to promote private medical insurance for consultation next year, please study these painful experiences of overseas countries and tell us what measures could be taken correspondingly to prevent these problems from occurring in Hong Kong. We do not hope that the option put forth by the Government will once again be criticized as collusion between the Government and the business sector, resulting in, the Government's earmarked \$50 billion going into the pocket of the insurance industry whilst the demand for medical services is increased. But those who are old, vulnerable and ill cannot get the services they need. This is the last thing that the people of Hong Kong would wish to see.

President, I tender the these advices to the Secretary by pointing out the problems faced by our medical services in the context of the blunders. As we all understand, if we can make the development of medical services a success, people in Hong Kong can be benefited. However, as for the problems mentioned by me, I hope the Secretary can make reference to the overseas experience and carefully consider how best the earmarked \$50 billion can be utilized in future.

President, I so submit.

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

MR LEUNG YIU-CHUNG (in Cantonese): President, through this brief speech that I am going to make, I would like to remind the Secretary again not to discriminate against Chinese medicine practitioners (CMPs) anymore. All along, the Secretary has not accorded much importance to the development of the Chinese medicine sector, thus putting many practitioners in the Chinese medicine profession in an unfair and unjust situation.

Firstly, the Secretary gave us an undertaking when he first took up office that he would review the composition of the Chinese Medicine Council of Hong Kong, so as to ascertain the possibility of allowing CMPs to elect from among themselves members to the Chinese Medicine Council to handle issues in their profession, just as the Medical Council of Hong Kong for Western medical practitioners can do. But regrettably, the Secretary has done nothing at all after making this undertaking. So many years have passed and we can still see no sign of any action taken. This, I think, is utterly regrettable. This is unjust and unfair, proving that the Chinese medicine sector is subject to discrimination.

Secondly, concerning listed CMPs, as Members may know, some 2 000 to 3 000 listed CMPs still cannot get through the transition to become registered CMPs. In this connection, the Government has undertaken to provide assistance time and again but still, nothing is done in the end; no assistance has been provided, and the Government has again achieved nothing. This is so unfair. The Mainland highly cherishes traditional medicine, hoping that the skills can be passed on from one generation to the next, and this practice has also been recognized. But why can this not be adopted in Hong Kong? Well, it is fine even if this is not accepted in Hong Kong, for we do have a mechanism in place, but this mechanism is driving people away from its threshold and barring people from entry. I hope the Secretary can expeditiously address this problem.

Thirdly, Hong Kong is going to develop its medical services but much to our regret, what about Chinese medicine? In fact, the Chinese medicine sector very much hopes that a Chinese medicine hospital can be established for promoting and upgrading the interface between Chinese and Western medicines, so that they can develop in a way that can better cater for the needs of patients. Unfortunately, the Government has failed to deliver again. I hope that the Government can make improvement in the future, so as not to give people an impression that importance is given to Western medicine but not Chinese medicine. I wonder if it is because the Secretary is a Western medical

practitioner that he accords little importance to Chinese medicine. This is quite a common view held by the public, and I hope the Secretary can desist from doing so.

President, I so submit.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): If not, public officers will now speak. Three designated public officers will speak in this session, and they may speak up to a total of 45 minutes.

SECRETARY FOR EDUCATION (in Cantonese): President, in this year's policy address, the Chief Executive says that developing education services can help promote Hong Kong's move towards a knowledge-based economy for enhanced competitiveness. The focus of the Government is to create scope policy-wise and provide support, thereby removing obstacles impeding the development of education services.

Over the past two weeks, many people in the community have expressed views on education services. During the debate earlier, a number of Members also expressed their points of view. Taking this opportunity today, I hope to explain our ideas clearly.

The objective of developing education services is to bolster Hong Kong as a regional education hub, nurture talents for other industries, and lure talents from other parts of the world, thereby upgrading Hong Kong's competitiveness and complementing the long-term development of Hong Kong, the Pearl River Delta and the country. Our world-class institutions, excellent teacher qualifications, rigorous quality assurance mechanism and our status as an international city where the eastern and western cultures meet and an environment conducive to biliteracy and trilingualism is provided make favourable conditions for Hong Kong's development as a regional education hub.

To complement the development of a knowledge-based economy, the tertiary education sector in Hong Kong must be expanded to upgrade the quality of our human resources. I agree with the community's view that the higher education sector must be developed in a balanced manner through attracting outstanding non-local students to pursue studies in Hong Kong while taking into account the needs of local students for further studies.

In order to achieve this win-win situation, the number of places must be increased. In many advanced economies, the self-financing sector plays a key role in higher education. In Hong Kong, a series of measures have been taken over the last couple of years to support the healthy development of the self-financing education sector. But, at present, degree programmes are still largely publicly-funded. Therefore, we believe the local self-financing education sector still has enormous scope for development. Actually, the resources injected by the Government into education are very substantial. To continue relying excessively on our limited public money will undoubtedly restrict the development of higher education.

Some people have criticized that the two sites reserved in urban areas for self-financing degree programmes are too small. I would like to point out that approximately 4 000 bachelor's degree places are expected to be provided upon the commissioning of the institutions on these two sites, thereby pushing the number of self-financing degree places up by approximately 40%. Considering this merely as the first step, we will, of course, continue to identify other suitable sites to expand the number of bachelor's degree places in this sector. Furthermore, the Chief Executive has also proposed in the policy address promoting the development of the self-financing sector through increasing the total commitment of the Start-up Loan Scheme to \$2 billion, reviewing the Post Secondary Colleges Ordinance, and so on.

The number of places currently offered by undergraduate courses accounts for 18% of the average population of the 17 to 20 age group, whereas self-financing undergraduate courses are currently providing another 4% of the people belonging to the 17 to 20 age group with opportunities to receive higher education. If the number of places offered by undergraduate conversion courses is taken into calculation, the relevant percentage will rise beyond 25%. With the continued development of the self-financing higher education sector, the percentage will continue to rise.

At the meeting held by the Panel on Education last week, some Members expressed concern about the effect of admitting more non-local students on the opportunities for local students to pursue further studies. I think non-local students can create a more international environment for local students with their diversified languages and cultures. This will not only broaden the horizons of local students, but also make them know more about and accommodate different cultures. The new thinking and points of view brought by non-local students can help inspire the creativity of local students, too. In fact, the numbers of non-local students admitted by tertiary institutions are now subject to a quota. The approved student number target for non-local students enrolling in publicly-funded courses now stands at 20%.

In the policy address, special emphasis is given in highlighting the importance of assuring quality in the course of developing education services. I have to emphasize that education must be developed with vision. Our objective is not to set up a large number of private universities within a short period of time. For tertiary institutions to develop into private universities, gradual progress must be made, so that the quality of the curricula and institutions can be assured.

I would like to take this opportunity today to say a few words about two other measures spelt out in the policy agenda. The first measure is about textbooks and the e-learning scheme.

In the report submitted to me last Thursday, the Working Group on Textbooks and E-learning Resources Development made a number of recommendations on promoting e-learning, optimizing the current publishing mechanism of print textbooks and responding to the concern of the community about textbook prices. We welcome the relevant recommendations. I would like to take this opportunity to thank members of the Working Group for their time and efforts over the past year.

With the rapid development of the Internet and e-technology nowadays, multimedia and interactive e-learning resources can help raise interest among students and enhance their learning effectiveness. Mastering ways to make effective use of the information available on the Internet is crucial to upgrading one's knowledge. The efforts made by us in promoting curriculum reform over the years are precisely aimed at teaching students ways to pursue self-learning,

thereby nurturing their lifelong learning attitude and skills. Therefore, promoting e-learning is cognate with the idea of education reform.

The report compiled by the Working Group has succinctly elaborated the development of e-learning. There is also a recommendation on disbursing a one-off grant to schools for purchasing e-learning resources in the next three years, launching a three-year "Promoting e-learning" pilot scheme, expediting the development of the "Depository of E-Learning and Teaching Resources" at the primary and junior secondary levels, and setting up an e-commerce platform for e-learning resources and an on-line community for teachers at the Hong Kong Education City website. I believe these measures, if implemented properly, can have positive impacts on promoting e-learning and strengthening teaching and learning. The Government will actively study the relevant details and consider allocating funds for the implementation of the relevant proposals.

On the other hand, there is general concern in the community about textbook prices. The Working Group proposes that the publishing sector should debundle textbooks and learning and teaching resources in pricing and, for the purpose of relieving the burden of parents, the costs of learning and teaching resources should not be bundled up with textbook prices. I very much agree with this proposal. In response to the concern of the community, the Government will introduce some corresponding measures. Subject to further collecting the views of stakeholders, we will formulate the relevant strategies and details.

Next, I would like to say a few words about how support will be given to schools with respect to the policy of fine-tuning the medium of instruction (MOI) for secondary schools. This policy will take effect from September 2010 onward at the Secondary One level. At the present stage, schools are in full swing in making school-based MOI arrangements. We will endeavour to take complementary measures for the implementation of a support-oriented regulatory system.

All secondary schools in the territory have already submitted their school-based MOI programmes. I am very pleased to learn that most of them have drafted their programmes with professionalism. Apart from some schools which will continue to adopt English or mother-tongue teaching for non-language subjects, most schools have made effective use of the scope made available under the fine-tuning policy framework to, in the light of students' needs and school

conditions, propose diversified arrangements for adopting mother-tongue or English teaching for different students in different classes or different students studying different subjects, or complementing different forms of English extension activities with mother-tongue teaching. It is encouraging to note that most schools will not blindly adopt English teaching for all non-language subjects. While some individual schools meeting the "student ability" criterion have opted to adopt mother-tongue teaching for all or a number of non-language subjects, some have chosen to adopt English teaching in a progressive manner for only a fraction of the students in each grade. As regards the arrangement of "allocation of time to subjects", a subject of greater concern to Members, many schools have opted to adopt English teaching for only one non-language subject or adopt the "allocation of time to subjects" arrangement for only a fraction of students in each grade.

In order to maintain the confidence of parents and the public in the fine-tuning policy and uphold the credibility of the entire arrangement, we will take immediate actions to follow up those programmes which are obviously not in compliance with the fine-tuning policy framework and request the schools concerned to make prompt revisions to ensure that the relevant information contained in the School Profile printed in November is in line with the arrangement for the fine-tuning policy framework for reference by parents. As for misleading publicity or information, we will issue warnings to the schools in question in the event of serious non-compliance, or even make the relevant cases known to the public. Connivance will definitely be out of the question. There have only been a few individual cases of non-compliance. We have already taken immediate follow-up actions and requested the schools in question to make revisions.

We will hold professional discussions with schools compliant with the fine-tuning policy framework according to their circumstances and needs, for the purpose of examining their justifications for implementing their programmes and their preliminary preparatory work and giving them appropriate recommendations. Furthermore, starting from 2011, focused inspections will be conducted for schools requiring in-depth observations and teaching and learning effectiveness evaluations with a view to assisting them in examining their teaching and learning effectiveness during the early implementation of the fine-tuning policy to ensure smooth implementation of the arrangements under the policy.

President, we will continue to work closely with the education sector and other stakeholders in providing quality education for our next generation and strive to promote the development of education services with a view to nurturing and attracting talents and thereby enhancing Hong Kong's competitiveness.

I so submit.

SECRETARY FOR FOOD AND HEALTH (in Cantonese): To start with, President, I would like to thank several Members for expressing valuable views on medical and health services. A number of health care reform issues have been raised in the policy address and policy agenda this year, including the development of medical services, development of Chinese medicine, mental health services, progress of health care reform, and concrete proposals on health care financing. I will clarify and respond to the points raised by Members during the earlier discussion in *seriatim* here.

First of all, I would like to say a few words about the development of our medical services. We will continue to actively promote the development of the private health care sector with a view to increasing the overall capacity of the territory-wide health care system, improving the imbalance between the public and private sectors, as well as consolidating and developing Hong Kong as the state of the art health care centre in the region. These are a major measure to be taken under the health care reform.

On hardware, we have reserved four sites at Wong Chuk Hang, Tseung Kwan O, Tai Po and Lantau for the development of private hospitals. By the end of this year, we will invite expressions of interest from the market in the four sites to learn more about the intentions of the market in developing private hospitals on these sites. Depending on the market's response, we will formulate appropriate land grant arrangements and ensure the lease conditions are fair and reasonable while being able to upgrade our medical standards, thereby benefiting the public at large. As for other proposals of developing private hospitals on private land, the Government will provide assistance by all possible means and allow developments to be taken forward subject to compliance with all relevant planning procedures and statutory requirements.

Some Members have also mentioned software support. As we all know, apart from continuing to train more health care professionals, providing them

with more training opportunities and creating conditions to attract health care personnel from outside Hong Kong to come here, we will also strengthen exchanges, scientific research and training in relation to health care personnel.

As regards the concern raised by Dr Joseph LEE about whether health care staff will lose their jobs in the future, I believe the chances should not be high judging from the current circumstances. However, in the long run, should the problem of health care resources, or the problem of health care financing, remain unsolved, this crisis will remain forever.

On the development of Chinese medicine, I have given my response on various occasions, particularly with respect to the way forward for registration of Chinese medicine practitioners (CMPs), development of Chinese medicine clinics, Chinese medicine hospitals and hospitals incorporating Chinese and Western medicines. On the development of Chinese medicine, Hong Kong already has a good foundation for the development of Chinese medicine. Our well-established intellectual property rights protection can also promote the development and production of brand-name Chinese medicine. Meanwhile, our outstanding tertiary institutions and organizations are conducive to product research, development and testing. Our excellent Chinese and Western professional services and our established mechanism for regulating Chinese medicine will also be conducive to the development of Chinese medicine.

On proprietary Chinese medicines, we have, in general, completed the transitional registration of proprietary Chinese medicines. We will expedite the setting of standards for Chinese herbal medicines commonly used in Hong Kong and extend our coverage from the current 60 herbal medicines to about 200. We will also strengthen collaboration with the local universities and experts from the Mainland, the region and other parts of the world and allow more renowned Chinese medicine practitioners from the Mainland to join clinical teaching and research programmes in Hong Kong so as to make Hong Kong a platform for promoting Chinese medicine to the world.

On health care reform, the first-stage public consultation completed last year indicates that there is a general consensus among the public that health care reform should brook no delay. The Government will fulfil its commitment to make effective use of health care funding, which will be progressively increased over the next couple of years, to improve the public health care services and

implement the proposed reform on various services in a gradual and progressive manner. Next year, a consultation will be conducted on three major health care reform issues, namely the blueprint for primary care reform, privacy protection under the electronic health records scheme, and the supplementary health care financing option.

On primary care reform, the Working Group on Primary Care, which is chaired by me, has made some preliminary proposals. We will develop conceptual models and clinical protocols for different chronic diseases and age/gender groups. These models and protocols will provide benchmarks for comprehensive primary care services. We will also develop a Primary Care Directory in phases. The Directory will cover different health care professions and list various health care personnel to help the public look for and public health care professionals provide comprehensive health care services. We will begin with Western medical practitioners and dentists in the first phase.

Meanwhile, we will launch pilot projects to set up community health centres and networks under different models of participation and partnership among the private health care sector as well as non-governmental organizations (NGOs), so as to provide more comprehensive and appropriate primary care services to patients. Through the Hospital Authority (HA), we will join hands with the public and private health care sectors and NGOs to launch a series of pilot projects to support chronic disease patients. Some of the pilot projects have already been rolled out. Through cross-sector and multi-disciplinary collaboration, we hope to enhance management for chronic diseases, reduce complications and needs for hospitalization and promote collaboration between the public and private sectors.

The Government will provide additional resources for promoting primary care reform and set up a joint dedicated team comprising representatives of the Food and Health Bureau, the Department of Health and the HA to be responsible for co-ordinating the overall planning of our primary care services, including implementing the various initiatives mentioned above. We will also formulate strategies for the future comprehensive development of our primary care services for consultation and promotion among the public, health care professionals and various stakeholders next year. Meanwhile, more in-depth discussions on primary care reform will continue to be held.

The Electronic Health Record (eHR) Development Programme is an essential infrastructure for supporting health care reform. Not only can it help achieve consistency of health care services, but also enhance primary care and facilitate public-private partnership and, ultimately, save health care spending, reduce wastage, minimize chances of making mistakes and enhance safeguards for the health of patients. We are now working with the sector in progressively implementing the first stage of the eHR Programme, and will consult the relevant professions, stakeholders and the public in 2010 on the long-term legal framework required for the protection of privacy and security of personal health data. Preparatory work for the drafting of the necessary legislation will also begin. The issues for consultation will include terms and conditions for voluntary participation, authorization and consent for record access, measures for verifying identities and access authority, and so on.

Meanwhile, I would also like to say a few words on matters relating to mental health. We will continue to reinforce the community platform and strengthen collaboration between health care staff and social service agencies — this point was also raised by Dr LEE earlier, and I have also listened to the speech delivered by him on this during another debate session yesterday — to fully cater for the needs of mental patients. In 2010-2011, two new initiatives will be launched to strengthen our services. First, the HA will pilot a case management programme in individual districts and appoint health care staff as case managers to provide continuous and personalized intensive support to persons with severe mental illness. Second, for people with common mental disorders, the HA will foster closer collaboration between its psychiatric specialist out-patient service and primary care service in order to enhance its effort in providing patients with appropriate assessment and treatment services. The Food and Health Bureau will continue to strengthen its co-ordinating role in medical and health matters and work closely with various department and organizations for the formulation of appropriate policy measures. Furthermore, the Working Group on Mental Health Services will conduct reviews from time to time.

Lastly, let me turn to supplementary health care financing, the core of the entire health care reform. I am very much grateful to the public and various sectors of the community for their frank and open discussions during the first-stage public consultation. To sum up, the public are of the view that the Government should continue to provide a safety net in the public sector while maintaining a quality and effective health care system. The public attach great

importance to the stability and sustainable development of the health care system and understand the importance of health care financing reform to this. Many people also share the view that health care financing reform provides an important opportunity for health care development in the future. Through reform, they hope the existing health care regime can be optimized, so that the private sector can provide the public with more choices on the basis of the health care services provided by the public sector.

Meanwhile, many people express reservations about all mandatory options of supplementary health care financing at this stage. While the majority of the public agree that voluntary medical insurance can provide alternatives to public health care, they also share the view that the Government can have a bigger role to play in enhanced government regulation and supervision.

We appreciate the aspirations of the public and note that their demands for and spendings on private health care services have continued to rise. For instance, in 2005-2006, health care expenditure by the public in private hospitals and out-patient service had risen by more than 13% over 2004-2005, far more than the 5% or so increase in total health care expenditure. During the period between 2005 and 2007, the number of people taking out individual medical insurance had also risen substantially by more than 15%, from 1.35 million to 1.57 million.

In view of this, the Chief Executive proposes in the policy address a supplementary health care financing option based on voluntary participation and comprising insurance and savings components, to be standardized and regulated by the Government. The \$50 billion set aside will also be used to provide suitable incentives to encourage members of the public to join the scheme. The Government has planned to put forth concrete proposals in 2010 for public consultation, pending the formulation of the details. This option will enable a wider choice of value-for-money private health care services for those who are able to afford by using standardized and regulated health insurance schemes, and greater protection for the insured in terms of coverage, premium, renewal and making claims for compensation.

This scheme will enhance health care insurance and the transparency of the information provided by the market on the services, thereby promoting healthy competition among health care services. This will help upgrade the quality of

services and cost-effectiveness. With more people being able to enjoy private health care services through health care insurance, the imbalance between the public and private sectors will be relieved. Moreover, the public sector will have more room to benefit people in need of public health care services. This will in turn support the long-term healthy development of the health care system. We appreciate the considerable concern expressed by members of the public about insurance costs, administrative expenses and premium increases, and so on. In formulating concrete proposals, we will fully examine ways to ensure the most effective protection for the interests of the insured.

It is incumbent upon me to emphasize that, in formulating this supplementary health care financing option, the Government will continue to increase health care expenditure to improve services provided by the public sector. The Government is committed to increasing the funding for health care to 17% of the Government's recurrent expenditure in 2012, so as to improve public health care services and take forward health care reform. Apart from various service improvement initiatives, we are studying ways to strengthen the public health care safety net to offer greater protection to patients who need costly medication and treatment.

Lastly, President, I must emphasize that our health care policy has always aimed at providing an effective health care safety net in the overall public interest and for Hong Kong society to enable every one of us to live in a healthy, safe and energetic environment.

President, I hope Members can continue to support our efforts and support the Motion of Thanks.

Thank you, President.

SECRETARY FOR SECURITY (in Cantonese): President, an effective and quality immigration control service can not only help ensure stability and good law and order in Hong Kong, but also provide convenience to visitors, thereby benefiting our economic development.

Talents are crucial to the development of a knowledge-based and high value-added economy. The admission of non-local talents into Hong Kong can

not only upgrade our overall competitiveness and consolidate our connection networks with other places, but also promote our trade and economic growth and help the local labour market create more jobs. In fact, all open cities in the world, including Hong Kong, are endeavouring to attract more talents.

Hong Kong's appeal to overseas talents is determined by a number of factors, such as our quality of life, employment opportunities or opportunities for starting businesses, and so on. The Government will continue to maintain its open immigration policy to facilitate entry of talents from all parts of the world. Last year, we admitted 37 000 overseas and Mainland talents into Hong Kong for employment and residence, which is more than double the number of people admitted into Hong Kong in 2003, or five years ago.

At present, the relevant schemes are not subject to any quotas or restrictions on industries and job types. Last year, the threshold of the Quality Migrant Admission Scheme was adjusted. Meanwhile, in order to complement the policy of promoting Hong Kong as a regional education hub, the relevant requirements on non-local students graduating in Hong Kong to remain here for career development have also been relaxed. From time to time, we will review the relevant arrangements and examine ways to further streamline the procedures for talents and professionals (especially more senior professionals) to apply for taking up employment in Hong Kong to cope with the development needs of Hong Kong society. We will continue to endeavour to achieve a proper balance between encouraging talents to come to Hong Kong and protecting the rights and interests of local labour.

President, I so submit.

PRESIDENT (in Cantonese): The fourth debate session ends. We now proceed to the fifth debate session on the theme of "Developing Democracy and Enhancing Governance". This session covers the following five policy areas: Administration of Justice and Legal Services; Constitutional Affairs; Home Affairs (district administration and civic education); Public Service; and Security (other than immigration and anti-drug policies which have been debated).

Members who wish to speak will please press the "Request to speak" button.

DR MARGARET NG: President, "one country, two systems" is the underlying principle of the Basic Law. Sadly, in the policy address of Chief Executive Donald TSANG, this principle is nowhere to be found. "Integration" is everything.

In a recent article, Mainland scholar Jie CHENG explained that after the march on 1 July 2003, Beijing decided on a new policy of more direct intervention. One of Beijing's concerns is the "international influence" in Hong Kong's governance, in that foreign nationals are to be elected into the Legislative Council and appointed as judges.

The comment on judges is particularly disturbing. Not so long ago, a "research" project asked why the Government lost its case so often in the Court of Final Appeal; whether this was because in the Court of Final Appeal, there were more foreign judges who were not familiar with Chinese law. When Vice President XI Jinping visited Hong Kong last year, he told the Hong Kong Judiciary to be more co-operative with the executive since it is part of the "governing team" of the Hong Kong Special Administrative Region (HKSAR).

In September, the Chief Justice announced his early retirement. Last week, Mainland law professor WANG Zhenmin said that a qualification for the new Chief Justice is knowledge of Chinese law. Such requirement is quite inconsistent with the Basic Law, and the remark is ill-advised. But the harm is done. Many people will believe that this is the unspoken wish of Beijing.

The case of ZHOU Yongjun raised wide concern and deep fear. Under the Joint Declaration and the Basic Law, the border between the SAR and the Mainland is a real border with effect in law. It is necessary to give absolute assurance that political oppression in the Mainland will not be extended into Hong Kong; persons fleeing from political oppression will not be handed back to China to face oppression. ZHOU Yongjun is a signal that this may not hold. The evasive explanation of the Secretary for Security cannot hide the fact that ZHOU was in Hong Kong and is now imprisoned in China against his wishes.

How did the man end up in Shenzhen when his port of embarkation was the Macao SAR? Was he unlawfully transported there by Hong Kong's immigration officers? Or did Mainland officers unlawfully come into the SAR and took him to Shenzhen? These questions are still unanswered.

Years ago, this Council had urged the Government to negotiate a rendition agreement with the Mainland without which no one can be handed over, and that no such agreement should be signed unless the person's rights are fully protected. So far, no agreement has been signed. The Government's clear obligation is to refuse to hand over ZHOU.

Yet another recent case is the diplomatic immunity granted to the wife of the Zimbabwe President, Mrs MUGABE. While last in Hong Kong, she and her bodyguards assaulted two journalists. She was not prosecuted. The Department of Justice was told by Beijing that she was under an immunity granted by Beijing. As the Department of Justice explained, although diplomatic immunity was a matter for Beijing, immigration control was within our autonomy. We can refuse entry to a *persona non grata*.

Before you know it, Mrs MUGABE is back in Hong Kong, free to assault again if she chooses. So where is our autonomy? Why was she let in? Where is the backbone to stand firm and say, you may be allowed anywhere else in China, but you are not welcome in Hong Kong?

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

The Government is pushing ahead with the cross-border high speed rail in spite of objections. As part of the plan, the Government wants to set up a joint immigration checkpoint — what is known as a "one location, two inspections" system. This means Mainland immigration officials will be stationed within the territory of the HKSAR to carry out Mainland immigration procedure under Chinese law. The position is exactly the same as allowing a Mainland official to arrest ZHOU Yongjun within Hong Kong territory.

Legal advisers of the Government are now being pressed to find a way to do this. If successful, the method will next be applied to the airport. Hong Kong University law professor Eric CHEUNG said he did not see how this can be done without changing the Basic Law. But our Government is bent on doing it because the Mainland wants it, and big business interests are involved. Fundamental principles are ignored before the profit motive.

Not long ago, we passed legislation to extend the laws of the HKSAR into the joint checkpoint of the Western Corridor crossing over Deep Bay. I had pointed out the potential danger at the time. It was then argued that Hong Kong needed all the law-enforcement powers to deal with any security or criminal offences or civil claims. If a joint checkpoint were to be set up within HKSAR territory, how will the SAR resist a reciprocal extension of Chinese jurisdiction? This will open a wide gap in "one country, two systems".

An important part of honouring the "one country, two systems" principle is to strengthen our own system of law and administration of justice: our implicit respect for the independent Judiciary and legal profession. Judicial officers and lawyers must not be subjected to threats of their personal safety when performing their constitutional and professional role. Without this, our system cannot be maintained.

In this connection, I ask the Secretary for Justice to condemn, in the strongest terms, the cowardly attack on Neil MITCHELL, a member of the Bar, outside the building of the District Court before which he was prosecuting a criminal offence. He is still recovering from his injuries.

The assault on Neil MITCHELL is not an isolated case. Not long ago, a judge in a high profile trial was threatened. A lawyer had been harassed at an immigration checkpoint. Another lawyer, in fact a Member of this Council, had been attacked with weapons — all in circumstances which suggested that the motive had to do with their professional practice.

Lawyers in the Mainland who fearlessly defend the rights of their clients against powerful groups backed by the State live in danger. We must stand up for them. Indeed, their persecution tells us how important it is to hold fast to the values already enshrined in our own system and not to allow them to diminish.

Strengthening our system means the Government has to do more about legal aid, particularly in the area of creating a system of publicly-funded free legal advice. I have spoken many times on this matter in this House, and do not need to repeat it today, except to emphasize one particular aspect, and that is, our interface with the Mainland systems.

The law must address real problems of the lives of ordinary men and women. It is a fact that increasingly, Hong Kong residents intermingle with

residents across the border. Hong Kong people work, do business, marry, divorce and die across the border, amassing and leaving property and children. Conversely, Mainland people come to Hong Kong for a large variety of reasons and carry out a whole spectrum of activities.

Legal problems do not know of borders, but their solutions are deeply border-affected. So, to address their real problems, we must provide services and advice which are informed of both systems. It is of course a great challenge, but we have to try it if we do not want the law to be oppressive or irrelevant. I do not believe that it is not possible to set up centres for legal assistance and advice in this jurisdiction and across the border, in consultation and in co-operation with our Mainland counterparts.

Ironically, it is here that one hears officials loudly protest "one country, two systems"! It is where there is no will to help that officials claim help is impossible. I urge the Secretary for Justice to take up this mission. If we can have mutual enforcement of judgments and arbitral awards and service of court documents, why can we not have joint centres of legal assistance and advice?

Deputy President, I have left myself very little time to speak on constitutional development. This is not because it is less important, but because the issue requires no lengthy argument. Anyone who is committed to the rule of law knows that the entirety of the principle of the law can be captured in one word, and that is "fairness". If I want to expand it to two words, I would say "fair hearing": to give all whose interests are affected a fair say, and to decide the matter by a fair process. What else is democracy by universal suffrage but that? What fair-minded person can say that the political system that we have now, with a few privileged constituencies overriding the general electorate and a Chief Executive chosen by an even more privileged few, a fair system? Do we have to haggle when we should be given a fair deal? The boot is on the other foot, Deputy President. It is for those who withhold what is due to us to ask for forbearance.

I rest my case.

MR LEUNG YIU-CHUNG (in Cantonese): Deputy President, there were only two paragraphs in the policy address which mentioned the constitutional development of Hong Kong. Not only was this disappointing but it also

reflected that the existing SAR Government has neither the will nor the ability to deal with the development of democracy in Hong Kong. I reiterate that the implementation of dual universal suffrage in 2012 is the aspiration of the majority of Hong Kong people. In this regard, the SAR and Central Governments should not and could not continue to ignore such aspirations, otherwise the issue of political system will remain a major bone of contention in Hong Kong in future and will do more harm than good to all sectors of society. If the Government wishes to rehash the 2005 package, here I would like to state my strong protest. I also reiterate that I would oppose the 2005 or similar "patched up" packages.

Deputy President, ever since the establishment of the HKSAR, Hong Kong has already got two Chief Executives. TUNG Chee-hwa had to step down after seven years or so due to leg pain; and provided that nothing unexpected happens, Donald TSANG will also serve as the Chief Executive for seven years. During the 10 years or so since the reunification, we have got two Chief Executives with different backgrounds, styles and who are vastly different. So, very often the media or the public would compare the policies and popularity ratings of both of them. I think that this is only ordinary and no one would find it strange. However, in the past, when comparisons were drawn between TUNG Chee-hwa and Donald TSANG, many members of the public would feel that Chief Executive Donald TSANG has done a better job, for we could see that he enjoyed a very high popularity rating during the first two to three years of his tenure, and since he is well-versed in the civil service system, his implementation of policies has also been easier. At the same time, he had also applied spin doctoring skills to dress up and enhance his so-called "Hong Kong boy" image which appealed to the people, many of whom regarded him as one of their numbers. In fact, after eight years of TUNG Chee-hwa's rule, especially when many people felt that it had been eight years of great calamity, many people would think that if Mr TUNG's era was compared to that of Mr TSANG, Mr TSANG would certainly enjoy a congenital edge, and could thus win the applause of the people.

However, Deputy President, after several years, the media and the public have reached a different conclusion in their comparison. When Mr TSANG answered the questions from reporters after the Executive Council meeting several days ago, he seemed very unhappy that reporters had questioned him on how he compared with TUNG Chee-hwa. Anyway, up to now, everyone would have already got an idea about the style and outcome of the two Chief Executive's administration. Take the policy address of this year as an example, it could be

said that it had attracted a lot of adverse comments and boos. Public opinion polls also showed that more and more people were dissatisfied with the policy address. In fact, the so-called public opinion polls have also objectively cast a vote of no-confidence in the policy address of Chief Executive Donald TSANG. I believe the Government should and could no longer evade addressing this issue squarely, especially when the dissatisfaction rate on the policy address of this year is the highest among the five policy addresses of Mr TSANG since he assumed office. According to the findings of a public opinion poll conducted by the University of Hong Kong, this policy address is even worse than the eight policy addresses of the former Chief Executive, Mr TUNG Chee-hwa. I remember that the response towards the worst policy address of Mr TUNG back then was 37% of the people were dissatisfied, but as many as 45% of the people are now dissatisfied with Mr TSANG's policy address this year. It could thus be seen that the administration by Mr TSANG is even more unacceptable than that of Mr TUNG back then.

In saying this, I have no intention of reminding the Government for under such circumstances, I believe the Government itself should be aware that a warning has been sounded. As such, I hope Mr TSANG and his staff will realize that they are now facing a serious governance crisis. If the Government still thinks that the reason for the unpopularity of the Chief Executive recently is the allegation that he has been discredited by the media's fabrications, then I would think that they have wrongly assessed the situation. In fact, I think the main reason why the policy address of this year has aroused so much discontent is that it has done nothing on poverty alleviation, people's livelihood or promoting democracy so far. For this reason, people are more and more dissatisfied over such issues.

Furthermore, I could also see that there are no measures or policies on alleviating the problems of Hong Kong, including the serious disparity between the rich and the poor. Nor could I see that the Government has any policy in place for creating job opportunities in the hope of solving the existing unemployment problem or improving the unemployment situation. Moreover, as regards the issue of democracy which I mentioned earlier, Mr TSANG has also failed to honour his election promise of "doing a great job". As such, I could not find any areas which could command public support. In face of the "four-no" policy address which has no measures for alleviating poverty, policies on people's livelihood, programmes for employment and commitment to democracy, as in the

case of other members of the public, I could not "accept" the policy address. I would like to take the opportunity of today's discussion to remind the Government and Mr TSANG that he should reflect on and review his own actions, and enforce his policy objectives as duty requires, to rescue Hong Kong from its current plight.

Deputy President, I so submit.

MR RONNY TONG (in Cantonese): Deputy President, I still have five minutes and my assistant has written a speech of seven-odd pages for me on the development of democracy in Hong Kong. Deputy President, how could the aspirations of Hong Kong people in fighting for democracy over the past 20 years be possibly covered in five minutes and a speech of seven-odd pages? When we turn to the Chief Executive who has addressed this subject in only two paragraphs — with less than 200 words in his policy address, we can see that he has not responded to any of the aspirations for democracy in Hong Kong, but only simply stated that Hong Kong people would be consulted.

Deputy President, I sometimes find it very strange and wonder why the Chief Executive or even colleagues in the pro-democracy camp would say that public consultation needs to be conducted. What do we need to consult the people about? Is it to ask whether they still want democracy or not? Deputy President, did the political reform in 2005 fail because of inadequate consultation? If the pan-democratic camp had acted against public opinions in 2005, how did we manage to win more directly elected seats in 2008? Deputy President, though consulting the public is certainly something very grand and fool-proof to say, I sometimes wonder whether the so-called "ask the public" survey is only an act of manipulating public opinions, a selective consultation exercise which is aimed at finding an excuse for impeding the democratization process. Deputy President, I think that democracy is a universally recognized core value and its development does not require any prompting from the public. It comes from the heart. I do not think that the Chief Executive is inclined towards democracy and I believe he has become the Chief Executive only for a moment of glory.

Deputy President, I had a strange idea last night, and I hope that I was wrong. I asked myself why there has been no democracy in Hong Kong for over

20 years and our poverty problem has been worsening. Has the SAR Government deliberately refrained from resolving our poverty problem, so as to keep Hong Kong people busy striving for a living every day so that we would not have the energy to fight for democracy? The findings of a number of public opinion polls have told us that the issue of people's livelihood is more important, while that of democracy is not, for it is only ranked at the 10th or 20th-odd position. In this way, the Government could say with perfect assertion that the problem of people's livelihood must first be resolved. However, the Government has not dealt with this problem at all. Deputy President, we have already debated on the policy address for two days and said that it is totally worthless. However, Deputy President, I think we are wrong in harbouring such thoughts and I do not believe that Chief Executive TSANG is so evil. He is only incompetent.

However, the crux of the problem is democracy and people's livelihood are actually interrelated. Though the public may not understand this, it does not mean that they do not yearn for democracy. For this reason, we have to fight for democracy not because it is the aspiration of the people but that we acknowledge this core value. Deputy President, I stand here today in full understanding that it would be very difficult for the 2012 political reform to avoid the fate of that of the 2005 reform. I just received a phone call which made me feel very disheartened. However, no matter what happens, the Chief Executive has to face the people eventually and we also have to face the people. Here, I have to tell Donald TSANG sincerely that he should never leave things to chance with regard to the current political reform. He should not think that he could muddle through and hope that he could manage to get barely enough votes for passing a retrogressive proposal. Leaving things to chance would not achieve the target I mentioned earlier with regard to the core value which the people want and is universal. By acting in such a manner, Donald TSANG will only leave a permanent notorious name in the history of Hong Kong.

Deputy President, I really do not know what we could do at the moment to fulfill the dream of Hong Kong people for democracy, and I can only hope that right now the Chief Executive will appreciate that political reforms are not simply empty words.

DEPUTY PRESIDENT (in Cantonese): Time is up.

DR PRISCILLA LEUNG (in Cantonese): Deputy President, the proposal on compact fluorescent lamps (CFLs) has caused a lot of arguments. While members of the public are unanimously opposed to an electricity tariff increase, the environmental protection sector is of the view that not only the CFLs market should be benefited by the proposal. Some people have now suggested that the Government should meet the expenses for CFLs vouchers, which means that it should be paid by taxpayers.

I think that instead of patching up the plan and ending up in getting us neither here nor there, the CFLs plan should simply be abolished to "contain losses" and only be launched again after it is perfected.

As regards what the humorous Mr Abraham SHEK said about the wide range of prices in the CFLs market and on promoting the Temple Street market in Kowloon West for me, I have to thank him on behalf of the business operators in Temple Street. As regards what he said later about I should be given a handbag as a gift, I told him that it was not necessary and it would be better if the money could be donated to the poverty relief fund of the Kowloon West New Dynamic on my behalf to help the poor. In that case, I would thank him in advance for the poor people.

Thank you, Deputy President.

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

MR ALBERT HO (in Cantonese): Deputy President, it is only natural that Hong Kong should implement dual universal suffrage in 2012, for this is a right which should be enjoyed by the people under the Basic Law and the International Covenant on Civil and Political Rights which is recognized by the Basic Law.

We have always been well-versed in the political development of Hong Kong and anyone who knows the history would know that to implement dual universal suffrage in 2012 is already too late. As Hong Kong has already got the necessary conditions for a long time and as it is also in line with the expectations of the people, we could have actually implemented universal suffrage at an earlier date, like in 2007, 2008 or even at the time of the reunification. We feel very

distressed for the repeated delays and the fact that the fundamental political and civil rights of the people have still been deprived 10 years into the reunification.

In fact, over the past 20 years or so, members of the public have repeatedly expressed a mainstream aspiration through various means and ways, and in various public opinion polls. I believe this is clearly recorded in the official records of the Government, and that is, over 60% of the people, a clear 60% or more, have indicated their support for implementing dual universal suffrage in Hong Kong immediately, and this is an explicit and undeniable fact.

Deputy President, it is now time we made a decision in respect of the political reform in 2012, but the Government still told us that it could only accept the "birdcage plan" decision of the National People Congress (NPC) and that we should give up hope and refrain from thinking about certain unrealistic requests. We believe Hong Kong people will continue to insist on our reasonable demand and the NPC should review, reconsider and rectify its incorrect decision of 2007 while there is still time. The mistake could certainly be rectified to allow Hong Kong to get back onto the right track and improve the administration in the whole society through a truly responsible democratic system.

Deputy President, we are recently facing certain messages that not only would there be no dual universal suffrage in 2012, but we are also being informed that this is the reality, or even that the proposal which was vetoed by this Council in 2005, that is, the so-called "rehashed" package which may only be patched up a bit, would be introduced again. Those who have initiated the "rehashed" package (perhaps including the Chief Executive) would say, "You vetoed the proposal back in 2005 because you asked for a timetable and now that the Chief Executive has given us a timetable, what else is there to be complained about and why have you still refused to accept the arrangement?"

Deputy President, let us look at the matter in this way, though many people might have said that a timetable was essential to the acceptance of the political development arrangement back then, have we really got a timetable? Let us take a look at the policy address and the speech of the Chief Executive: I once again stress that Hong Kong has already got a timetable and the timetable is the decision of the NPC, which specifies the procedures for enacting legislation on its implementation. Thus Hong Kong may implement universal suffrage for

electing the Chief Executive in 2017 and for electing all Members of the Legislative Council in 2020.

However, Deputy President, we all know that it is not a timetable and the Government should not tell the people that it is a timetable for this is not one *per se*, for according to the decision of the NPC, Hong Kong may implement universal suffrage for electing the Chief Executive in 2007, and then consideration may be given to returning the Legislative Council through universal suffrage. The term "may" also carries the meaning of "may not", and what is the meaning of "may not"? It means that if the legislative procedures laid down by the Basic Law are not completed, then this may not come true. This is very simple. Thus, the point "may" actually is only one of the procedures in the framework of the so-called decision of the NPC and the timetable is illusory for no one knows whether an option which is acceptable to Hong Kong people would have the support of two-thirds of Legislative Council Members or not when the time comes.

We all know that in 2000, all political parties had fought for dual universal suffrage in 2007 and 2008, but we soon saw that some political parties in this Council had quickly changed their minds. We were told after 2004 that Hong Kong people were not mature enough and political parties were not mature enough, so they supported the implementation of dual universal suffrage in 2012 instead; and they (including the DAB and the Liberal Party) could also suddenly say that we are immature, and thus should not have dual universal suffrage in 2012 as well. As such, the so-called timetable is illusory.

Secondly, if the timetable does not come with an explicit ultimate proposal, there is no way we could tell what kind of system, ultimate system, would actually be implemented in future, for there may be functional constituencies in universal suffrage under this system and there may be very high thresholds for the Chief Executive election. Thus, under such circumstances, how could the Government tell us that there is a timetable and urge us to accept the "rehashed" proposal?

I hereby reiterate once again that the implementation of dual universal suffrage in 2012 is our vested right. If the Government is to convince us to accept any other arrangement, then how are the authorities going to tell us that the arrangement for 2017 and 2020 would be an ultimate democratic system?

MS LI FUNG-YING (in Cantonese): Deputy President, there have been a lot of disputes in the Civil Service recently and such disputes have almost led to a governance crisis in the Government. However, only two paragraphs were devoted to the Civil Service in the policy address where only a vague account with a few words on the conflicts and disagreements between the civil service staff side and management was given.

The Chief Executive said, "The pay cut for civil servants in the upper salary bands, and the follow-up on the three grade structure review reports, especially the one on the disciplined services grades, have been in the spotlight over the past few months." What the Chief Executive has failed to mention is the fact that the disciplined services grades had deliberated on resorting to social actions, reflecting their dissatisfaction over the fact that Government was a bad loser and had taken a long time in implementing the decision on effecting pay increases while taking immediate actions on pay cuts. They are also unhappy about the repeated delays in the implementation of the recommendations made in the grade structure review report which was completed long ago, while legislation was immediately enacted to put the decision on civil service pay cut made in accordance with the findings of the Pay Trend Survey into effect, and it was only until then that widespread public concern were aroused.

The situation was temporarily relieved after the Executive Council had accepted the grade structure review on 20th of this month. I could only say that the Government has temporarily placated the disciplined services, but many issues still remain to be solved before the disagreements between the staff side and management of the disciplined services could be ironed out. A related issue is the issue of civil service pay freeze and pay cuts. Though the relevant bill has been submitted to the Legislative Council for scrutiny, the staff side is still strongly dissatisfied and unhappy with the actions of the Government. Deputy President, this is actually a problem between the civil service staff side and management, and it is most undesirable that it has to be referred to the Legislative Council for a decision. I have been asking the Government to establish a mechanism for collective bargaining to conduct negotiations with civil service labour unions so as to deal with the conflicts between the two parties, but I have never received any response from the Government.

Another problem of the Civil Service is the outsourcing of services and the "three plus three" entry system, which has given rise to problems like varied quality of outsourced services, different pay for the same jobs and unnecessarily

increasing pressure on the staff. Such problems have created a lot of internal conflicts among the civil service. Though these are not new problems, the Government has not yet faced up to them squarely. Furthermore, civil servants between the age of 40 and 59 have constituted two thirds of the civil service team. This unbalanced age structure in the Civil Service will have an adverse impact on the governance of Hong Kong in the future. I hope that the Government would also face up to such problems squarely.

Deputy President, I would like to talk about the issue of subvented organizations. The relationship between the Government and subvented organizations and the internal relationship between the staff side and management of subvented organizations have become increasingly strained. I think that the Lump Sum Grant System is the catalyst of such conflicts. Though the Government has established the Lump Sum Grant Independent Review Committee (the Committee) to conduct a review of the Lump Sum Grant System, and it has also said that it would agree to the 30-odd recommendations made by the Committee, I think that we could not say that this has already solved the problem of conflicts between the Government and subvented organizations and those between the staff side and management of subvented organizations. The Government should continue to listen to the views of subvented organizations, in particular those of the front-line staff, so as to further improve their relationships and it is only by doing so that subvented organizations could truly become partners of the Government.

Deputy President, as I am now speaking in the last session of the policy address debate, the last issue which I would like to talk about is my views on the amendments to the Motion of Thanks. In fact, I already raised the issue at a meeting of the Legislative Council Committee on Rules of Procedure during the last term when we were consulted on the relevant matter and also stated my position in the subsequent policy address debate. I do not agree to moving amendments to certain neutral motions, such as to that on the policy address debate, though such amendments may reflect the views of the grassroots, and may also be my own sentiments (as in the case of amendments moved by some Members today), I would not vote for the amendments. Here, I would like to make this clear, for the record, so as to pre-empt any unnecessary misunderstandings.

Thank you, Deputy President.

MS AUDREY EU (in Cantonese): Deputy President, if you ask the people of Hong Kong whether there are any governance problems with the SAR Government, I believe many would agree, and even the royalists or the pro-establishment camp would agree. This is also an indisputable fact for our problem of disparity between the rich and the poor has already been "crowned" first place in the world.

However, if you ask Hong Kong people whether Hong Kong has a democracy issue, some people would say no worry, we could proceed slowly. The Government is good at telling us that the democracy issue in Hong Kong only ranks below the 10th place. In fact, I would like to point out that no issue is separate and no issue is isolated for all issues are interrelated. No matter whether it is an issue of governance or people's livelihood, it is actually entirely related to democracy.

When Premier WEN Jiabao met with the Chief Executive in 2005, he told him that deep-seated conflicts had to be resolved. In fact, both the "seven eleven" Chief Executive TUNG and the current "Hong Kong boy" Donald TSANG, have experienced difficulties in their governance. Why? Why would a simple compact fluorescent lamp initiative or a minor news report make people think that there is a transfer of benefits?

The reason is actually very simple. If society were to be harmonious, then there must be justice. As Dr Margaret NG said earlier on, what are we actually driving at when we talk about democracy? What we are finally driving at are fairness, social justice and social participation, and we are saying that everyone should enjoy equitable political rights. When this criterion is fulfilled, then society would naturally be harmonious and everyone could compete fairly. However, this is not the case now.

For this reason, if we say that democracy could be promoted slowly and thus hold back Hong Kong and never solve this problem, then the deep-seated conflicts could never be resolved. Mr Albert HO said earlier that though the Chief Executive had indicated in the Question and Answer Session that the issue had been resolved and he had already fought for a timetable, Mr HO thought that the timetable is illusory. I would like to point out that we should not argue with Donald TSANG over whether or not the timetable is illusory. Donald TSANG said in the Chief Executive's Question and Answer Session that the

pro-democracy camp had only asked for a timetable but not a roadmap back then and the pro-democracy camp has now tried to divert people's attention by asking for a roadmap. What he said is actually a lie.

The history is actually very simple and we only have to review the history of four years ago. In October 2005, after the Chief Executive had delivered his policy address, the pro-democracy camp moved an amendment to the Motion of Thanks to urge the Government to expeditiously propose a timetable and a roadmap for universal suffrage. This is a historical record and such was our request back then.

According to a survey conducted by the Lingnan University in December 2005, 60% of the public were of the opinion that the political reform proposal should include a timetable and roadmap. Though the Civic Party were not yet established back then, Mr Ronny TONG indicated in an interview, which he attended on behalf of the Article 45 Concern Group, that even if the Government abolished the District Council appointment system, it would not get the support of the Concern Group, for the provision of a timetable and roadmap were a prerequisite. Furthermore, Mr LEE Cheuk-yan also said in the "Letter to Hong Kong" programme of Radio Television Hong Kong in November 2005 that only a political reform proposal with a timetable and roadmap could answer the aspiration of Hong Kong people. However, what did the Government say back then? It said "roadmap first and timetable later", which means a roadmap should first be completed before the issue of timetable could be discussed, and a "building blocks theory" was also put forward at that time.

Back then, the "number two" in the Government and official responsible for the political reform, Rafael HUI indicated that putting together a roadmap for universal suffrage was similar to building a model with blocks, and it did not matter whether there was a timetable or not. According to him, what was most important was that there were building blocks and the roadmap was like a building block puzzle, which would turn into a roadmap when everyone pitched in and put together the blocks. Furthermore Donald TSANG also said at a luncheon party in New York on 26 October 2005 that issues like the structure of the Legislative Council after the implementation of universal suffrage and inadequate political talents should only be discussed after the blocks had been put together and it was also only then should the timetable be discussed.

Chief Secretary for Administration Rafael HUI also compared the political development of Hong Kong to the launching of Shenzhou VI in October 2005. He said the timetable for universal suffrage could only be set after the foundation for the political system had been fully laid down. He also said in response to the question raised by Mr LEE Cheuk-yan in the "Letter to Hong Kong" programme that it was necessary for all sectors of the community to have thorough discussions on the political model to be adopted after the implementation of universal suffrage and once the roadmap for universal suffrage was in place, the timetable would be just around the corner.

Back then, the Government said we should first talk about the timetable and now it conversely said since you have already been given a timetable, then the task of discussing a roadmap with you is a "first easy and then difficult" mission impossible. The Government is absolutely lying, making excuses, trying to delay as long as possible and holding Hong Kong back. I hope that Donald TSANG will really bring it to the attention of the Central Authorities that this is a very important issue.

MR IP KWOK-HIM (in Cantonese): Deputy President, it will be November in two days and the current term of District Councils has operated for two years, with half of the term already passed. Enhancing the management functions of the District Councils in district administration so that it could assume and play a more important role in providing the community and the people with a better living environment have always been a major goal of the SAR Government in promoting district administration.

Over the past two years, in order to complement the implementation of district minor works projects, the Government has allocated \$300 million in total to various districts. As stated in the past, though the District Councils (DCs) have already enjoyed greater autonomy compared to that of the past in respect of the use of relevant funds, the projects are still subjected to complex vetting and approval procedures which would take many months to a year. Though, in order to tie in with the recommendations on creating job opportunities in the policy address and the budget, the allocation of funds for district minor works projects have already been speeded up subsequently, there is still much room for exploring ways of making improvements, so as to achieve better results. Thus, I

hereby request that the Government conduct a review of the operation after the proposal has been implemented for two years, so that the use of relevant funds would be made smoother.

Deputy President, the management authority which the Government has now devolved to the DCs is focused on local recreational facilities. It is believed that the role which DCs could play as local assemblies should not be restricted to this area. The construction and development of the future West Kowloon Cultural District would certainly be the focus of the community. The task of finding ways to enhance the cultural standard of the people and promote community arts and culture is a long-term undertaking, which should be commenced and strengthened in various communities and at different levels. I visited Taiwan in mid-2009 to learn more about how different local cultural and arts groups work with local assemblies and community organizations on the popularization and promotion of cultural and arts and found that many of their experiences are worthy lessons. Though DCs have started to arrange "local cultural visits" in co-operation with different art groups of varying sizes, such visits are still very limited. I think that DCs do have a role to play in further encouraging and increasing the number of cultural and arts street performances. In Japan and many European countries, street performances are the perfect way to promote and popularize performing arts for on the one hand, the artists would be offered opportunities of performance and on the other, the public could watch the performances. As such, in the context of DCs, I very much hope that better arrangements can be made for this role of promotion.

DCs are an integral part of the two-tier representative system of government. In order to enable DC members to provide quality services for the public and help solve their problems, the first and foremost task of the Government is to allocate sufficient resources to DC members, so that their daily operations could proceed smoothly. Since DCs are an integral part of the two-tier political framework in Hong Kong and carry the role of maintaining contact with the grassroots and also act as their representatives in reflecting public opinions, DC members should be accorded the same respect as Legislative Council Members in terms of their status. Over the past 10 months, I have attended the meetings of 14 DCs in my capacity as their functional constituency representative. The same subject was raised and similar views were expressed by DC members at each meeting, and that is, they were of the opinion that as

Legislative Council Members are entitled to an end-of-term gratuity and medical allowance since the beginning of the current term of office of DC members, they held that DC members should also be entitled to the same level of support in this respect, for as compared to Legislative Council Members, DC members are even more at the "front line" in their contact with the local residents. For this reason, 417 DC members have submitted joint submissions to the Secretary for Home Affairs during the past year and requested the authorities to conduct a review as soon as possible of this matter. We very much hope that the Independent Commission on Remuneration for Members of District Council could start discussions on this as soon as possible so that DC members could be given the same level of support as a token of respect.

On behalf of the DAB, I would now express our views on the political system.

The whole idea of the Chief Executive's policy address this year is focused on economic development, and that only steady economic development would be conducive to solving people's livelihood and political problems. The DAB also shares this view.

Whether or not democracy could gradually be developed under the political regime of Hong Kong in accordance with the Basic Law hinges on the concerted efforts of Hong Kong people, including those of all colleagues in the Legislative Council. If certain individuals aim at reversing or disregarding the decision of the National People Congress Standing Committee (NPCSC) and demand a bundled consultation on the electoral arrangements for 2012 and 2017 and thereafter, or even intend to obstruct or discredit the public consultation on the 2012 political system, we think that it would not be conducive to the development of a democratic political system and the steady development of Hong Kong as a whole.

Since the NPCSC has already laid down a framework for the constitutional development of Hong Kong, both the DAB and I hope that the political system in 2012 could be progressively developed within this framework and democracy be further taken forward in the two elections, instead of failing to make any headway. Under such circumstances, we must have a transitional plan which is acceptable to the community, so that a foundation for the implementation of

universal suffrage could be laid. This is very important. If the Government put forward an improved "05 proposal" as the base for the current proposal, the DAB would seriously consider it.

As regards the discussion on the ultimate model, there will still be sufficient time and space to do so in future. There are actually no conflicts between adding further democratic elements to the two elections in 2012 and the discussion on the ultimate universal suffrage model.

The DAB will fully participate in the discussions on the two election models in 2012, and adopt a rational and tolerant attitude in consulting and listening to the views of all sectors of the community and the public. We also hope that other colleagues of the Legislative Council would also uphold the spirit of seeking common grounds while preserving differences and join in the discussions on the two election methods for 2012 so as to pass an election model which incorporates democratic elements and dovetails with the actual situation of Hong Kong, so as to lay down a favourable foundation for the coming 2017 Chief Executive election and the 2020 Legislative Council election.

I so submit.

MR LEE CHEUK-YAN (in Cantonese): Members of the public are best qualified to judge whether the policy address is good or bad. An opinion survey conducted by The Chinese University of Hong Kong shows that 44% of the public are dissatisfied with the policy address whereas only 12.5% are satisfied with it, the lowest during Donald TSANG's office over the past five years. If we look at the marks, its scores are only forty eight point something, which means not up to par, or a fail. I think after the delivery of this policy address, we all can see that the popularity of Donald TSANG has plunged to be so pitifully low. In fact, insofar as the SAR Government's prestige in governance is concerned, we can say that this is not the sounding of an alarm, but almost like the sounding of the death knell.

I must make one point clear. I am not asking Donald TSANG to step down for the reason of a leg pain. But I do hope that his governing team can seriously conduct some soul-searching to find out why the public now have so

little confidence in this Government and why its prestige in governance is so low. I hope that they will not put the blame on the media. Disregarding how severely the media has criticized the Government In fact, the Government has many opportunities to have dialogues with the media. The Chief Executive only has to come forth and the reporters of television stations will certainly point the microphone directly at him. Television is the best channel, for what he has said can immediately be conveyed to the public. OBAMA has also relied on the power of television. Even though OBAMA is much criticized in the press, so long as there are reports on television, he will use this channel to directly communicate with the public through the media. Why is this Government doing so badly now, with its performance being the worst ever? The reason is simple. In the eyes of the public, politically, Donald TSANG is bowing to Beijing, not daring to fight for democracy for Hong Kong people; in economics, he skews in favour of the consortiums, expressly providing benefits to the capitalists, to major consortiums and to the tycoons; in respect of the people's livelihood, he is callous and indifferent, turning a blind eye to the life and death of the people and thus causing the wealth gap in Hong Kong to become critical. He has no "guts", no sense of fairness, no conscience. This is what the public think about this Government now.

I clearly recall that back in those years Donald TSANG was almost like swearing an oath of enduring fidelity to Hong Kong people, vowing that he would "play it hard" and that he would thoroughly resolve the question of universal suffrage. Today, as we all can see, Donald TSANG said, "There is nothing I can do." There is no roadmap, and he simply does not care about the ultimate proposal or whatsoever. Is he in any way different from those unfaithful men who betray the pure, innocent love of their lovers? He has deceived our people, and our people may really be too innocent. So, I urge Donald TSANG's team to reflect on their mistakes, apologize to the public and make a new start by holding discussions with the democratic camp which represents the mainstream public opinions on constitutional reform and even leading a delegation to the Beijing, so that we can make our representation to Beijing together, in the hope that this question can be resolved.

In respect of the people's livelihood, he must drastically implement measures to eliminate poverty. He must not only give away "candies". He must really do something for the well-being of the public. Only in this way can

there be hopes for Hong Kong. Only in this way can Donald TSANG's team regain popularity. It is really not our wish to see our energy being depleted by internal arguments. We hope that Donald TSANG can do better, because only if he can do better will there be well-being for the people. But now, he is incapable of doing anything. This we do not wish to see, Deputy President.

MR JAMES TO (in Cantonese): Deputy President, I would like to discuss the policy on security which is a relatively central issue. But before that, I must say that as the Chief Executive has recently appointed Mr LAI Tung-kwok, the retired Director of Immigration, as the Under Secretary for Security, I really feel very much worried. Let us not look at the accountability system or talk about issues relating to Directors of Bureau, Deputy Directors of Bureau or Political Assistants from the political angle. Let us just talk about the Security Bureau alone. Does the Chief Executive not say that it is necessary to nurture political talents? Could it be that the political talents required by the Security Bureau are all retirees? The fact is that the Secretary is a retiree, and so are the Under Secretary and the Political Assistant. No wonder people think that this is like a club for retirees.

I have recently chatted with some people from disciplined services' unions. They said that this arrangement is really giving play to the Confucian spirit of providing the elderly with a secured living. It is easy, because all the retired staff of the disciplined services can simply join the Security Bureau. Some sources from the Government have hinted and argued that as the Security Bureau is different from the other bureaux and involves duties of a sensitive nature, it is necessary to take on people from the disciplined services.

Then why must it take on the retirees but not people currently serving in the disciplined services? Why does it not employ those serving staff with potentials to make the grade? I do not discriminate against the elderly, but I take exception to it because this is what the Government has proposed itself. Moreover, if we take an overview of the security forces, heads of security department, home secretaries or people governing the police and disciplined services in places around the world, do they all have to be retirees? Are people in the army, say, the generals, or the head of the Central Intelligence Agency all retirees? No. I hope that this mentality of the Chief Executive Besides,

as they all come from the disciplined services, this will give rise to one problem because disregarding what you would say, the public would still think that this political accountability system has remained to be a civil official system. Particularly, these several accountability officials must have a broader view than the disciplined services, and they must understand better what the people are worried and concerned about. For instance, they must not only consider whether enforcement is smooth or efficient, but also have regard to other values, such as the values of the people, or the values of society, including human rights, and so on. These posts are all taken up by retired members of the disciplined services now. Will it not make people think that there is another tier of monitoring? Can this meet the need of accommodating some broader values?

Recently, judging from the spate of troubles revolving around the Chief Executive, such as the incidents of compact fluorescent lamps and his sister-in-law's involvement in the minibond incident, some people are speculating, jokingly though, that the Chief Executive is trying to uphold the Confucian spirit, as he seeks to provide a secured living to the elderly and what is more, he even cares for not only his own relatives but other people's relatives. After his retirement from the Independent Commission Against Corruption later, Timothy TONG may be "recycled" and appointed as the Secretary for Security, and TSANG Yam-pui may also take up the office of the Secretary for Security after he has left New World Development. Candidates would then be identified for the next five terms of office.

If such being the case, how will society have confidence in the Chief Executive? The Secretary for Security is appointed by the Chief Executive. Does he have a broader vision to understand what security policies are of concern to the public, rather than just performing the role of law enforcement? Of course, I do not know if it is due to some recent incidents that he has become even more frightened, because even the police have to take to the streets. This may prompt him to think that the appointment must be made early. TANG King-shing, after his retirement in future, will take up the office of the Secretary for Security. Why do I say so? Because if TANG King-shing is not appointed, how can his subordinates be properly managed? He is the only person who is competent for the job and who can give play to the Confucian spirit of "loving not only one's own son but other people's sons", as he had to come forth in person to fight for a salary increase for his subordinates and colleagues. If the police

would take to the streets, Beijing would be very concerned about it. TANG King-shing can prepare himself for taking up the office of the Secretary for Security. Only Timothy TONG, TANG King-shing and TSANG Yam-pui are fit for this job, or else the police will rise in rebellion. I wonder if the Chief Executive has already come to a state where he works with no confidence at all, no talent, no vision, and no value to go by.

Deputy President, earlier on Dr Margaret NG mentioned the case of ZHOU Yongjun, and I am also very much concerned about it. It is not only because ZHOU Yongjun has the background of being a pro-democracy activist. The most important point is that according to various sorts of information it is also because the Government has given no response at all, except saying that it would act in accordance with the law. From the information that we have obtained, we learn that when a person who can legally take up residence in Hong Kong is to be expatriated from the territory, a vehicle will suddenly come to take him to Shenzhen. We have no idea about whether Mr ZHOU was taken away by Mainland law-enforcement officers in Hong Kong, and we do not know why this happened when Mr ZHOU has the right of abode in the United States The Government should also be well aware that Mr ZHOU might be subject to political persecution or discrimination and unfavourable treatment politically when he returned to the Mainland.

Hong Kong is a place where the human rights treaties apply. With regard to this particular case, if it is not clearly explained — ZHOU Yongjun is not the only case, as there were many cases of Mainland officials crossing the boundary to exercise jurisdiction in Hong Kong — I hope that the Government can give a detailed account of this case in the Panel on Security or on other occasions. If the Government has really acted in accordance with the law and in a way consistent with the human rights treaties, and let me cite an extreme example, if Mr ZHOU had signed a letter of consent indicating that he returned to the Mainland of his own accord, the Government should produce this letter to at least confirm this fact. Otherwise, I would think that the Hong Kong Government is at least suspected of conspiring with the Mainland and allowing a person who was legally staying in Hong Kong to be taken away from the territory to a place where he might be subject to political persecution or intimidation. This is a serious infringement of human rights and a serious allegation.

I am also concerned about the incident of the First Lady of Zimbabwe coming to Hong Kong again. The Secretary for Justice said previously that for various reasons, such as she may enjoy diplomatic immunity or there is insufficient evidence, Hong Kong cannot institute prosecution against her and her bodyguards. But can we refuse the entry into Hong Kong of a Head of State or First Lady who was suspected to have assaulted other people using his or her diplomatic immunity? Is it that we cannot do anything at all? What if she beats James TO to death today? What if she beats a child to death today? Can we allow a person with such an obvious record to come to Hong Kong? Is our immigration policy totally under the control of the Ministry of Foreign Affairs? Or do we actually hope that a certain First Lay can buy more handbags and more houses in Hong Kong and we do not mind about allegations of money laundering? Have we degenerated to such a state?

Deputy President, let me make a great compromise. I think Hong Kong, being a cosmopolitan, must be responsible to other international visitors who are legally staying in Hong Kong, including journalists from Britain. A person suspected of breaking the law and having a tendency towards violence must not be welcome to Hong Kong, for she may threaten the safety of other foreign visitors who are legally staying in Hong Kong as well as the safety of the local people.

Deputy President, with regard to the police, since a case of rape occurred in a police station, the image of the Hong Kong Police Force will need to be restored gradually. However, with respect to some simple cases which can be resolved quickly, such as the case of the police using civilian vehicles to form a roadblock to stop illegal road racers, while the incident occurred a few months ago, the compensation in the amount of some \$100,000 sought by the taxi drivers and vehicle owners concerned has been delayed for a long time. I do not know if the Department of Justice is deliberately making life difficult for the police, or the police's image is so good that they can act without restraint and that they will not be affected by whatever they do. At a time when the Government's image is quite unpopular, I urge it to conduct a comprehensive review to examine whether some of the cases Now I have to devote my speaking time in the policy debate to reminding the Government to settle this case and not to bring the police under pressure because of this amount of some \$100,000. This, I think, is really

silly. Yet, a government can outrageously do such a thing, and I really have nothing to say.

Recently, members of the public are very concerned about the sudden surge in the number of South Asian or African refugees or torture claimants. I think the legislation on prohibiting them from taking up employment will be enacted in this Council next month. But I call on the Government not to deceive the public and not to tell members of the public and reporters that the problem will be solved with the enactment of this law. If we look at the chronicle of this issue, we will find that before the relevant cases occurred in March this year, the community had already thought that these people were not allowed to work in Hong Kong and prosecution had also been instituted and yet, the cases were still on the rise and the number was enormous. So, even though they will be prohibited from taking up work, the situation would at most be reverted to that before March. It does not mean that this problem can be thoroughly resolved.

To thoroughly resolve this problem, we must have a complete legal system and on a solid legal basis, there must be sufficient manpower to expedite the screening of the claimants. We cannot rely on the manpower of the United Nations alone, because the United Nations has to handle the problem of refugees, and how many refugees are there all over the world? A refugee camp in Africa may already have hundreds of thousands or even millions of refugees, compared to just a few thousand of them in Hong Kong. So, the Hong Kong Government must deploy sufficient manpower to assist the United Nations in this area of work, so as to expedite the screening process. As far as I understand it, the relevant countries are willing to take back the screened-out claimants who do not fall within the scope of the convention against torture or who do not meet the criteria for refugee status. In other words, there is no difficulty in repatriating these people to their own countries. The key lies only in whether our procedures can be reasonable and efficient.

I am very disappointed that a delay of many months has been caused by the row between the SAR Government and the two legal professional bodies over the reasonable amount of legal fees for providing qualified and experienced lawyers for the purposes of fair proceedings in Court. I hope that the Secretary for Justice They are very experienced in these legal proceedings and are capable of advising on what experience a lawyer must have in order to be able to

reasonably handle the proceedings fairly in accordance with the requirements in law. If the Security Bureau, or the Treasury charged with the responsibility of managing government finances (which may control every dollar or cent very tightly) is to be given this task, this issue will remain unresolved ultimately.

(THE PRESIDENT resumed the Chair)

Lastly, with regard to specific crimes, I would like to draw the Government's attention particularly to fraud. There are many different ways to commit fraud and sometimes, it does not matter whether a trick is old or not as long as it works. The Government should be able to receive various reports very quickly. Analyses should then be conducted and information should be disseminated at all levels and in all dimensions, so as to enable the public to understand the details. For example, a new trick was used recently in fraud cases involving some beauty parlours. Besides, another trick which has long been used is that a large sum of money is used as the bait and then, for example, the fraudster will tell the victim that he is the heir to a huge inheritance or he can receive a sum of money for no reason, but the victim would turn out to be losing a lot of money. I hope that the Government can keep a close watch on this. Front-line personnel should collect more information and then convey it to the public as soon as possible, so as to prevent them from falling prey to these traps.

President, before I stop, I wish to say a few words on the constitutional reform. During the Chief Executive's Question and Answer Session a few months ago, I particularly asked a question on whether the Government would rehash the 2005 political reform package. I believe Members in this Chamber still remember that vividly. The Chief Executive replied quite expressly that this definitely would not happen. I hope that in the future development and in the review to be conducted soon, the Government must never rehash the 2005 package. If the Chief Executive made this pledge a few months ago but subsequently rehashes the 2005 package, I think that would be downright deception, which is a lot more serious than just being misleading. Because society has generally heard his very forthright reply, and by common sense, his reply is normally interpreted to mean that he really will not rehash the 2005 package. I hope that the Chief Executive will be careful.

MISS TANYA CHAN (in Cantonese): This session is about district administration and constitutional reform. I would like to talk about district administration first. Yesterday, Mr Tommy CHEUNG — he is not here now — cited the case of how the Central and Western District Council (CWDC) utilized public space as an example to try to illustrate that powers should not be devolved to the District Councils (DCs). I absolutely disagree with this. First of all, the most important thing is to have good communication. The Government should have good communication with our Administrative Officers, that is, the District Officers (DOs), while the DOs should also have good communication with members of DCs. Members of DCs, no matter in communication or public education, also have their responsibilities. What Mr Tommy CHEUNG mentioned yesterday is, in fact, using alfresco restaurants to revitalize the economy. But why do I stress the importance of communication? It is because DCs basically serve as an excellent platform for communication, which can facilitate not only better communication between the public and the Government, but also more effective enforcement of government policies at the district level.

During our discussion on how to fully utilize public spaces last time, why did I stress communication? It is because on that occasion, a DC member from Mr Tommy CHEUNG's Liberal Party also voted for the motion to ensure that spaces in private development projects should be open to the public. Members of the CWDC voted for it unanimously, including the DC member from his Party. Therefore, I consider that communication, to them, is even more important.

Talking about the youth problem, in the motion debate during these past few days, many Members have mentioned various problems relating to the youth, including employment, unemployment, education, drug abuse and even the recent issues on compensated dating and home ownership. In fact, we can see a lot of problems relating to the youths now. But what is our Commission on Youth doing? I am puzzled. I only know that it has just appointed Mr Bunny CHAN, who aged over 50, as its new chairman. His age is not a problem, but he has explicitly made an undertaking in the Commission on Youth that a youth summit would be held. However, when I asked the Secretary last week, he replied that a youth summit would be held when appropriate. The last youth summit was held in 2006, which was already four years from now. In the past, youth summits would be held each year. As a matter of fact, many social workers are looking forward to this youth summit, so as to communicate with the Government and discuss the youth problem with it seriously. However, despite such a long delay,

no arrangement has yet been made. After all, when is the appropriate time to hold the youth summit? I wish to tell Secretary TSANG Tak-sing that it would have been already too late even if the youth summit was held yesterday. Same as our election by universal suffrage, we should in fact have it yesterday. However, even now, we still do not have a one-person-one-vote system in place.

Turning to the issue of constitutional reform, as enshrined in the Basic Law, it should be conducted in a gradual and orderly manner. In fact, what does a gradual and orderly manner mean? Perhaps, many people may ask, "Is it an increase in the number of seats, so that both functional constituencies and geographical constituencies can be involved?" If we just look at the number of seats and think that progress is made, this is in fact most shallow. The most important thing is its content, which enables us to see if progress has really been made. If this is a retrogression rather than progress, the pan-democratic camp will not accept it. I remember very clearly that on 4 December 2005, when I had yet assumed office as a Member and was just an ordinary member of the public, I participated in the march organized by the pan-democratic camp to voice our objection to the fifth package at that time. I do not want to see this package again. If it turns out to be a replica of the 2005 package, I will definitely take to the streets in protest again. In particular, being a Member from the democratic camp now, I am even more duty-bound. Not only will I take to the streets, I will also call on more young people to join me, as none of us will be deceived by such a "Grade A counterfeit" package. People's eyes are most discerning. I so submit.

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

MR WONG YUK-MAN (in Cantonese): President, in proposing the resignation *en masse* of one Member from each of the five geographical constituencies to trigger a referendum on dual universal suffrage in 2012, the League of Social Democrats (LSD) hopes to enable Hong Kong people to have the experience of direct participation in democracy. The Civic Party has proposed the strategy of first conducting negotiations and next, holding a by-election and finally, resorting to resignation *en masse*. Let us not discuss the difference between their proposal and that of the LSD. Their proposal at least carries a significant symbolic

meaning and that is, it redefines what is radical. Not only the pro-establishment political groups but also pan-democrats in the political arena have said that the proposal of resignation *en masse* to trigger a by-election is a radical move. Everybody just thinks this way. But when even the group of democrats consisting mainly of professionals who stress "rational thinking" have indicated support for the proposal of resignation to trigger a by-election to fight for democracy, everybody suddenly realized that from the moment of resignation *en masse* to the public casting votes in the by-election, there is no suggestion of making disturbances, throwing bananas and using foul language in the process. They eventually realized that the proposed resignation can be so peaceful that it can be like the 1 July rally in serving as another peaceful means to fight for democracy which demonstrates the extremely high quality of Hong Kong people.

As we all know, during his five years of office, Mr Donald TSANG, the Chief Executive ordained by the power-that-be in Beijing and returned by a small circle, has been bent on having his own way while constantly changing his policies, which has caused his political integrity to be totally bankrupt. On the other hand, he has bowed to the wishes of Beijing, licking their boots with the greatest servility. This is obvious to all. Facing such a Chief Executive of the SAR, the public have nevertheless become numb and even started to accept the wrong as right as they grow accustomed to the wrongdoings of this SAR Government. This shows that Donald TSANG has successfully made Hong Kong people consider political corruptness as a norm. Yet, this can also be perceived as a reaction of the public detesting the Government but being overwhelmed by a sense of helplessness. If this continues, it would do serious harm to our next generation.

The first President of the Czech Republic, Vaclav HAVEL, is a poet and also a playwright. He considered that politics is founded on morality. In early 90s in the last century, he was elected President just when the iron curtain collapsed in Eastern Europe. On New Year Day in 1990, he gave a very famous address entitled "The Greatest Moral Crisis in Our Times". In one of the paragraphs of the address, he said, "Let us try, in a new time and in a new way, to restore this concept of politics. Let us teach ourselves and others that politics should be an expression of a desire to contribute to the happiness of the community rather than of a need to cheat or rape the community. Let us teach ourselves and others that politics can be not simply the art of the possible,

especially if this means the art of speculation, calculation, intrigue, secret deals and pragmatic maneuvering, but that it can also be the art of the impossible, that is, the art of improving ourselves and the world."¹

Vaclav HAVEL went further to say, "We had all become used to the totalitarian system and accepted it as an unchangeable fact and thus helped to perpetuate it. In other words, we are all — though naturally to differing extents — responsible for the operation of the totalitarian machinery. None of us is just its victim. We are all also its co-creators We cannot blame the previous rulers for everything, not only because it would be untrue, but also because it would blunt the duty that each of us faces today: namely, the obligation to act independently, freely, reasonably and quickly. Let us not be mistaken: the best government in the world, the best parliament and the best president, cannot achieve much on their own. And it would be wrong to expect a general remedy from them alone. Freedom and democracy include participation and therefore responsibility from us all."² We in the LSD have, right at the outset of our platform, explicitly stated participation in democracy.

After the rally on 1 July 2003 the Central Government in Beijing has imposed barriers one after another to the development of democracy. The Central Government had brazenly reneged on its promises for "Hong Kong people ruling Hong Kong" and "a high degree of autonomy". On 6 April 2004, to everyone's surprise, it made amendments to the Basic Law in the name of interpretation of the Basic Law. This interpretation by the Standing Committee of the National People's Congress (NPCSC) has fully given to a ruling regime made up of a handful of people the power to amend the Basic Law. A resolution was passed on 26 April to deprive Hong Kong people of their right to democratic and popular suffrage in 2007 and 2008 as provided for in the Basic Law, and to allow the SAR Government to subsequently put forward in 2005 a package of proposals on constitutional development in which neither a timetable nor a roadmap was provided, openly exerting pressure and secretly offering benefits in an attempt to make the democratic camp accept the package and create the *fait accompli* that Hong Kong people willingly agreed to yield. Had it not been Hong Kong people coming forth at a critical time to summon unity among the democrats, this 2005 package of proposals which is of little worth and yet not bad

¹ Extracted from http://old.hrad.cz/president/Havel/speeches/index_uk.html

² As Above

enough to be disposed of would long have been forced down the throat of Hong Kong people, just as how ducks are spoon-fed.

However, after the 2005 constitutional reform package was voted down, the SAR Government, the Central Authorities and the entire pro-communist media have blamed the democratic camp for causing constitutional development to become stagnant, but the democratic camp has not been able to come up with any effective counter-measure to mount strong defence. Facing a *fait accompli* that dual universal suffrage is ruled out for 2007 and 2008, the democratic camp can only hold up the banner of achieving dual universal suffrage in 2012, in order to give an explanation to the public. But while there is a banner, there is no strategy and momentum for manoeuvring. The Central Government, having tasted success in its previous move and seeing that the democratic camp did not put up any strong resistance to the distorted interpretation of the Basic Law, would certainly employ the same trick again. On 30 December 2007, the NPCSC again made a decision to rule out dual universal suffrage in 2012. But in order to ease the possible aversion among Hong Kong people from being insulted and fooled over and over again, they made a pretense by suggesting that the election of the Chief Executive in the year 2017 may be implemented by the method of universal suffrage and the election of the Legislative Council in 2020 may be implemented by the method of electing all the members by universal suffrage. However, can the democratic camp accept that the timetable for 2017 and 2020 be linked with the proposal on constitutional development in 2012?

Faced with this deadlock, the only step that the democratic camp can take is to bring together the democrats in the Legislative Council and all Hong Kong people and the civil society, so that the public can clearly express their aspiration for universal suffrage while giving a mandate to the democratic camp in this Council to continuously fight for the implementation of universal suffrage by the power-that-be. This is what we intend to do by proposing resignation *en masse* to trigger a referendum on dual universal suffrage in 2012. Resignation is proposed to trigger a process of by-election in which the only proposition is dual universal suffrage in 2012. This is to enable the entire electorate to express their position by way of their votes in the by-election, thus serving the purpose of a referendum. This can break the deadlock and symbolize the leading role that the democratic camp in this Council can play in taking democracy forward, injecting new momentum into the entire pro-democracy movement in Hong Kong.

The resignation *en masse* to trigger a referendum, if successful, will deal a heavy blow to the legitimacy of the SAR Government. The resignation of the five Members of the Legislative Council on behalf of the entire democratic camp is a non-co-operation movement in the institution and a serious indictment of the SAR Government's refusal to implement dual universal suffrage. The propriety of its objective is unquestionable. The SAR Government has blamed the democratic camp for causing constitutional reform to remain stagnant by voting against the constitutional reform package back in 2005. In the consultation on constitutional reform to be conducted soon, Mr LAM of the SAR Government will surely employ the same trick and claim that the public support the honouring of the illusory undertaking of universal suffrage only in 2017 with no roadmap attached. The result of the referendum will manifest the wish of the people and override all the facts reflected in opinions surveys and the moral bind. The SAR Government must cease to resort to sophistry using the specious results of opinion surveys. If the result of the referendum shows public support for dual universal suffrage in 2012, but if the SAR Government still refuses it, it would become the enemy of the wish of all Hong Kong people, in which case the SAR Government returned by a small-circle election would have no legitimacy and prestige to speak of.

In his book entitled "The Theatre of History — Eight Painful Years in Power", LIN Cho-shui, a founding member of the Democratic Progressive Party in Taiwan and a Legislator for five successive terms, wrote this:

"I told my friends from Hong Kong in a discussion session after the 2008 election:

'Even though you may still see a lot of encouraging scenes of public rallies in this election, I believe you must have noticed that the excitement has faded greatly when compared to the past. But I must still say a few demoralizing words: This election may probably be the last time where excitement can be felt, as you can expect the next election to further quiet down.

Political scholar, Samuel P HUNTINGTON, said that it is only when the third wave of democratization can, after a successful revolution for democracy, go through a second peaceful change of political regime that we can assert that democracy is successfully achieved. If democracy in Taiwan has truly been established after a second peaceful change of the ruling party, then democracy has become part of the daily life of Taiwan, rather than a goal to pursue. In that

eventuality, the sacred pursuit for democracy will end, and politics will quiet down. But people in Hong Kong do not have to worry about not being able to see again the encouraging scenes of fervent elections, because Hong Kong society is still in the process of pursuing democracy and so, the sacredness now lost in Taiwan is set to be reborn in Hong Kong and you people are set to become participants or leaders in this sacred process." LIN Cho-shui has indeed overestimated the democratic camp in Hong Kong.

The author of *"I Don't Want to be Chinese Again"*, Joe CHUNG, said in the preface of his new book entitled *"China, where is your pride?"* that in a civilized country, contentions in the political circle or between political parties or even the civilians are only about whether socio-economic policies should be inclined more to the left or more to the right, or whether environmental issues should be handled using a more aggressive or progressive approach, or whether a more tolerant or hard-line attitude should be adopted for the poisonous, substandard goods from China. But in China and even in Hong Kong, contentions in the political circle or between political parties or even the civilians are about whether it is better to have democracy or not to have democracy, or whether it is better to have universal suffrage or not to have universal suffrage, and whether it is better to have the protection of human rights or not to have the protection of human rights In other words, in civilized countries people only discuss whether it is better to eat potatoes or bread, but in China and even Hong Kong, people have remained at a stage where discussion is about whether to eat rice or faeces.

We must not just await our doom and do nothing. It is only when we dare to take creative and bold actions, when we dare to offend the powerful and influential, and even to offend the Central Authorities for upholding the truth can we truly put ourselves in an unbeatable position and make voices as powerful as those of prophets, and also break the pattern of history and reverse the destined adversities of history, moving one step forward towards the genuine democratization of the political system for the entire Chinese nation and doing history and the people justice.

Just as German theologian, Dietrich BONHOEFFER, said when he risked his life to return to Germany to fight against the Nazi rule, "If I do not go back today to suffer with the people together, I would not be qualified to participate in the rebuilding of Germany in the future!" If we do not exert our utmost today to fight for dual universal suffrage in 2012, we would not be qualified to participate in the democratic elections in the future. Our legitimacy in continuously acting

as the trustee of democracy in transition in Hong Kong will depend on whether or not we have duly done our part in fighting this sacred battle for dual universal suffrage in 2012 by way of mass resignation of one Member from each of the five geographical constituencies to trigger the holding of a referendum.

Thank you, President.

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

MS EMILY LAU (in Cantonese): President, the implementation of universal suffrage in 2012 is not what the public want. The public have always wanted the implementation of universal suffrage in 2007 and 2008. It is really absurd! The Liberal Party and the DAB supported this at the very beginning, but then, they changed their positions. Their caprice should be condemned by Hong Kong people. The Democratic Party will never change its position. We will insist on the implementation of dual universal suffrage in 2012. President, it is only 2009. How can one tell what will happen in the next few years? I have said this many times before. The Communist Party may be overthrown several years later. Why should we be so stupid as to abandon our goal now? And, we do not have any mandate of the people for doing so either. Therefore, we will definitely carry on with our fight.

A taxi driver from China has recently said to me, "God! Do you know that people cannot possibly achieve democracy without shedding any blood?" President, this is indeed the case in many places. It seems that this is not yet the case with most Hong Kong people. But still, some of them are already prepared to do so. And, perhaps, they have become fully prepared for that. We will not harbour any false hope that democracy will come automatically. But we will do our utmost to fight for it because we are people with ideals and principles.

The failure of the relevant authorities of the Special Administrative Region (SAR) to strongly reflect Hong Kong people's aspiration to the Central Authorities can show their total dereliction of duty, downright dereliction of duty. President, I do not know what package it will put forward next month. However, no one will pin any great hope on it. Frankly speaking, no one wants to mark time. Even if universal suffrage is to be implemented, it is impossible to have it accomplished in one go. Discussions have been going on for many

years, so why do they still refuse to relay our aspiration to the Central Authorities? Admittedly, the Standing Committee of the People's National Congress (NPCSC) has already made its decision, but, as rightly asked by Mr Albert HO, why is it impossible to make any changes after a decision has been made? Why can it not be changed? When it first made its decision at the very beginning, it already ignored Hong Kong people's opinions. The SAR Government is duty-bound to tell the Central Authorities, on behalf of Hong Kong people, that they still hope to see the implementation of universal suffrage.

President, what is the reason for implementing universal suffrage? The answer should be very clear if we take a look at how poorly the SAR Government has been performing. Even LU Ping has come out and expressed the view that it is necessary to foster the development of party politics. Years ago, the proposal was killed in this very Chamber, and the great pain suffered by Hong Kong may be attributable to this. When there are mistakes, they should be corrected. We have seen how this accountability system has been head hunting from the Civil Service, and even retired civil servants have been taken on again. These retired civil servants can enjoy their pensions while continuing to earn more money. They are so fat that they cannot pull up their socks. How absurd. How can the public accept such a system? Therefore, President, it must be noted that all the links of the system are interrelated. The method of electing the Government and the formation of the governing team are interrelated and entwined. What is more, party politics are forbidden If the DAB can win enough votes, it can always go ahead with the governing of Hong Kong. If it can perform well, it can stay in power. If it cannot perform well, it must step down. This is how things should be like. It should not be a case of us all pretending to be the opposition party in this Chamber and then severely criticize the distribution of cash vouchers for compact fluorescent lamps and the handling of the Lehman Brothers minibonds incident when faults are detected. Actually, we should work for unity. If it can form a governing team and get the people's mandate, it can always go ahead with the governing of Hong Kong.

Therefore, insofar as the whole issue is concerned, the SAR Government must explain to the Central Authorities that the decision concerned will hinder Hong Kong's development. It will do Hong Kong no good to forbid the development of political parties and party politics as well as the implementation of universal suffrage. The DAB has argued that as long as the economy can thrive, other aspects of society will also make progress. What kind of progress is it talking about? President, if we ask members of the public — the grassroots,

the middle class and even the very rich — we will learn that all of them are very discontented with the present political system and situation. Therefore, President, I hope that dual universal suffrage can be implemented as early as possible.

Frankly speaking, the people have been very tolerant. No one wants to see any bloodshed. However, it looks like we must make greater sacrifices before this goal can be achieved. In this connection, people in the democratic camp, especially the young ones, must be psychologically prepared, because things just will not happen automatically. More and more people now sense that Hong Kong is regressing. In contrast, many people on the Mainland have been fighting very hard for what they want. Some people in Hong Kong have been imposing too much self-censorship on themselves. They do not dare to do many things. They refuse to do many things. And, they are reluctant to do many things. We have been claiming that while we do not enjoy any democracy, there is the rule of law in Hong Kong. However, President, on 2 September, the Chief Justice of the Court of Final Appeal announced that he would go into early retirement in August next year. To many people, this came like a bolt from the blue. Many Hong Kong people, many people who have emigrated to other countries and even many foreigners all want to know what has really happened and why Chief Justice Andrew LI wants to retire so early. Everybody wants to know the answer, and all of us find the answer given by the Chief Justice altogether baffling. President, he said, to this effect, "In the coming few years, several Judges of the Court of Final Appeal will reach the retirement age. My retirement will enable the Judiciary to make smooth succession arrangements in the next few years." What did he mean actually? He said that in the next few years, three permanent Judges of the Court of Final Appeal, including himself, would be retiring, and that several High Court Judges would also be retiring in 2011 and 2014. What did he mean to say? He explained that since the Chief Justice was the Chairman of the Judicial Officers Recommendation Commission, it would be more appropriate for the new Chief Justice to handle the appointment of Judges in this capacity. I frankly cannot understand an explanation like this. Some have questioned whether the new Chief Justice is supposed to form a new team of his. But we must bear in mind that Judges are independent, not as a team.

Anyway, Chief Justice Andrew LI's decision to retire three years ahead of schedule has aroused the grave concern of many people. Some members of the public have reminded me of what Vice President XI Jinping said during his visit

to Hong Kong. When he met with the governing team comprising the Chief Executive, the Chief Justice of the Court of Final Appeal and Legislative Council President Mrs Rita FAN, he told them, to this effect, "The governing team must be sensible and reasonable, marked by solidarity and high efficiency. There must be team spirit, and the executive, legislative and judicial branches must support one another other." President, such a remark is not in compliance with the principle of "one country, two systems" and the system practiced in Hong Kong. What is meant by the remark that the judicial and executive branches must support each other?

Over the past few years, the President must have heard how some people in Beijing repeatedly reprovved Hong Kong for being ruled by judges. Frankly speaking, some Members have not been happy in their work either, because the authorities are very often reluctant to heed and act on the opinions expressed in the Legislative Council. I must of course admit that in many cases, the authorities are willing to take actions. But the mass media will not report such cases because they think that there is no point to do so when the authorities are willing to take actions. But if the authorities refuse to take actions and the issues concerned are very significant, there will be extensive media coverage. Many people feel helpless. But what can they do? People thus want to seek justice in Court. We are fortunate that to a very great extent, the Court is very independent. No matter which side wins in a lawsuit, public confidence in the Court will not be affected. In marked contrast, law courts on the Mainland are nothing but a "laughing stock". They always make their rulings according to the instructions of the executive authority.

Everybody knows that the Court in Hong Kong can command public support. Of the three branches of the government — the executive, legislature and Judiciary — the Court can command the highest credibility. Why? Because the public think that it is independent and fair. But what the Court has got in return are Beijing's reprimand and condemnation. What kind of message did the Vice President of State want to deliver to the Judiciary when he made the remark mentioned above? What will Chief Justice Andrew LI's successor be like? President, we are very concerned about all these issues. We do not know when there can be democracy in Hong Kong. And, are the rule of law we enjoy and our judicial system also in danger?

Regarding all these issues, the SAR Government and the executive authorities are duty-bound to relay our views to the Central Authorities. After

all, if the principles of "one country, two systems" and "a high degree of autonomy" are shattered, can Hong Kong be of any more value to the Central Authorities? Therefore, I call upon the SAR Government to drum up its courage and relay all such opinions to the Beijing Government, rather than allowing Hong Kong to become just another Chinese city.

MR CHIM PUI-CHUNG (in Cantonese): President, this is the fifth debate session, entitled "Developing Democracy and Upgrading Governance". President, I still have more than 10 minutes, so I will certainly finish what I have to say. You know, I like speaking so much.

In the Legislative Council, we have been debating issues related to the political system. When discussing the constitutional reform package in 2005, I told the Chief Executive that everybody wanted to be the sixth one. I explained that when the five people ahead had reached an agreement, everybody would like to be the sixth. What do I mean? All of us know very clearly what happened to the voting on the constitutional reform package in 2005. There is no need for me to be so explicit. President, the package in 2005 proposed to create five more seats in the Legislative Council for District Council (DC) members. I did not agree to this proposal at that time. Therefore, in response to recent media reports that five more Legislative Council seats may be created for DC members in 2012, I must once again state my disagreement. The reason for my opposition is very simple. Article 97 of the Basic Law provides that there is not a second power centre. DCs are supposed to play the role of merely assisting in managing sports, cultural and other affairs in the districts. Therefore, we must be clear about this role. Mr IP Kwok-him has argued that DC members and Legislative Council Members should be regarded as the same in terms of representativeness. I do not agree with him. But then, I must add that in this world, there are bound to be dissenting political beliefs, mindsets and ideas. We should understand one another and show mutual respect.

President, my personal view is that Hong Kong is not an independent state. It is a Special Administrative Region of China in the final analysis. I must of course add that I do not have to explain anything on behalf of China. The point is that if we can establish that democracy must be defined as the implementation of universal suffrage and direct elections, then we should admit that there is not yet any democracy in Hong Kong. The reason is that universal suffrage has not

yet been implemented in Hong Kong, and the Chief Executive is not yet returned by direct elections. There are 30 directly elected Members in the Legislative Council, so it is only "partial democracy".

However, we must also show appreciation of the very high degree of freedom in Hong Kong. President, we must realize that Hong Kong people can all enjoy freedom of thinking, of speech, of actions and of behaviour. It is not at all simple to achieve all these freedoms. Personally, I maintain that all must be based on four words "Love China; Love Hong Kong" ("愛國愛港"). We must realize that China has a history of several thousand years. We are not qualified and well-equipped to love the Communist Party of China (CPC), nor are we under any obligation to do so. The CPC has been ruling China for only 60 years. It has a total membership of 80 million. The CPC does not need any special personalities among the 7 million Hong Kong people to love it, unless these personalities have any close connections with it. Therefore, those who fight for democracy and freedom must love Hong Kong more than any others. Why? All campaigners for reforms and goals must be motivated by a love for Hong Kong, and they must fight for Hong Kong people. If they want to take advantage of people's aspirations and do anything which ignores the realities, which harms people's interests, and which misleads people, I must advise them against doing anything like this.

Yesterday afternoon, I Of course, I did not stay here all day for the meeting. Yesterday afternoon, I had a meeting with the mass media. I said that I did not mention anyone in particular. I said that in case resignation *en masse* really materialized, I would be the sixth Member to resign. I also said that I would even run in a direct election, so as to give the public one more choice. I have absolutely no intention of challenging any political groupings or any political icons. But Members must bear in mind that politics are all about personal choices. Since it is claimed that Hong Kong is noted for its struggle for democracy and a high degree of freedom, I should be allowed to enjoy my personal freedom and make my personal choices. I must therefore clarify that I do not have any intention of challenging any political groupings or individuals. I represent only myself. Why? I am very independent. I do not have to hold myself accountable to any political parties or political organizations. My personal conviction is that while the convictions of all must be respected, no one should take advantage of people's emotions, no one should mislead them. Wise and brave decisions should be made. Going to the extreme to take advantage of

people's emotions will split up Hong Kong and lead to confrontations. This will not help improve the overall situation.

President, my personal decision is that if there is really an opportunity for me to resign and run in a direct election to offer people one more choice, I will definitely do so on Hong Kong Island. My message is very clear. It does not matter whether people thus think that I support direct elections or whatever. I have already made a post-dated cheque. Of course, I hope that others can also make their decisions, and I think as long as they can make their decisions boldly, their decisions should all be respected. All should have the right to make choices. This is also the case with the Legislative Council. Members can all voice their convictions and aspirations, but we must assume responsibility for what we say and hold ourselves accountable to our electorates. And, we must assume responsibility for what we think. This is the advantage enjoyed by Hong Kong people. We all have freedom of thinking, of speech and of actions. I must emphasize that I will certainly condemn any attempts to mislead some members of the public by taking advantage of their support and emotions. But those people must also ask themselves whether it is correct to do so.

President, the SAR Government's desire for upgrading governance can prove that it is also aware of its shortcomings in governance. This is an issue that the Central Government may wish to consider and evaluate.

Hong Kong was once a British colony for some 150 years. It is now 12 years after the reunification. In a recent Chief Executive's Question and Answer Session, some Members asked the Chief Executive to state his personal evaluation of the constitutional reform. I think the Chief Executive should formally confirm that he was appointed the third Chief Executive by the People's Republic of China, and under such a situation and on this very basis, he must abide by all the laws and relevant requirements of the People's Republic of China. He must not be so furtive. He must boldly tell the truth to all Hong Kong people. If not, he will not be qualified to accept appointment, and he will also let down the Central Government, which trusted and appointed him — it is not exactly correct to say "appointed". He was returned by an electorate of 800 people and then appointed by the Central Authorities. The Chief Executive did not tell the truth during the Question and Answer Session. I think he needs to make a detailed evaluation himself because this is the truth. Hong Kong is an inalienable part of the People's Republic of China. So, one who eats any salted fish must be prepared to endure thirst, as the saying goes. However, he has

retained his Knighthood. In colloquial parlance, he has "two feet in two boats at the same time". As a result, it is necessary to upgrade his governance.

The public are most discerning and intuitive. I would even suggest that if any newspapers express disagreement to the SAR Government's position, the Chief Executive and the team under his leadership should face up to the problem boldly. If there are any inadequacies on their part, and if any criticisms are justified, improvements and adjustments must be made to answer public opinions. He should not depart from this principle. We must defend freedom of the press, but I also advise him to seek a judgement from the Court. This is not just for his own sake, because he is the third Chief Executive of this Special Administrative Region of the People's Republic of China. Any unjustified criticisms or libel will in effect insult the People's Republic of China as a whole. Therefore, for his own sake, and also for the people of Hong Kong, he should take appropriate actions. This is absolutely necessary and has nothing to do with infringing upon freedom of speech. I hope the Chief Executive can hear what I have said. I also hope that the Legislative Council can play its proper role. It should criticize or forgive people whenever necessary.

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

MR PAUL TSE (in Cantonese): I wish to cite an analogy used by Mr CHIM Pui-chung and, that is, if having time means riches, then I would be the richest man on earth now. At least this is true with respect to this session. President, I wish to offer my apologies first because most of what is contained in this speech I am going to make does not belong to this fifth session. However, I hope that the President can deal with this question of divergence with tolerance, as he has been treating other Members in the same way. So I hope I can talk about issues I wish to discuss freely and to my heart's content in one speech. A large part of my speech may touch on issues already discussed in the first session. And since a few persons in attendance could be candidates for our next Chief Executive election, I therefore hope that what I am going to talk about could arouse their interest.

President, on the policy address on this occasion, generally speaking, the public response and opinion tend to conclude that the policy address does not

have much substance. I think that the most important reason is that this is a policy address with no vision whatsoever. It is only the result of patchwork and I even believe it could have been the product of some issues or contents submitted separately by individual departments and then put together in a perfunctory manner. The process is one of from bottom to top and it has never been given any serious thoughts by the leader or his core team or even the Chief Executive himself. No attempt has been made to think clearly what they want to do. There is no such process involved and so the contents entirely offer nothing to write home about.

On the day when the policy address was released, I noticed that a feature article was carried in a certain newspaper — let me try to find it — it was like an extra edition, distributed on the streets on that day. The headline goes like this: New Face of Central. It appears that what the public or the media are most concerned about is how the Chief Executive is to develop Central and strike a new balance between conservation and other aspects. This is certainly encouraging. However, the theme of my speech today is not as simple as how to give a face lift to Central, but how to build a new CBD.

President, paragraph 11 of the policy address says that the Chief Executive hopes and also advocates that Hong Kong should become a prime global financial centre in the Asian time zone, and that we should fully grasp the opportunities presented by "one country, two systems", endeavour to meet the overall development needs of our country and achieve a win-win situation, and contribute to our country's financial security. There are three plans in this direction. They are: first, to develop Hong Kong into a place to attract international capital, talent, financial institutions and products; second, to develop Hong Kong into an offshore RMB business centre; and third, to develop Hong Kong into an international capital-raising centre and also a centre for bonds, asset management and hedging services. All these are well said and put nicely, but how should these be done?

President, let us look at some basic requirements. If Hong Kong is to develop into or maintain its position as an international financial centre in the Asian time zone, we must understand the advantages and disadvantages which other financial centres in Asia have. Let us look at Tokyo which is not very far from us, it has an edge over Hong Kong in long-term corporate bonds, whereas Singapore enjoys an edge over us in foreign exchange and commodity futures.

The only advantages we have lie in the equities and warrants. For Shanghai, it certainly has an advantage in the A shares of the large mainland corporations.

President, the inflation rate in Japan has remained at a very low level for a long time. When coupled with the efforts made by the Japanese Government in the past decade or so to stimulate economic demand by embarking on large-scale infrastructure projects and issuing long-term bonds, a huge bond market has developed in Japan. On the other hand, the Singaporean Government has been working hard for many years to compete with Hong Kong as a prime financial centre in Asia. Singapore is located in close proximity to many countries in Southeast Asia and these countries have a substantial demand for foreign currency conversion. Moreover, for years Singapore has been bent on becoming the trading centre for commodity futures in the Asian time zone so as to fill the time gap and geographical distance between Asia and places like London and New York.

President, if we review what has happened over the past one and a half years, there are two things which may compel us to revise our previously-held notions. Why do I say the notions held over a year or so? This is because we are now talking about building the Government Headquarters at the Tamar site. And there is, I am afraid, some difference in the conditions then and now. President, we have the financial tsunami and in this once-in-a-century incident, it is obvious that some drastic changes have undergone in the edges enjoyed by the United States and China. In this respect, paragraph 7 of the policy address states very clearly. Besides, after the Tamar project has been finalized, we have met many new opportunities, namely the internationalization of RMB or the development of the so-called offshore RMB business centre which has grown far beyond our expectations. With respect to these two aspects, there have been great changes in our conditions and things are very different from what they were before. Overall, RMB is becoming an international currency for trade settlement very soon and, judging from the present situation, the financial tsunami plus the quantitative easing of US dollar will result in a substantial depreciation of the greenback. For commodities and oil which are settled in US dollar, if suppliers like the oil-producing countries in the Middle East continue to trade in US dollar, their risks in currency conversion would become greater. Therefore, China and its neighbouring countries have entered into more and more agreements to use RMB as the currency for trade settlement. And the conversions between the Asian currencies and RMB have grown tremendously. Hong Kong should capitalize on this remarkable trend and develop into a

transaction centre for foreign exchange, especially a centre for conversion of Asian currencies to RMB.

President, on the other hand, as the factory of the world, China has a great demand for copper, aluminium, iron and such like non-ferrous metals as well as energy products like oil. Hong Kong can leverage on China as its huge hinterland and the latter's great demand for commodities from all parts of the world and develop as a commodity futures trading centre in the Asian time zone, as well as a notable centre for price hedging in raw materials for production. President, apart from that, the State has picked Hong Kong as a trial point to launch an "early and pilot implementation" policy to issue RMB treasury bonds. Treasury bonds can enable Hong Kong to set a benchmark of risk-free interest rate, which is a very important requirement if we want to issue bonds. And this can pave the way for our issuance of long-term corporate bonds denominated in RMB.

President, it is a good sign that multinational companies are venturing into the Mainland. And these companies need long-term and low-interest RMB loans. If Hong Kong can issue long-term corporate bonds in RMB, this would meet the capital needs of multinational enterprises venturing into the Mainland. President, given such favourable conditions, Hong Kong would definitely be in a good position to compete with Tokyo and take over its position as a centre for issuing bonds in the Asian region. Hong Kong can also compete with Singapore and knock it from its perch as the centre for foreign exchange and commodity futures in Asia. I think this could be aptly described in these words, in the past we often talked about overtaking Britain and catching up with the United States, in fact, Hong Kong can overtake Singapore and catch up with Japan, that is, surpassing Singapore and Japan.

I would like to sidetrack a bit and talk about the Islamic bonds which the Hong Kong Government has been talking about so often in the last two years. President, Singapore is situated right next to Malaysia which is a country with a predominant Islamic population and Singapore knows more about the Islamic culture and religion than Hong Kong. Just what can Hong Kong rely on to compete with Singapore as a centre for Islamic bonds? Doing so would only be putting the cart before the horse, so to speak, and waste our advantages and focus on things which we enjoy no advantage over other people.

So, President, in my opinion, our real rivals are not the S&S, that is, Shenzhen and Shanghai, that we have been talking so often about. Conversely, it is the two markets of Singapore and Japan that we should fight for. If we say that in finance we have four areas, Hong Kong can for now only enjoy an advantage in financing, listing and warrants. But for the other three areas, that is, the three other pillars, Hong Kong has not done much to deepen and expand our edges. President, paragraph 124 of the policy says that the solution is that our economy cannot rely solely on its financial sector but needs to diversify. Despite the correctness of this argument, as for the direction of diversification, it seems that the Chief Executive has accepted the recommendation made by the Task Force on Economic Challenges that six so-called industries with clear advantages have been identified. Do these six industries really enjoy an advantage? I do not think I need to say much on that, because many Honourable colleagues have said that the so-called advantage in education and medical services could well be self-deceptive and there is no advantage in these sectors at all.

On the contrary, the sectors in which we do enjoy an advantage do not really need any assistance. There are still many advantages in the financial industry that can be explored. Instead of going in the direction of diversification in other industries, why do we not diversify the financial industry? This is because the other three pillars of the financial industry have not been optimized. In this regard, I hope that both the incumbent Chief Executive or the person who can become the next Chief Executive can ponder over these questions seriously. Is the direction that we have identified, that is, the so-called six industries, the path that we should take? Or should we make good use of our existing edge in the financial industry and do more in the other three pillars which can be developed? This could be a once-in-a-century opportunity, the State has given us such a good opportunity to become the financial centre of the Asian time zone and forge well ahead of Japan and Singapore.

President, if it is thought that what I have said is reasonable or if we have both the foresight and the vision, we can actually aim at a rapid expansion of our economy because by that time, the area of our financial CBD might not be enough. When Hong Kong develops into a prime financial centre in Asia or if its position as such is maintained, we must ensure an ample supply of grade A offices in order to meet such needs. Now the financial tsunami has not really come to an end, but the supply of office buildings in Central has become tight and

rents are rising. The Chief Executive has announced that in order to implement conservation in Central, the development density of land along the waterfront and piers in Central would be drastically cut. In principle, I would agree that buildings or scenes in Central that have unique features or of historical value should be conserved by all means, but if the density of development is to be reduced, then where in Central can we get more land to further develop our financial CBD? The potentials for development in the Central CBD seem to lie only in Admiralty and the Tamar site. But the Government has picked this most valuable piece of land as its future headquarters. This bars the financial CBD from furthering expanding. As a result, rents would only soar. This deals a serious blow to the prospects of developing Hong Kong into an international financial centre which makes full use of the four economic pillars.

President, if we look at other places, we will find that their political centres, and they include government headquarters, do not have to be located in the financial or economic centre of a city or in the vicinity. In many countries, the government wishes to make itself separated from the financial centre and so chooses to develop a new place. This can be seen clearly in the example of the United States, and that is in the cities of Washington D.C. and New York. Even in the Shenzhen Municipality which is so close to us, the government headquarters has been relocated from the Lo Wu district to the centre of Fu Tian district. This has kick-started the development of Fu Tian district and the result is remarkable.

President, if we are really to remove barriers and obstacles and glorify the notion of "big market, small government", should we not rethink whether or not the direction in which we are going is correct or not? Of course, some Honourable colleagues may think that this is a waste of time and efforts because many things have already been finalized and there is no turning back. But I hold a different view because since we have undergone such a big change, the thinking at that time as well as the grounds and data should be measured against the present situation, that is, after our experience of the financial tsunami and the great support which the State has given us in developing Hong Kong into a RMB business centre, there are indeed many things that we should think about along this line.

Then what options are open to us? There is an option which cannot be said to be new but in fact old and, that is, the Government may re-zone the vast

stretch of land in the old Kai Tak Airport. This is a direction which we might think about. Besides, traffic is well-developed in that area and the flow of vehicles and congestions in the Cross-Harbour Tunnel can be greatly reduced. The advantage of that idea is that a huge amount of land can be vacated and it will enable us to recast Central, Admiralty and Wan Chai as the CBD for Central. However, it is feared that our consideration is not the question to relocate or not. If we really have the determination and grand vision to build a brand-new CBD, it looks as if it is certainly necessary that relocation must proceed.

President, let us look at our rivals again, especially in the light of what is mentioned in paragraph 53 of the policy address, cities like Tokyo and Singapore are keen on developing new financial districts and sophisticated and attractive buildings are built. On the contrary, in Central, apart from the cluster of buildings next to the IFC, there is a total absence of commercial buildings that are characterized by their size, uniqueness and novelty. Our CBD may have already started to age. There are not many new curtain wall buildings around and there appears a decrepit look in the exterior of most of the buildings in Central and this severely affects our image, not to say our grandiose plan for the future.

Paragraph 53 of the policy address says that while enhancing the hardware, we should not forget the software. I think that the argument here is flawed. Why? Because it seems to be saying that our hardware is already superior. This is nothing but complacency. If only we would go to Shenzhen and have a look, we would realize that Hong Kong has been repeatedly surpassed and this is more so in the case of Singapore which is more aggressive.

President, in sum, although what I have said seems to be being wise after the event, this is because I did not have the opportunity to make my views and arguments known at that time. In fact, I think that it is not too late, and it is not late even if we are to make any changes. We can still go in the direction of separating the political and business centres of our city. It does not really matter if the relocation is to Kai Tak or any other more suitable place. Kai Tak is a good site, for a cruise terminal is being developed there and it can become an excellent administrative centre and tourist spot. Moreover, the traffic congestion on Hong Kong Island can be reduced and so pressure on the cross-harbour tunnel can be eased. We can even consider pulling down the several blocks of government offices in Wan Chai and recast the entire stretch of land covering

Central, Admiralty and Wan Chai into a new CBD. The end-product of this would not be a new Central but a brand-new financial CBD.

President, with respect to the naval base at the Tamar site, it has become what it is because during the times of the British rule, as the city of Hong Kong was built along the waterfront and it was facing the direction of Shenzhen, so the navy had to be stationed there. But now I do not see why the same old thinking should remain. Why should this beautiful lot in Admiralty house the headquarters of the navy? Moreover, the land is not sufficient to serve that purpose. Why should the naval headquarters be located there? It is not necessary both policy- or strategy-wise. Why do we not relocate it to a farther place and by removing the headquarters spare a piece of land to cope with our development? President, I am sure that this kind of thinking would benefit all the building contractors, the financial sector and even members of the public living in various districts. They would all welcome this move. The only people who may be affected could just be our top officials and some Honourable colleagues. This is because if they have to go to Kai Tak for a meeting, they may have to travel a longer distance.

In the remaining time I have, I would like to talk about the so-called decentralized approach concerning the Government besides this an attempt to rebuild Central. The decentralization approach is to spread things out to all the 18 districts of Hong Kong. This could well be the next step we have to think about and handle. When that time comes, we would not have to say that Members will go to the districts because the whole of Hong Kong is one big district, only that different departments or headquarters are set up by the Government in various districts. There would not be the case as it is now with Central towering above the rest and the 18 districts as mere districts. This kind of delineation is outdated it has a great bearing on such problems as the disparity between the rich and the poor, unemployment, traffic congestions and other transport issues. Let me see how much time I still have and I would to talk more about that later.

I have written down a few slogans and let me read them out aloud. The first one is: A small step made by top officials is a big stride in easing people's hardship. This is an idea I have got in mind. Another one is about the claim made once by the Chief Executive, that he would do something great with respect to the constitutional reform package, then why do we not say the same thing with respect to our economic development? We can do it and there would not be any

bad after-effects. We do not have to fear that Beijing is not happy about it. I think that since we cannot do anything great in politics, we might as well do something great in economic development.

I should like to mention in passing that the policy address refers to a topic that deserves our attention and, that is, releasing the potentials of some old industrial buildings. President, the direction is not bad and I support it. But I am afraid the arguments put forward now do not have a sense of direction at all. We should not try to race against time and do something to these some 1 000 blocks of old industrial buildings. Some developers have already jumped the start by converting industrial buildings into residential development and sell the flats. This is totally wrong. The direction is fine but two requirements must be met. First, the development should not only benefit the developers and the owners but it should also help the local residents and solve their employment problem and the wealth gap problem. President, we must accord priorities to things and grant our approvals accordingly. The aim is to redevelop resources that are being wasted for no good reason. However, the premise underlining all this should be that apart from bringing benefits to the businessmen, the public at large should also be benefited. This is the correct approach to take. For if not, such development will only relegate into one which developers will fight to sell the land and so make money. This is not the kind of policy that we would lend our support to.

President, I would like also to spend some time talking about the relationship between CBD and tourism which I have just referred to. The policy address talks very little about tourism. The only mention of it is about the cruise terminal and developments in Taiwan or the geological park. But there is nothing new about these projects, nor are they anything that spells a major policy direction. In the part of the speech I have just made, what is the only thing that bears an indirect relation with the development of tourism? President, when we go, for example, to New York on tour, I do not know if Members would like to do it, but I love doing it and that is, I would go to Wall Street and take a look at the skyscrapers and the people who go to office impeccably dressed. I would look at the way of life in the most advanced and prosperous commercial districts in the world.

As the Wall Street in the Asian time zone, Hong Kong would be a very good tourist spot if efforts can be made to do well in this aspect. There is absolutely no need for people to come with the old and the young and flock to the

Disneyland and Ocean Park. Just let people from all over China have a hands-on experience of the real Hong Kong. People from all over the world and Asia can see how this Wall Street of Asia looks like. This is already a very good attraction. This is already enough. This is my first point.

Second, money is essential if we are to build facilities like the Universal Studios which can rival Singapore or if we are to launch numerous tourist projects like Singapore in such an aggressive manner. But where does money come? It is absolutely not necessary for us to use such precious land resources like the Tamar site in Admiralty and have it zoned as the Government Headquarters. It is also unjustified not to make full use of this piece of land either by selling it or leasing it and use the income so generated to cover other expenditures such as on tourism or welfare facilities.

Actually, we could have done much better. As the Chief Executive has said, if development is to be made, we need to look at the big picture. We should not just ask the Government for money. There is no need for us to apply for public money to deliver welfare services. All we need is to make a bigger pie and that is all. If we can have such grand ideas in mind, we would have a large amount of resources to develop tourism and welfare. So I think that we should see things in a more macro manner and we must discard this kind of fragmentary chop-suey kind of approach.

President, perhaps I do not have enough time to elaborate the merits of relocating the Government Headquarters from the Tamar site or have it split. I can only mention a couple of points in the hope that I can raise some discussions on it later granting the right occasion.

Certainly, my knowledge of financial matters is not as good as that of Mr CHIM Pui-chung who sits next to me, or the many public officers and Members associated with finance and economic matters. What I am trying to do is to float some ideas of my own in the hope that discussions can be induced among Members. I do not think that it is not possible to put a halt on policies that have been finalized or are in progress and have them reconsidered. Actually, after undergoing such big changes, a lot of things have happened, such as development into an offshore RMB business centre and the great support which the State has lent us in the plan to issue bonds. These have all helped to reposition Hong Kong and expand our economic pillars. Therefore, we are not only playing the role of a financing centre, a listing centre or a centre for warrants. There can also be developments in the other three economic pillars at the same time. We

may even have hope to surpass Singapore and Japan. This is the least we should do, and it is also something we can do and must do.

President, apart from relocating the Government Headquarters away from Admiralty, we can also split up the Government Headquarters. As many Honourable colleagues have said, at present people from the lower class can only manage to make a meagre income of some \$4,000 to \$5,000, but they have to spend a large part of it on transport. President, insofar as this group of people are concerned, first, they face extreme difficulties in finding a job; and second, even if they have a job, the transport expenses are very expensive. President, if we can take action to effect a shift in the whole society and relocate government departments as much as possible to the 18 districts, this will produce more job opportunities in the districts and spur economic development by invigorating restaurants, food premises and shopping malls in the districts. The various District Councils will be in a better position to fulfil their duties. Hence, the districts can expect to be more prosperous. In this way, the people can find a job within their district and do not have to spend a lot on transport. This will solve problems in employment and the wealth gap at the same time. Indirectly, the problem of drug abuse among the young people can also be solved. Such are the numerous benefits this could bring.

The only disadvantage is, let me say it once again, that the top officials might have to make some compromise. Therefore, the Government may have to make a bold decision to relaunch a study on the issue. Of course, at this time of uncertainties, the Government may not accept my suggestion. But what I am doing is like throwing a pebble into the pond in the hope that ripples can be produced and provide food for thought for Members. Now it is time for doing what we call think outside the box and ponder over other options. What is needed may not necessarily be patchwork and talks on the tight supply of residential flats. Actually, the situation is likewise tense in commercial matters. Should we not seize this opportunity and do not let this once-in-a-century opportunity slip away from our hands? At this time when the Chinese Government has given such great support to us, should we not do something to overtake Japan and Singapore and stop confining our competition to merely with Shenzhen and Shanghai? I am convinced that we should look outward to find opportunities of development.

President, I so submit.

MS CYD HO (in Cantonese): There are views that it is unrealistic for the people of Hong Kong to strive still for the materialization of dual elections by universal suffrage in the year 2012 because the NPC has already made a decision on the matter. But I beseech Members to look at the issue from the perspective of the practical needs of governance in Hong Kong. It is such a pressing task that no delay can be afforded to make dual elections by universal suffrage in 2012 a reality and return a government that has the trust of the people. Even if there is no one to come out and try to quash the decision, the NPC should conduct a review of this. Moreover, it can be rightly said that the NPC has not taken into account the agenda of democratization under the principles of "Hong Kong people ruling Hong Kong" and "a high degree of autonomy". On the contrary, the NPC has imposed obstacles on democratization and hence it is not right for it to do so.

In the policy address this year, the Chief Executive has said that collaboration between the Government and the business sector should be forged and asked us not to describe this kind of collaboration as collusion between the Government and business without ever pausing to think what it is really about. But people's views once formed cannot easily be changed because of the subjective thinking of the officials. In the future, there could be many so-called actions to remove obstacles and barriers or exercising discretion for the purpose of taking forward some policies. And so there could be greater temptation facing the officials in charge of that task and there could be more cases in which they are questioned. If there is no credibility and oversight effected through the election process, the administration of Hong Kong can be an extremely difficult task.

The recent case of compact fluorescent lamps is a good example. Owing to the fact that the integrity of the officials is queried, a policy that is in the right direction has met with obstruction and resistance. This is most unfortunate. When a policy is affected by suspicions of corruption, but nothing can be done to dispel them, things will get very difficult because such a policy is formulated by a government that is not founded on the trust pinned on it by the public. Apart from the transfer of benefit within the territory, there may be acts of corruption outside Hong Kong. Recently, a number of agreements have been reached between Hong Kong and China, the contents of which are mostly unknown to the public. Transparency can be said to be very low. We have asked on a number

of occasions Secretary Stephen LAM why the text of the agreement concerning Qian Hai is not made public. I hope in the oral question to be raised in November, the Secretary can give us an unambiguous answer.

The people are very worried. For if suspicions of transfer of benefits are found even in affairs within the territory, then how are we to regulate acts of corruption outside? If this Government is not returned by universal suffrage, it cannot be expected all the more to have any responsibility to explain to the public these acts of corruption committed outside the territory and to the detriment of the interest of Hong Kong people. For us, it would be even harder to follow up.

President, the agenda of democratization hinges not on how much the democratic camp wishes to compromise, but how big a step the SAR Government and the Central Government wish to take. There is actually a bottomline with the Central Government, namely, control. Then, does it ever relinquish this attempt to control? Actually, even if the 2005 reform package were passed, it did not represent any progress because there would absolutely be no change in the proportion between functional constituency seats and direct election seats. The practice of separate voting is still there. The nomination threshold for a candidate in the Chief Executive election is still very high. So would the Government please stop making the accusation that the democratic camp has hindered the progress to democracy? It is because the reform package in 2005 utterly would not achieve any progress.

Also, I wish to state clearly that I will oppose the proposal concerning the District Councils. This is because the constituency of a District Council seat could be so small as encompassing only three streets or four blocks of buildings. When candidates holding such seats can enter the Legislative Council, it will only serve to relegate the Legislative Council into nothing other than a mega District Council.

President, democratic elections cannot offer any direct solution to the poverty problem. But they can definitely enable us to return a Chief Executive who knows about poverty and has the determination to solve the poverty problem. Therefore, the implementation of dual universal suffrage should actually brook no delay. Thank you, President.

MR TOMMY CHEUNG (in Cantonese): I rise to speak this time to respond to what Miss Tanya CHAN has just said about the remarks I made yesterday. Since I have not listened to what she had said on the spot, I may have a problem understanding her views. However, what I said yesterday was in fact very straightforward indeed.

The policies formulated by the Government such as the one on alfresco cafes should have continuity so that when people from the business sector decide whether or not to invest in an eatery or a bar, they may think about the proportions of obstacles posed by the procedures concerned. As regards the restaurant I mentioned yesterday, there was no objection raised by the Central and Western District Council in 2003. With respect to the District Council in the last term, I think the President would still remember the case of the Man Yuen Noodles, I am very surprised to note that the Central and Western District Council at that time was very supportive. It was of the view that the Food and Environmental Hygiene Department was not justified in rejecting the food stall's application for transfer of licence. In the Central and Western District Council this term, some colleagues stay on while some others have been replaced, but it has acted in such a surprising manner that the motion supported during the last term and in the past is now quashed. I am not trying to say that there is a problem in communication, nor I think that the devolution of powers is not right. I do support devolving some powers to the District Councils (DCs). This applies especially to people like us who have served as members in the former Urban Council, the Regional Council and the Provisional Urban Council, because we know that the Municipal Councils at that time did have powers whereas the DCs now do not.

Having said that, the kinds of powers which DCs and the former Municipal Councils enjoyed back in the past were not the same. The powers of the Municipal Councils were continuous and decisions made could be enforced with continuity after the relevant law was enacted. There would not be any abrupt changes. However, for the DCs, their membership may change and even if there is no change, a different decision can be made. This may even vary from one term to another. I think this will pose great obstacles to the business environment. Miss Tanya CHAN is actually a very hardworking Member and after this incident has taken place, I think that she must be the second, if not the first one, to study whether this eatery has obstructed public space. After she had

made an on-site inspection, she came to the conclusion that it was not justified to reject the application. This was in contrast with the decision made. So what factors should we consider in this case? She has been there and made an inspection. I do not want to argue with her over this. I would just like to tell her and other Honourable colleagues that I am not against the devolution of powers. It just depends on which powers are being devolved and that is all. In cases where the Government has devised some long-term policies which carry continuity and will pose great obstacles to the business environment, then we should not permit motions being proposed in different DCs and for every year and every term, with the result that a policy made is quashed in its entirety.

Thank you, President.

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

MR ALAN LEONG (in Cantonese): President, you may have heard that in order to fight for genuine universal suffrage based on "one person, one vote", the Civic Party has proposed a "trilogy" of negotiations, by-elections in five constituencies and resignation *en masse* in case all fails. Having heard Mr CHIM Pui-chung's remarks, we are now much less worried about the second phase. It is a pity, however, that his constituency is Kowloon East, not Hong Kong Island. I find this a bit disappointing.

The President may have heard some people ask, "If the pro-establishment elements, or those who think that there should be screening of candidates for the Chief Executive election, or those who argue that functional constituencies should be retained for the Legislative Council, do not run in the by-elections, then how can the public participate directly in fighting for universal suffrage through the ballot box?" Now, this will not occur in at least one constituency because there is Mr CHIM Pui-chung. I believe the democratic camp will certainly follow up this issue.

President, during his election campaign in 2007, the Chief Executive said in a forum that he did not rule out the possibility of implementing dual universal suffrage in 2012. Later, he undertook publicly that he would seek an ultimate

solution to the problem of universal suffrage. And, he also agreed that the issue should not be left to the next Chief Executive. But only two years down the line, Chief Executive Donald TSANG has broken all his solemn promises.

President, I can remember that about two weeks ago, when making the policy address in this Chamber, the Chief Executive remarked playfully and irresponsibly, "The success in obtaining a timetable is the same as fulfilling the election promise of totally resolving the issue of universal suffrage. The electoral arrangements for 2017 and 2020 will be left to the next Chief Executive." Such a self-deceiving remark is naturally condemned by the people. The nosedive of his popularity rating is frankly a forgone conclusion. The Government has been stressing that the constitutional reform package for 2012 will not accord any final treatment to the issue of universal suffrage. But, President, if they do not even know where the terminus is, how can the public judge whether the package for 2012 can really meet the requirements of a midway stop?

President, a recent press report has quoted a source as disclosing that the constitutional reform package due to be put forward will only be a "rehash" of the District Council (DC) package in 2005. This shows that the constitutional reform efforts made by the Government in the past four years were detached from the people's wishes. The DC package will only make the Legislative Council similar to a DC, meaning that in order to curry popular support, Members will always accord top priority to district interests. In that case, the Legislative Council must deal with a greater number of district issues, and it will find it difficult to concentrate on topics and policies with territory-wide implications.

President, besides the above, the Civic Party also opposes any expansion of the electorates of the existing 30 functional constituencies. The reason is that such a move will not only fail to improve the morbid system but also create more vested interests under the unjust system.

When dealing with controversial policies, electors in functional constituencies will often exercise their special influence in the Legislative Council, exerting pressure on Members belonging to their functional sectors and forcing them to change the courses of policies. As a result, the Legislative Council will turn into an arena of competing interests. Consensus is thus hard to forge. The election platforms of functional constituency Members are mostly

based on the interests of industries and trades. It is therefore difficult for any elects to resist the pressure from their constituents and pay heed to the overall interests of Hong Kong. Even if they really do so, people may not necessarily believe them. This will intensify social division, and the Government will face even greater resistance in policy implementation.

Actually, the democratic camp has been advocating the abolition of functional constituency seats in the Legislative Council for a very long time. Any government proposal to expand the electorates of functional constituencies will run counter to the democratic camp's proposal.

President, Hong Kong people's demand for a fair distribution of political power based on "one person, one vote" has nothing to do with any idealistic pursuit of ideological goals. Rather, the intention is just to make proposals on fostering harmony and the effectiveness of administration. Chief Executive Donald TSANG has repeatedly broken his election promises, acting like a deserter of the constitutional reform army. He has so cunningly evaded the responsibility of drawing up a roadmap for implementing universal suffrage, thus seriously letting down the people. I am afraid that under the leadership of this irresponsible and useless Chief Executive, the dilemma which has caused so much frustration and unhappiness to Hong Kong people for more than 20 years, and which has led to the stagnancy of economic and livelihood policies, will only continue to be Hong Kong's nightmare and curse.

The Civic Party wishes to express regret at Donald TSANG's cunning and irresponsible behaviour. President, the amendment I am going to move is based exactly on this consideration. I so submit.

MR JEFFREY LAM (in Cantonese): President, I would like to express the views of Economic Synergy on the arguments in the community today about the political system. Actually, every person who loves the country and Hong Kong would like to see the development of a suitable democratic system in Hong Kong. The business community also supports the progress towards democracy, but, as with doing business, we should consider each and every issue carefully, thoroughly and properly, and estimate the consequences before taking actions.

There are differences between the democratic systems of various places in the world, and I would like to share with Members a fairly good example.

When we buy food in the market, there are a wide range of products such as vegetables, meat and seafood; however, we cannot buy all of them after all. Therefore, we will only choose those products that suit our appetite. We will try to eat fewer food products that are not good for our health. For instance, people with hypertension should eat less meat and more vegetables, thus, they should buy more fresh vegetables rather than follow other buyers and buy all the good things they see for the physiological burden on them may be too heavy. For Hong Kong, the "one country, two systems" testing ground with only some 20 years of election experience, this serves as valuable reference.

President, it has been explicitly stipulated in the Basic Law that the democratic development of Hong Kong shall proceed in the light of the actual situation in Hong Kong and in accordance with the principle of gradual and orderly progress. The Standing Committee of the National People's Congress has also specifically indicated that Hong Kong may implement universal suffrage for electing the Chief Executive in 2017 and for electing all Members of the Legislative Council a few years later.

In my opinion, we should adopt a forward-looking attitude in a practical and realistic manner, and seriously discuss how more democratic elements can be added to the two election methods in 2012, to get well-prepared for the implementation of universal suffrage in Hong Kong in the future. We should discard divergent views and jointly discuss how the electoral arrangements in 2012 can be revised; otherwise, we may still be marking time insofar as democracy in Hong Kong is concerned.

I so submit, President.

MR LEUNG KWOK-HUNG (in Cantonese): President, you often advise me that when I speak, I should address you, rather than all those "buddies" over there. This time, I really address you.

I have heard that the President may exercise his voting right when the votes for and against the constitutional reform package are of equal strength, because you think that this is a very important issue. I must first tell you, President, that you must not do so. Why? Because even the SAR Government has said that this is not an important bill. This means that the issue is not so important as to

require the President to cast his vote. We have requested the Administration to introduce an important bill, so that we can exercise our power of veto or impeachment. But it has refused.

Therefore, I now reverently ask the President not to exercise his voting right because such a situation may emerge this year. I know that you may not listen to me. But I must still make it all very clear at the very beginning lest all may be too late. I now say to you once again that you must not do so because the SAR Government has stated that this is not an important bill. President, you must not break this convention. Please think about it once again. You are getting married, and you are such a "big boy" now, so you should not do so, right?

Second, I must tell Members of this Council, especially Members belonging to the pan-democratic camp, that the only way to make the SAR Government and its overlord attach importance to Hong Kong people's views must be a *de facto* referendum that comes after resignation *en masse*.

Former Secretary for Justice Elsie LEUNG once remarked in this Chamber that the enactment of legislation to implement Article 23 of the Basic Law was like the sword of Damocles. The *de facto* referendum I am referring to is also like a sword hanging over all totalitarian regimes, because such regimes must try to legitimize their rule by claiming that they know what the people think, rather than allowing the masses to really voice their views.

Some have accused me of opposing China and stirring up trouble in Hong Kong. I am Chinese, and I also know Dr SUN Yat-sen, Father of Modern China. Let me now quote a few lines from Xinhua Daily. The Xinhua News Agency is presently a very influential organization in Hong Kong. The Xinhua Daily used to be the mouthpiece of the Communist Party. What is the article all about? The second paragraph of the article entitled "The Right Track of Democracy: Returning Power to the People Without Any Reservation" reads, to this effect, "What is meant by 'sovereignty resides in the people'? According to Dr SUN Yat-sen's Three Principles of the People, this means the people's powers to elect and recall the government, and also their powers of initiative and referendum. It is only when the people are vested with the fourth power that that the basic requirement of a democratic nation is satisfied." This is only a basic requirement.

We are just talking a referendum, not the power of initiative, right? A referendum is just a referendum. The Government claims that we do not have such a right. So, let us find out whether this is indeed the case. Without the power of initiative, it is impossible to amend the Basic Law. Therefore, I must advise those people who accuse me of opposing China and stirring up trouble in Hong Kong to recall the solemn oath made by the Communist Party and what Dr SUN Yat-sen said almost a hundred years ago.

Honourable Members, let us not refrain from talking about taboos. The sovereignty over Hong Kong should reside in Hong Kong people. The sovereignty over China should reside in the Chinese people. What we advocate today or in the future is a universal value of mankind. The failure to realize this value is of course partly attributable to the suppression by dictators. But another reason is the cowardice of the governed. Resignation *en masse* with a view to bringing forth a *de facto* referendum is a very peaceful and solemn way of enabling all to cast their votes to tell the Central Government and the Chief Executive what Hong Kong people really want.

Since Hong Kong people enjoy such a special advantage, we must not forgo this right. Do Members know of a person called Prof GUO Quan? He is only a teacher, and he has been sentenced to 10 years of imprisonment simply because he has written an article advocating that the Chinese people should enjoy the four powers mentioned above. Mr LIU Xiaobo, an ordinary intellectual, was arrested simply because he wrote the Charter 08.

Honourable Members, I have repeatedly pointed out that I am not fighting on behalf of Hong Kong people only. I also hope that all Chinese people can stand proudly among the peoples of the whole world as early as possible — I am only using the words of MAO Zedong himself. I hope that the economy of our country can take off, and our country can emerge as a great power. However, we are top-heavy, just like a little woman whose feet are bound. We must thus stagger. We are deprived of what we are entitled to. And, those who assert their legitimate rights are accused of making something out of nothing.

That day, Donald TSANG accidentally let the cat out of the bag. Why are we deprived of this right? Honourable Members, I have heard a wide range of proposals over the past three days. Some people are far more eloquent than Donald TSANG. Even Henry TANG seems full of ideas and wants to say

something. Honourable Members, why can we hear the voices of the Chief Executive only? All is because we are under this most sinister and rotten system, under which the Chief Executive is selected by only 800 people. When we look at other advanced countries in the world, we will see that our wealth gap is the widest, our expenditure on education is the lowest and our health care fundings are also the lowest. All is attributable to this most sinister system of coterie elections. Therefore, it is my honour to oppose such a system of coterie elections.

I have brought along a coffin today. Members may look at it. My dear government officials, you can see that there is room and a parlour inside the coffin. One can sleep in it. It is called "Coterie elections and wealth to government officials". The case of compact fluorescent lamps and the Lehman Brothers incident Even if Donald TSANG is not guilty as alleged, we must still ask why he has never thought of reporting his conflict of interests. Even if there is no transfer of benefits, he must still realize that conflicts of interest must also be reported. Buddy, why do you want to spoil the Chief Executive? Because the Chief Executive is the most powerful, buddy. I call you buddy, and you must in turn call the Chief Executive buddy because constitutionally speaking, he is the most powerful.

Honourable Members, to sleep in this coffin is a very nasty experience. I advise everybody not to sleep in it — though it can bring wealth to government officials. Members should know of a famous general; the President should have heard of him also. I am talking about General YE Ting. He kept a coffin for the living. What was this coffin for the living? It was made by the Kuomintang for him. He said that he would not walk out from this coffin if this meant that he must leave through the dog's hole.

In this very Chamber today, pan-democratic Members want to see resignation *en masse* as a means of bringing forth a *de facto* referendum. Their aim is exactly to avoid sleeping in a coffin for the living. This coffin for the living is only meant for those who want to sleep and cook under the rotten political system. I want to give this coffin to Donald TSANG. But he does not dare to accept it. And, he is not present today. So, I can only hurl the coffin onto the floor to vent my spleen. This coffin must be condemned, and it will certainly be cursed in the next 10 000 years. I hereby call upon all young people and employees to support the resignation *en masse* initiated by the

pan-democratic camp, so that there can be a *de facto* referendum for them to exercise their legitimate right, to tell the Communist Party in Beijing that the Chinese people want democracy and so do Hong Kong people. We must tell them that we will not tolerate injustice silently. Of course, President, you must listen to me and refrain from casting your vote. Can you see what I mean? You are such a "big boy" now.

PRESIDENT (in Cantonese): Mr LEUNG Kwok-hung, time is up.

MS MIRIAM LAU (in Cantonese): President, regarding the political reform package to be announced very soon, the Liberal Party thinks that it is extremely important. It is because we already missed an opportunity in 2005 to take our political system forward, and the Standing Committee of the National People's Congress already decided that Hong Kong might implement universal suffrage for electing the Chief Executive in 2017 at the soonest and for electing all Members of the Legislative Council in 2020 at the soonest. Therefore, the 2012 political reform package can be regarded as a halfway proposal for achieving the ultimate goal mentioned above.

Thus, we expect the two proposals on the methods for electing the Chief Executive and the Legislative Council in 2012 to be more advanced than the 2005 package, and it cannot just be a "rehashed" package. The democratic elements in it must be enhanced, for example, the representation of the Election Committee and the functional constituency electorate base should be enhanced or expanded.

The Liberal Party hopes that various sectors across the community would rationally and practically make efforts with a view to achieving the ultimate goal of universal suffrage and reaching a consensus. I believe this is also the general expectation of Hong Kong people.

I so submit, President.

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

MR TAM YIU-CHUNG (in Cantonese): President, originally, I only wanted to say a few words on matters related to civil servants in this debate session, because I thought that not many Members would mention such issues. However, having heard the remarks by Ms Emily LAU, I cannot help responding to them.

According to her, the early retirement of the Chief Justice of the Court of Final Appeal is like a bolt from the blue. And, she is extremely worried as a result. She has also alleged that this is the result of Beijing leaders' rebukes. The rebuke she has in mind must be the remark of "mutual support" made by the Vice President of State. She thinks that this remark is a rebuke directed at our Judges, and the present situation is attributable to it. Such unfounded speculation that no one will ever believe will surely continue to spread in this Council.

We all greatly respect the Chief Justice of the Court of Final Appeal. We all think that his early retirement is a great pity. However, he has explained the reason for his early retirement unequivocally to the mass media on many occasions. The reason should be very clear. I hope that Members can refrain from stirring up so much suspicion.

Let me now turn to the civil service. In the policy address this year, there is a special section on civil service pay adjustment and grade structure reviews. In the past one year, these two issues aroused very strong reactions in the Civil Service, and grave concerns were also expressed in society. All this shows that the present mechanism for formulating civil service policies are unable to effectively tackle various conflicts within the Civil Service and in the wider community. I think the Government must conduct timely studies and reviews, so as to see what improvements are required.

The package put forward in the three grade structure review (GSR) reports has been endorsed by the Government. It is hoped that this can put an end to all controversies. However, in the course of these reviews, especially the one on the disciplined services, many staff unions reflected that their views were not given due consideration. The staff unions concerned even escalated their actions and organized various activities to show their positions. In the end, the overall images of the Government and staff unions both suffered. We hope that the

Government can learn a lesson, improve the communication between policymakers and the staff sides and perfect the internal consultation mechanism.

As for civil service pay cut, it is restricted to the upper salary bands. When the Government made this decision in June this year, it received majority support. This Council, public opinions and society as a whole were all supportive of the decision. Since this is a policy formulated under the existing mechanism, four months down the line, there are now all sorts of uncertainties surrounding the passage or otherwise of this pay cut package in this Council.

This is the third time that this Council deals with a pay cut package. But the same problems have kept repeating themselves, evident that there are problems with the existing pay adjustment mechanism and failures in some areas. In 2006, the Government decided to explore the establishment of a two-way pay adjustment mechanism. But even now, the studies are still in progress. Recently, it has been disclosed that the Civil Service Bureau once considered the drawing up of a framework ordinance. But we understand that the idea is now considered impractical. What are the problems faced by us now? For one thing, civil servants think that their pay rises often lag behind the market, and pay cuts are unfair. This has affected staff morale. And, there are also many queries about whether the rates of pay cuts and pay rises are really determined in accordance with the mechanism. But the general public, on the other hand, wonder why pay rises should be backdated, and think that pay cuts will only be valid for a very short period. Sometimes, as reported in the press, they even think that pay rises are often implemented very quickly while pay cuts are not. And, due to hysteresis, civil servants can still receive pay rises when the overall economy is in very poor shape. Members of the public therefore have many doubts and questions about the relevant civil service policies.

In the future, there will still be a pay trend survey every year. And, at intervals of several years, there will still be a pay level survey. If such surveys reveal any large negative figures, the same problems will emerge again. How is the Government going to deal with the problems? I have held discussions with my colleagues in the DAB on possible solutions to these problems. There are two possibilities. The first one is that regardless of any survey findings, salaries should only be increased. Staff unions will certainly support this approach. But the public may disagree. The other possibility is to keep records of negative

survey figures. This means that the Government should record all negative figures, rather than cutting salaries every time when there are negative statistics. But this may also lead to arguments. For example, how should records be kept? When should records be kept? How many such statistics should be kept? How should a pay cut be effected? And, how should we delineate the time periods for pay cuts and reductions? All these questions may lead to disputes, and there must be thorough studies and discussions. Anyway, however, the Civil Service Bureau must explore how the conflicts mentioned above should be resolved, so as to reduce the financial pressure of pay cuts on civil servants and avoid negative public perceptions.

Besides, the Government must address the criticisms of civil service unions of the pay trend survey. The experience this time around, for example, can show that the companies sampled for survey and methods of computations will also greatly affect survey outcomes. I think we should step up our studies, explore various improvement measures, enhance communication and always seek to forge a consensus.

I so submit.

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

MR CHEUNG MAN-KWONG (in Cantonese): President, I would like to respond to Mr TAM Yiu-chung's views.

Andrew LI indeed indicated that he took early retirement to facilitate succession planning in the Judiciary. However, there is another voice indeed, or even query, in society that even if Andrew LI did not take early retirement, he would still be able to make use of the time within his term to make better succession planning. There are grounds for the society's query because the people of Hong Kong were actually concerned that an interpretation of the Basic Law would be given by the Central Authorities, which would create an impact on the judicial independence of Hong Kong. This query is based on the wish that Hong Kong would have an independent Judiciary which can be successively maintained.

Of course, we cannot speak for Andrew LI, but we should learn from past experiences. Even when Mr TUNG Chee-hwa left office, he did not say that he stepped down because of the legislation to implement Article 23 of the Basic Law. Instead, he just explained that it was due to his leg ailment. Now that when we think about it, if we thought we had no right to query his resignation because he had already indicated that it was due to his leg ailment, it was inconsistent with the fact.

Therefore, as long as Members of this Council have a reasonable ground for raising a query which may cause the society to care more about judicial independence in Hong Kong and whether or not such judicial independence can be maintained successively, it is already a reasonable starting point, and it will also enable the people of Hong Kong to be more aware of the value of judicial independence to the future of Hong Kong, especially in a society with the separation of powers.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): If not, six designated public officers will speak in this session. They may speak up to a total of 90 minutes.

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): President, this session is on democracy and governance. Before discussing this subject, I would like to respond to some highlights of the policy address this year and some of the main concerns of Members and the public.

This policy address focuses on dealing with Hong Kong's long-term development, especially on how to consolidate the four traditional pillar industries and develop the six industries with good potential and clear advantages, thereby taking Hong Kong onto the path of a diversified, knowledge-based economy. This is a development strategy proposed in the light of the development needs and fundamental conditions of Hong Kong after initial results have been achieved by the initiative of "stabilizing the financial system,

supporting enterprises and preserving employment" implemented earlier to cope with the global financial crisis.

As all of us may know very well, promoting the development of industries is no easy feat. On the policy front, it is necessary to adopt innovative thinking and new initiatives, and the change of policies may also upset some vested interests. Therefore, it is all the more necessary to have a general recognition and common wish for action in society. We will not underestimate the difficulty of this task, and as a Government with commitment, we are especially aware that we have to face challenges head on and boldly take the first step. We are also aware that our policy on industries has to be constantly upgraded and improved in order to achieve the desired result.

We note that some people hold the view that the policy address has not proposed any relief measure to address the plight of the grassroots and the problem of the disparity between the rich and the poor, and some Members have moved amendments to the Motion of Thanks as a result. We do not agree with this view.

As pointed out by the Chief Executive in the policy address, in order to tackle the global financial crisis, the Government has launched relief measures amounting to \$87.6 billion and preserved 240 000 jobs, and members of the public have generally benefited from such relief measures. In response to the fierce acute illness, we have provided immediate relief by prescribing injections and medications, which has arguably put the situation under control. The actions to be taken in the next phase will seek to revive our economic vitality and address the problem at source by nurturing our internal harmony and building up our strength. The purpose of economic development, be it the development of the four traditional industries or the six industries with clear advantages, is to create employment, improve the people's livelihood and maintain social stability. Therefore, the policy address's focus of giving priority to the economy seeks to create more opportunities for members of the public to become self-reliant, thereby improving their lot, and in parallel to equip the Government and society with the conditions and capabilities to focus their energy on helping those people who are less capable of becoming self-reliant.

In this regard, the policy address has undertaken to provide additional resources to introduce a number of targeted initiatives, including, first of all, supporting job seekers and developing social enterprises with a view to helping

people to help themselves; second, improving residential care homes for the elderly, enabling ageing in place and promoting the physical and mental well-being of the elderly, so that they may live a life with dignity; third, providing appropriate services for the disadvantaged, especially people with disabilities, mental patients and domestic violence victims; and fourth, facing up to the problems relating to social mobility and prospects of young people.

All these are concrete measures. Perhaps some people may consider their coverage not wide enough and the efforts inadequate, but I must stress that helping the needy and caring about the disadvantaged has always been the Government's long-term and ongoing work. We will continue to maintain communication and dialogue with various sectors in the community with a view to enabling more effective enforcement of such work and ensuring that taxpayers' money is put to good use.

I will now move onto the issues of democracy and governance.

The Chief Executive has clearly indicated in the policy address that in accordance with the "Decision of the Standing Committee of the National People's Congress on Issues Relating to the Methods for Selecting the Chief Executive of the Hong Kong Special Administrative Region and for forming Legislative Council of the Hong Kong Special Administrative Region in the year 2012", made by the NPCSC in December 2007, the current-term Government is required to put forth amendments to the electoral methods for electing the Chief Executive and forming the Legislative Council in 2012 (the two electoral methods). We will commence extensive public consultations on this issue in November. Under the Basic Law, both the SAR Government and the Legislative Council have the constitutional responsibility to deal with the two electoral methods for 2012. The Chief Executive will meet with all Members of this Council in groups next week to gauge the views of various political parties and Members on the consultation on constitutional reform.

The community of Hong Kong generally hopes that the constitutional system in 2012 will take a concrete first step to pave the way for implementing dual universal suffrage for the elections in 2017 and 2020. The Government will adopt an open and tolerant attitude in listening to the views of various sectors in the community and seek to forge a consensus in society with all sincerity. We also hope the Legislative Council, which is also charged with this constitutional responsibility, will seek to bring the constitutional development of Hong Kong

forward by adopting a rational and pragmatic attitude of seeking common ground while accommodating differences, so that the bill eventually shaped will be passed by a two-third majority of Members of this Council, thereby achieving an all-win situation for society, the Legislative Council and the Government.

The governance of the Government is a big issue, and I would like to talk about our macro environment first.

One of the characteristics of our macro environment is social progress. Hong Kong is a relatively mature and pluralistic society. Different sectors and forces may have different convictions and values, and members of the public are generally placing an increasingly strong emphasis on individual rights and interests and the expression of personal aspirations, which is a normal course of development for a civil society.

Besides, members of the public have very high expectations on the fairness and transparency of the Government's administration, coupled with the monitoring of the Government's administration by the mass media, which enjoy a high degree of freedom of the press and expression, individual incidents of oversight or ineffective enforcement on the part of the Government in administration may easily be highlighted.

Besides, although we are doing our utmost to promote democracy, the objective reality is universal suffrage has not been attained in our existing constitutional system, which has inevitably been used by some people as a handle to link all problems with the constitutional system to serve other political aspirations through criticizing individual problems of administration.

Under such a macro environment, it is a great challenge to maintain good governance over a long period of time. I think our prerequisite is to discharge our duties as a Government adopting a people-based approach and effect administration for the well-being of the public and in the general interests of Hong Kong.

First of all, I have to stress that this Government has a firm commitment. Take the policy address this year as an example, as our focus is on the long-term development of Hong Kong, we have proposed that Hong Kong should develop a diversified and knowledge-based economy and complementary measures. With new thinking, we have proposed to revitalize industrial buildings, conserve

Central and introduce a package of policies on environmental protection, bringing together the elements of development and conservation. For a number of more controversial issues, we have also proposed specific follow-up timetables, including introducing a Competition Bill in the current Legislative Session and conducting public consultation on a supplementary health care financing option next year. These examples have fully demonstrated that the Government will not lax. Regarding controversial issues, as long as they are conducive to the long-term development of Hong Kong, we will neither back down from tackling them nor evade them.

Second, at the inception stage of policies, we will listen more to the views of various parties and are prepared to engage in communication and exchanges with individuals or organizations with different convictions and positions. In conducting internal study and discussion, of course we hope more thorough consideration will be made and different views of various sectors in the community will be adequately gauged. However, no policy is an iron plate, and in a relatively complicated social environment, we have to make adjustments in a timely and appropriate manner, and we also have to tolerate differences and listen to the views of the people. We have to heed sound advice and modify our policies accordingly as long as such advice is constructive. This is a two-way process. When there are inadequacies in policies, we hope members of the public will give us some allowance and help us improve them.

Third, we are both prepared and obliged to accept the monitoring and criticisms of the public, the Legislative Council and the mass media, and we also regard them as good medicine bitter in taste. However, these criticisms and discussions must be founded on objective facts. Only when they are discussed in a pragmatic and rational manner will they be able to facilitate the positive development of the relevant matters. Take the recent initiative concerning compact fluorescent lamp cash vouchers as an example, the questions of whether or not, and if so, how this policy should be implemented; whether other environmentally-friendly products should be covered; and how the costs should be met are all policy issues with plenty of room for discussion. We are prepared to listen to Members' views in a bid to further improve the scheme. However, casually linking these issues with the transfer of benefits without the support of objective evidence and making groundless speculations are not just unfair but also unable to facilitate rational discussion of any policy, which will only lead to unnecessary internal arguments.

Certainly, as rightly pointed out by some people, the social phenomenon revealed by this incident merits reflection by the Government and society. The reasons we can think of may be the same, or they may be different, but I hope we will consider this question. How can deeper mutual trust be fostered? Hong Kong is now standing at a critical moment which requires our unswerving determination and concerted efforts to overcome challenges. What would become of Hong Kong in 10 or 20 years' time hinges on everything we do today and whether or not we have a shared conviction.

President, although I think we surely need to be on the alert, we equally need to have confidence in the fairness, openness and impartiality of the institutions established by Hong Kong over the years, and we also need to have confidence in the basic value of integrity and probity of the people of Hong Kong, especially public officers.

An important element of governance is the relationship between the executive and the legislature. Though being charged with different functions under the Basic Law, the executive authorities and the legislature share a common goal, that is, to work for the general interests of Hong Kong and the well-being of the people.

The Government has always attached great importance to the relationship between the executive and the legislature. We have been and will continue conducting early consultation with the Legislative Council on major policies, legislative and financial proposals in order to listen to and take on board Members' views, with a view to perfecting the relevant policies and proposals. All accountability officials will continue to maintain close communication with the Legislative Council in order to develop mutual trust and a constructive partnership.

We note that the conduct of individual Members in this Chamber has aroused public concern over the past year. The SAR Government fully respects the monitoring role of the Legislative Council and understands that Members' views on certain policies or affairs may be different from those of the Government, which is a characteristic of the pluralistic society of Hong Kong. We will adopt an open, candid and responsible attitude to explain to Members the Government's viewpoints and positions, in the hope of narrowing differences and soliciting Members' support. We strongly believe that it is necessary for both

parties to engage in candid exchanges and rational debates and to make concessions and compromises, especially when the subjects are controversial. Only in this way may an all-win situation be achieved and the general long-term benefits of Hong Kong society be served.

I would also like to give a brief response to Ms Miriam LAU's concern about the legislative programme. Earlier, the Government wrote to the House Committee informing Members of the bills the authorities intend to introduce into the Legislative Council in this Legislative Session, in order to enhance communication with this Council and facilitate Members in planning work ahead. I was once a Member of this Council. I totally agree that it is necessary to provide ample time for Members to scrutinize the bills, and I understand that Members hope the Government will expedite the progress of the legislative programme. However, I hope Members will appreciate that before introducing these bills, the Government has to carry out various preparatory work, such as consulting stakeholders and relevant Legislative Council panels and drafting the bills. For more complicated or controversial bills, more time for discussion is needed to forge consensus before concrete details of the bills can be finalized. Various Policy Bureaux are working hard on the bills proposed for introduction in this Legislative Session with a view to striving to submit them to this Council as soon as possible.

With these remarks, President, I implore Members to support the Chief Executive's 2009-2010 policy address and oppose the amendments.

SECRETARY FOR JUSTICE (in Cantonese): President, I would like to thank Members for their remarks and proposals on administration of justice and legal services.

Just now, Dr Margaret NG expressed some views on "one country, two systems". President, the success of Hong Kong is, to a large extent, attributable to the fact that it is a metropolitan city on Chinese soil adopting a system different from that of China. On the legal front, the real challenge of "one country, two systems" is at least two-fold. On the one hand, we have to consolidate and develop Hong Kong's own strengths, including our robust legal system, an independent Judiciary, a high-quality, international legal profession and our strongly-established rule of law; and on the other, we have to seize the

opportunities emerging after the reunification to deal with issues arising from the increasing contacts with the Mainland in various aspects.

Dr Margaret NG mentioned in her speech just now the negotiation over the agreement on the surrender of fugitive offenders with the Mainland and the legal study on the plan of implementing the co-location arrangement at the Guangzhou-Shenzhen-Hong Kong Express Rail Link. These are all examples of our challenges. Why have we not reached a conclusion after spending considerable time on studying and discussing these issues? This exactly reflects that the Government is determined to ensure that the relevant arrangements will meet the statutory requirements of Hong Kong, and that it will not take these issues lightly just for the sake of convenience and for their economic benefits and needs. With regard to consolidating and developing the strengths of Hong Kong's legal system, the first point I have to stress is the importance of judicial independence. I had the opportunity to bring up this point last year, and I think it is a point worth reiterating.

Under the Basic Law, the Judiciary can exercise judicial power independently without intervention. The Basic Law also stipulates the respective powers and functions of and the relationship among the executive authorities, the legislature and the Judiciary of the Hong Kong Special Administrative Region (SAR). In fact, our judicial independence has not experienced any regression after the reunification. In many international surveys, Hong Kong tops the ranks in terms of judicial independence and public confidence in the Judiciary. The early retirement of the Honourable Chief Justice Andrew LI definitely came as a surprise to us. While the contribution made by the Honourable Chief Justice Andrew LI is beyond doubt, the robustness of Hong Kong's judicial system is not maintained by a single individual. As he has given a clear account of the rationale behind his decision, I therefore hope that Members will refrain from making unnecessary speculations. Members may recall that in response to the question of whether he took early retirement out of pressure, Honourable Chief Justice Andrew LI dismissed that as "nonsense". I think it would be unfair to our respectable Chief Justice if we continue to speculate about and query his explanation. Actually, the appointment of the new Chief Justice is clearly stipulated in the Basic Law, and a clear mechanism is already in place. We will adhere strictly to this mechanism.

Regarding the development of the legal profession, we have made various proposals, among others, on introducing a bill which seeks to grant higher rights

of audience to solicitors. This bill is already at the final stage of scrutiny. We hope the legislation on limited liability partnerships for legal practice will be introduced as soon as possible. All these can facilitate the development of the legal profession. Besides, there are also various initiatives relating to the legal infrastructure, including the arbitration law reform and developing Hong Kong into an international arbitration centre of the region. We will also develop mediation, improve public access to justice and attract international legal talents. Arbitration knows no national boundaries, and in parallel with developing arbitration, we will also enable the legal services of Hong Kong to become more international.

On protecting the rule of law in Hong Kong and administration of justice, I absolutely agree with Dr Margaret NG's concern about the recent attack on Mr Neil MITCHELL, counsel on fiat for the Department of Justice, outside a court building. Actually, the Department of Justice has strongly condemned the offender immediately afterwards, and I have also immediately relayed our grave concern to the Secretary for Security and the Commissioner of Police. Although such attacks are very rare in Hong Kong, I believe the police will definitely make every effort to apprehend the offender as soon as possible.

Besides, regarding the question of how to seize the opportunities emerging after the reunification and deal with related issues, on the macro system, we have actually reached a number of relevant agreements with the Mainland, including an agreement on reciprocal enforcement of arbitral awards and judgments in civil and commercial cases. We have also made a lot of effort with regard to Mainland/Hong Kong Closer Economic Partnership Arrangement (CEPA). Whenever we had the opportunity to discuss CEPA, the Department of Justice would consult legal professionals, reflect their views to the Central Authorities and put forth liberalization proposals. There is certainly still much room for development in this respect, but the convenience brought about by the targeted new development under Supplement VI recently signed, in particular, the development of allowing Hong Kong law firms to enter into association with law firms in Guangdong, is evident to all.

Besides the commercial front, we have recently come to understand that many people are affected by the divorce decree enforcement problems arising from the breaking up of cross-boundary marriages. In this connection, we have commenced discussion with the relevant Mainland authorities and also examined the issue of reciprocal recognition and enforcement of divorce decrees. As for

Dr Margaret NG's proposal of setting up joint centres of legal assistance and advice of the Mainland and Hong Kong, this proposal was also mentioned by some Members at meetings of the relevant panel. Much as I understand the needs and concerns of many members of the public in this regard, as I said on the last occasion, and Members should also understand, the Mainland and Hong Kong are after all two different jurisdictions. However, this is not an excuse. As the provision of a publicly-funded legal assistance system may create relatively far-reaching effects, careful examination is required. Nevertheless, I am more than willing to listen to Members' views. In fact, the co-operation of lawyers of the two places under CEPA and on other fronts has not only helped to meet such demand but also enabled the provision of appropriate services and enhanced the understanding of lawyers of the two places of the respective legal systems, thereby enabling them to provide support to the individuals concerned accordingly. I hope non-governmental organizations and other channels may also be considered.

President, last of all, I would like to provide some supplementary facts. Regarding the case of the police using civilian vehicles to form a roadblock mentioned by Mr James TO just now, that is, the incident which happened in Kwun Tong earlier resulting in some individuals claiming compensation from the police, the Department of Justice has actually drawn up its opinion on this incident and submitted it to the police. The relevant compensation proposals were also delivered to the claimants last week. This is the supplementary facts I would like to give.

With these remarks, President, I implore Members to support the Motion of Thanks.

SECRETARY FOR CONSTITUTIONAL AND MAINLAND AFFAIRS (in Cantonese): President, it is really exciting to listen to speeches made by Members in this Chamber, for one may hear all kinds of speeches. Some Members mentioned the date of marriage of the President, and I have to thank the President for taking seriously what I said to you during the Lunar New Year. I remember, on that day, President, I said that your name TSANG Yuk-sing rhymed with the Chinese idiom "Yu cheng mei shi" (玉成美事), meaning accomplishing good achievement, and you should accomplish good achievement this year. Though marriage is a significant event in one's life, I do not see why marriage is related to

such a significant bill and the voting concerned. However, it has helped me understand one point, that is, upon hearing Mr LEUNG Kwok-hung's speech, it is strongly evident that the creative industry proposed by the Chief Executive does have a promising future in Hong Kong.

President, I will now come to constitutional affairs. The Government has always been working with a pragmatic and proactive attitude to preserve minor differences while seeking common grounds, hoping this will promote the democratic development in Hong Kong to lead Hong Kong towards universal suffrage. In 2007, we successfully strove for the Decision of the Standing Committee of the National People's Congress on the Methods for Selecting the Chief Executive and Forming the Legislative Council of the Hong Kong Special Administrative Region in 2012 and Issues on Universal Suffrage. A timetable for universal suffrage was set out in the Decision, that is, the election of the Chief Executive in 2017 may be implemented with the method of universal suffrage and all Members of the Legislative Council can be elected by universal suffrage in 2020. The Decision has laid down an unequivocal target for the future constitutional development of Hong Kong. At present, both the SAR Government and the Legislative Council are obliged under the constitutional system to implement universal suffrage for Hong Kong society and members of the public.

Today, Ms Emily LAU and Mr Alan LEONG have proposed amendments to the motion respectively. Ms Emily LAU considers that the Chief Executive has failed to approach the Central Government to strive for the implementation of the election of the Chief Executive and all Members of the Legislative Council by universal suffrage in 2012. Mr Alan LEONG considers that the Chief Executive has failed to provide a roadmap for universal suffrage in the policy address.

However, the Members seem to have overlooked the fact that the Chief Executive has successfully striven for the timetable for universal suffrage, and that the Chief Executive has, in the course, faithfully reflected the aspirations of the people of Hong Kong for universal suffrage and an implementation timetable.

On 11 July 2007, that was the 11th day since the third-term Chief Executive and the third-term Legislative Council had assumed office, the Government published the Green Paper on Constitutional Development to allow Hong Kong society to engage in discussions on the models, roadmap and timetable for implementing universal suffrage. In the end of 2007, the Chief

Executive submitted a report to the Central Authorities, stating unequivocally that the implementation of universal suffrage first for the Chief Executive in 2012 was the aspiration of a majority of the public, and that the view should be taken seriously and considered. At the same time, the implementation of universal suffrage for the Chief Executive first by no later than 2017 would stand a better chance of being accepted by the majority of the community in Hong Kong.

Hence, regarding the remarks made by Ms Emily LAU and Mr Alan LEONG, I would say that we had fully reflected the views of the people of Hong Kong in 2007 already. After examining the report submitted by the Chief Executive, the Standing Committee of the National People's Congress (NPCSC) confirmed the timetable for universal suffrage, so that when universal suffrage is implemented in 2017, the Chief Executive will be elected by all eligible electors by "one person, one vote". By 2020, when universal suffrage is implemented for the Legislative Council, the election method adopted will have to follow the principle of universality and equality.

Let us give a brief review of the constitutional development of Hong Kong over the past two decades, which involved three very crucial stages.

The first stage was in 1984 when the Sino-British Joint Declaration was promulgated. Two requirements were stipulated at that time. First, upon the reunification, the legislature of Hong Kong shall be constituted by election, and the Chief Executive shall be selected by election or through consultations held locally.

In 1990, it came the second crucial stage, and that was the formulation of the Basic Law. It was stated that the ultimate aim was the selection of the Chief Executive and the election of all Members of the Legislative Council by universal suffrage.

The third crucial stage came when the NPCSC made a decision related to the timetable for universal suffrage after the Chief Executive had submitted his report in 2007. What we achieved in 2007 was not something we could provide for after the Sino-British talks in 1984, nor could we confirm this when the Basic Law was formulated in 1990, that was the timetable. In December 2007, we achieved this target. Hence, the Chief Executive did do his level best for the implementation of universal suffrage.

President, by now, even though the Chief Executive has successfully striven for a timetable for universal suffrage and the NPCSC has made the relevant decision, many Members still insist on fighting for an immediate roadmap for universal suffrage. However, regarding the specific model of universal suffrage, we cannot draw it up today but should try to achieve it step by step in three stages.

At the first stage, that is, the present term of the Government and the Legislative Council, which means from now on until 2012, we have to handle the electoral arrangement for 2012 and introduce new democratic elements to pave the way for universal suffrage.

The next stage is from 2012 to 2017, during which the forth-term Chief Executive and the fifth-term Legislative Council will have to work together on the system of electing the Chief Executive by universal suffrage in 2017.

At the third stage, the Chief Executive returned by universal suffrage in 2017 and the sixth-term Legislative Council will have to co-operate to examine how all Members of the Legislative Council can be returned by universal suffrage in 2020. It is most appropriate that this subject of the utmost importance is left to the Chief Executive returned by universal suffrage to handle, for the Chief Executive selected by universal suffrage will have adequate and comprehensive popular support.

At this very stage, Mr Ronny TONG and some other Members still propose to strive for the implementation of dual universal suffrage in 2012. The Government actually respects and understands their views, but we cannot ignore the following facts.

First, the NPCSC has already made a constitutional decision on the timetable for universal suffrage, so we must act in accordance with the constitution.

Second, at this very time, instead of disputing whether universal suffrage should be implemented in 2012, we should introduce new democratic elements into the two electoral methods in 2012, paving the way for the election of the Chief Executive by universal suffrage in 2017. After all, the difference of the positions held by both sides is only five years, which is only one term.

Third, Members should understand that according to the Basic Law and the interpretation of the Basic Law by the NPCSC in 2004, whenever the Government makes changes to the electoral system, it should undergo five steps. With the report submitted by the Chief Executive to the NPCSC in 2007 and the decision made by the NPCSC in that December, we have only taken the first two steps for the electoral arrangement for 2012. However, nothing has been done for the electoral arrangements for the elections in 2017 and 2020. Hence, the SAR Government of the current term is now only authorized to handle the two electoral methods in 2012.

Forth, Members should remember the political reality that it is already quite complicated to handle the two electoral methods for 2012, and if the three electoral methods for 2012, 2017 and 2020 are handled as a bundle, it will be extremely difficult. Let me cite an example to illustrate this point. If Members have to arrive at a full consensus today on the handling of functional constituencies in future, I believe the legislature can hardly come up with a consensus supported by a two-thirds majority of all its Members.

So, back to the subject, President, the public consultation on the 2012 constitutional reform will start in November. During the consultation, all of us should discuss together how certain major issues should be dealt with. For instance, should the number of members on the Election Committee be increased? Should the number of seats of the Legislative Council be increased to provide more room for political participation and introduce new elements of democracy? In respect of these questions, we will listen extensively to the views of the Legislative Council, District Councils, various political parties and groupings, various organizations and individuals in society expressed during the public consultation period. After collating the views collected, we will act in accordance with the Basic Law to propose amendments to Annex I and Annex II. We hope that the proposed amendments will be endorsed by a two-thirds majority of all Members of the Legislative Council and have the consent of the Chief Executive, so that they can be reported to the NPCSC for approval. We hope that the procedure can be completed in 2010.

With regard to the political appointment system mentioned by Mr James TO, I would like to give a brief response here. Last Thursday, we announced the appointment of two Under Secretaries, and the two posts are created with the approval of the Finance Committee of the Legislative Council. The Chief

Executive and the SAR Government have all along adhered to the meritocratic principle in making appointments. Among the nine incumbent Under Secretaries, two of them have been working in the Civil Service. As for the remaining seven Under Secretaries, some are members from political parties and the academic circle, while some have been working in the media and the professional sectors. On the whole, the existing team of Under Secretaries is more widely experienced and diversified than before.

Mr James TO gave particular mention to the disciplined forces background of a number of political appointees in the Security Bureau. I can say that the issues handled by the Security Bureau or the Constitutional and Mainland Affairs Bureau are relatively complicated and involve much legal content, and it is more appropriate for colleagues with civil service background to take up the relevant posts. However, we will keep identifying persons with different backgrounds to fill the remaining vacancies. Recruitment will be carried out in phases where necessary.

With regard to political appointments, I would like to make a brief response. Ms Cyd HO asked on two respective days whether the letter of intent on the development of Qianhai signed with the Shenzhen Municipal Government could be made public. I can tell Honourable Members that I have to thank Members for paying attention to our work on Mainland affairs and our co-operation with the Mainland. When we signed the letter of intent with the Government of Guangdong Province in August, a news release was issued to give a full report of the event. I undertake that when Ms Cyd HO raises her question at the Council meeting on 9 November, I will give further details.

President, on the whole, as Ms Miriam LAU said, in 2005, we lost an opportunity to strive for progress in democracy. But I believe in 2009-2010, we will have another opportunity. We should seize this opportunity to reach consensus by preserving minor differences and seeking common grounds, so as to establish a democratic constitutional system for Hong Kong.

With these remarks, President, I urge Members to oppose the amendments proposed by Ms Emily LAU and Mr Alan LEONG, and support the Motion of Thanks.

Thank you, President.

SECRETARY FOR THE CIVIL SERVICE (in Cantonese): President, first of all, I would like to express my heartfelt gratitude to Members who have spoken on public service matters. I will carefully consider and properly address the concerns and views expressed by them.

As the backbone of the Government, the Civil Service has been providing stability and continuity for Hong Kong's governance and government operations. As the Secretary for the Civil Service, I have the responsibility to exert my utmost 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 administration of the SAR Government and are united in providing the community with quality public services.

We will continue to contain the size of the Civil Service in accordance with the principle of "big market, small government" in order to maintain a lean and efficient Civil Service. We will continue to contain the civil service establishment and enhance its efficiency through internal redeployment, streamlining of service delivery processes and business process re-engineering. We will also ensure that different departments have the manpower necessary to implement various new policies and initiatives.

Mr LEE Cheuk-yan was concerned that the "three plus three" entry system for the Civil Service (the entry system) is detrimental to attracting and retaining quality staff. Since the implementation of the entry system in 2000, the Civil Service Bureau has been keeping a watch on the recruitment and retention of talents in all grades, and the entry system has also struck a proper balance between flexibility and stability. There is no evidence currently to suggest that the entry system is detrimental to attracting candidates of good calibre to apply for civil service posts, but we will continue to monitor the general situation relating to the appointment of civil servants and the overall impact of the entry system on the recruitment and retention of civil servants, so as to determine whether there is a need to review the current civil service appointment system.

Ms LI Fung-ying mentioned the importance of injecting new blood into the Civil Service to ensure that succession problems will not exist in the Civil Service in the days to come. I fully agree with this view. Over the past couple of years, various departments have conducted extensive open recruitment exercises

of civil servants to fill vacancies arising from the retirement of existing civil servants or the expansion of establishment.

Ever since I took up this office, I have been conducting regular meetings on succession planning for directorate positions with individual Heads of Departments and the relevant Permanent Secretaries in order to examine the succession planning of directorate positions in the departments and to consider and formulate strategies to deal with succession problems arising from retirement or job exit peaks of civil servants, thereby ensuring that suitable candidates are available in the short, medium and long term in various departments to take up directorate positions.

Mr WONG Kwok-hing mentioned the issue of NCSC staff. According to the findings of a comprehensive review conducted by the Civil Service Bureau and various departments in 2006, NCSC staff could effectively complement the Civil Service in the delivery of services to the public. On the premise of conforming to the applicable scope under the NCSC scheme, the Civil Service Bureau considers that there is a need for various departments to keep on employing NCSC staff to meet their operational needs.

Mr WONG Kwok-hing was also very concerned about the Government's use of agency workers in service delivery. The use of agency workers in service delivery is governed by the Stores and Procurement Regulations. The Government has adopted fair and clear procurement procedures and practices. It has also adopted an assessment system which takes into account both price and quality considerations in order to seek competitive tenders which can meet the relevant requirements. Departments can then choose from among such tenders the most desirable proposal that can best meet the public's demands, and the tender price may also reflect the prevailing market level.

In response to the request of the Legislative Council Panel on Public Service (the Panel), I will compile the relevant information and then submit a paper to the Panel for discussion.

Ms LI Fung-ying was concerned about the employer-employee relationship between the Government and civil servants. It is perfectly natural for a certain degree of tension to exist between the employer and the employee, and it is no cause for serious concern. However, I very much agree that it is necessary for both the management and staff to engage in adequate communication.

Mr TAM Yiu-chung was concerned about the civil service pay adjustment this year. I can make it clear to this Council again that this year's civil service pay adjustment is definitely decided based on an established mechanism, which was formulated after detailed consultation and discussion with the staff-side representatives. This mechanism is accepted by the Civil Service and recognized by society.

The Civil Service, with about 155 000 civil servants at present, is huge. Strictly adhering to established mechanisms is very important to the maintenance of the stability of the Civil Service.

Dr Philip WONG was concerned about the Chinese language (Chinese) and Putonghua proficiency of civil servants. The Government's long-standing policy objective is to establish a team of civil servants who are biliterate (that is, being literate in Chinese and English) and trilingual (that is, speaking Cantonese, English and Putonghua).

Regarding Chinese, in order to ensure that civil servants can carry out their day-to-day duties effectively in Chinese, different Chinese proficiency requirements for entry to the Civil Service are clearly set out based on the nature of duties and needs of different grades. Besides, in order to raise civil servants' ability of using Chinese in performing their duties, the Government has provided different training courses on Chinese writing for civil servants.

The Government has provided different courses and activities for civil servants who have to use Putonghua in discharging their duties. It has also promoted the use of Putonghua by organizing activities such as Civil Service Putonghua Competitions and Putonghua Weeks.

President, the majority public acknowledge the contribution of the Civil Service to Hong Kong. They have high expectation on the performance of the Civil Service and they also think there is still much room for improvement. We will keep up with our efforts and strive for excellence continuously.

With these remarks, President, I hope Members will support the original motion.

Thank you.

SECRETARY FOR SECURITY (in Cantonese): President, during the third and fourth debate sessions, I already spoke on the immigration and anti-drug policies which are under the ambit of the Security Bureau. In this debate session, Members also raised several questions about my portfolio. Among other things, accusations were made by both Dr Margaret NG and Mr James TO of a case involving refused entry of a person into Hong Kong — Mr ZHOU Yong-jun. According to our usual practice, we will not comment on cases like this one. However, since the two Members have elevated their accusations to the level that the "one country, two systems" will be jeopardized, I have to give some explanation.

The accusations made by the two Members are based on the following two points. First, the Director of Immigration has applied the immigration policy and exercised his legal authority to deport the suspect; and second, some accusations and those made by the community allege that public security officers from the Mainland have been found taking law-enforcement actions in Hong Kong. This incident is taken by us very seriously. Moreover, I have taken up this incident personally and found that these two accusations are totally unfounded. The incident has been dealt with by the Director of Immigration in strict accordance with the law of Hong Kong and our established policies.

As regards the views expressed by Mr James TO on the making of torture claims by people of South Asian ethnic origin, I must make it clear here that we must fulfil our international obligations concerning human rights. Under the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment of the United Nations, we will not send any persons to places where they will face tortures. In recent years, there has been a constant rise in the number of torture claims. At present, the number of pending cases has reached 6 000. In order to achieve effective assessment and ensure procedural fairness while preventing abuse, we will soon implement a series of improvement measures, including providing people making torture claims with legal assistance, enhancing training of and support for assessment personnel, appointing people with professional legal knowledge to handle appeal cases, and so on. As regards the discussion with the two professional associations of law of the issue of remuneration, I hope an option acceptable to both parties can be achieved expeditiously so that the assessment mechanism can be re-activated expeditiously.

Mr James TO has also expressed grave concern about the professional image of the Police Force. As pointed out by me at a special meeting of the Panel on Security earlier, the Force attach great importance to the character and integrity of law-enforcement officers. Our law-enforcement officers must be law-abiding, upright and honest and must respect the rights of the people. These are the core values upheld by the Force. In addition to these core values which are instilled into police cadets during their training programmes, the Force will also make constant efforts in upgrading the quality of its officers through promoting a healthy lifestyle, workshops and enhanced training. One of the major items of the Force's 2009-2010 Strategic Action Plan is to establish an Integrated Integrity Management Framework. In 2009, a Force Committee on Integrity Management, chaired by a Deputy Commissioner, was set up to establish and develop policies, promote the values upheld by the Force and monitor the effectiveness of the implementation of strategies. All units have also set up respective Force Committees on Integrity Management to deal with matters relating to integrity management within their own units.

Hong Kong is one of the safest and most stable societies in the world. Thanks to the Force as a professional, highly efficient and dedicated disciplined force, we have been able to maintain good law and order and keep our crime rates at a low level. Compared with 2007, the overall crime rate and violent crime rate in 2008 have fallen by 3.6% and 4.1% respectively, with the overall crime detection rate standing at 45.6%. Compared with the same period of 2008, the overall crime rate and violent crime rate of the first eight months of 2009 have even dropped further by 0.3% and 1.9% respectively. The Hong Kong Police Force are committed to ensuring Hong Kong's law and order as well as stability through continuing to work closely with the public.

President, social stability and good law and order are not only the foundation for people to live and work happily, but also a key factor for Hong Kong to be able to attract visitors and overseas investments. The Security Bureau and disciplined forces will continue to endeavour to take forward various improvement measures, so as to consolidate and strengthen our services on this front and cater for the needs of social and economic development in the future.

With these remarks, President, I hope Members can support the original motion.

SECRETARY FOR HOME AFFAIRS (in Cantonese): President, I will respond to two points raised by Members. The first point is about the Commission on Youth (the Commission).

The Commission co-operates with various youth organizations to conduct studies relating to youth problems. It organizes all kinds of activities, including the provision of Mainland exchange opportunities for local youths, which will enhance their understanding of State affairs. Moreover, it launches moral education of different forms and subsidizes civic education activities organized by organizations in the community, which aim to foster ethical values in the young generation and promote their development, with a view to strengthening their ability to rise to challenges in their development. The work and achievements of the Commission are obvious to all.

With regard to district administration work, the District Councils (DCs) are important partners of the Government in implementing district administration. Since the DCs of the latest term have assumed office, measures aiming to reinforce the functions of DCs and enhance district work have been implemented in all 18 districts in the territory. Last year was the first year such new measures were introduced. It is inevitable that DCs and project consultants will need time to gear in. Hence, the approval of the expenses for district-based minor works, which should be \$300 million per annum, is relatively slow actually. By now, projects proposed by various DCs can be implemented at a faster pace, and they may even plan ahead for works to be carried out next year.

Upon the reinforcement of the role of DCs, DCs will undertake the planning of district-based minor works and the management of recreational facilities. In addition, we encourage DCs to promote popular cultural, arts and sports activities at the district level. Regarding the proposal of allowing DCs to help promoting street performances, we adopt a positive attitude and consider this a good idea. As to the locations for street performances and the proper management ensuring a right balance between the freedom of expression and the maintenance of road order, we are most willing to listen to the views of DCs. We will continue to reinforce our communication with members of DCs to understand the aspirations of various districts and to introduce policies and plans addressing the needs of the districts concerned. At the same time, we will, as we always, establish a partnership with various organizations and sectors, and

encourage public participation in district affairs, to promote community development.

With these remarks, President, I hope Members will support the original motion.

PRESIDENT (in Cantonese): We have now completed the five debate sessions on the "Motion of Thanks".

PRESIDENT (in Cantonese): Ms Miriam LAU, you may now speak on the four amendments. You may speak up to five minutes.

MS MIRIAM LAU (in Cantonese): President, I think I do not need to use up the five minutes. According to the Rules of Procedure, Members may move amendments to the Motion of Thanks. As the amendments are proposed by Mr Frederick FUNG, Ms Emily LAU, Mr WONG Sing-chi and Mr Alan LEONG in their personal capacity, they have not been discussed in the House Committee and they do not represent any consensus of Members. As I am now speaking in my capacity as Chairman of the House Committee, I think I should not and will not, nor is it appropriate for me to, express any views on the amendments proposed by the four Members. Moreover, I will not urge Members to support or not to support these four amendments. Thank you, President.

PRESIDENT (in Cantonese): I now call upon Mr Frederick FUNG to move his amendment to the motion.

MR FREDERICK FUNG (in Cantonese): President, I move that Ms Miriam LAU's motion be amended.

Mr Frederick FUNG moved the following amendment: (Translation)

"To add ", but expresses deep regret at the Policy Address's failure to put forward any specific alleviation measures to respond to the difficulties

currently faced by the grassroots, as well as its lack of any medium and long-term strategies to solve the problem of the disparity between the rich and the poor" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mr Frederick FUNG to Ms Miriam LAU's motion, be passed.

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

(Members raised their hands)

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

(Members raised their hands)

Mr Frederick FUNG rose to claim a division.

PRESIDENT (in Cantonese): Mr Frederick FUNG has claimed a division. The division bell will ring for three minutes.

PRESIDENT (in Cantonese): Will Members please proceed to vote.

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

Functional Constituencies:

Dr Margaret NG, Mr CHEUNG Man-kwong, Dr Joseph LEE and Mr CHEUNG Kwok-che voted for the amendment.

Dr Raymond HO, Dr David LI, Mrs Sophie LEUNG, Dr Philip WONG, Mr WONG Yung-kan, Mr LAU Wong-fat, Ms Miriam LAU, Mr Abraham SHEK, Mr Tommy CHEUNG, Mr Vincent FANG, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr WONG Ting-kwong, Mr CHIM Pui-chung, Dr LAM Tai-fai, Mr CHAN Kin-por, Mr IP Kwok-him and Dr Samson TAM voted against the amendment.

Ms LI Fung-ying, Mr Paul CHAN, Mr IP Wai-ming, Dr PAN Pey-chyou and Mr Paul TSE abstained.

Geographical Constituencies:

Mr Albert HO, Mr LEE Cheuk-yan, Mr Fred LI, Mr James TO, Mr LEUNG Yiu-chung, Ms Emily LAU, Mr Andrew CHENG, Mr Frederick FUNG, Ms Audrey EU, Mr LEE Wing-tat, Mr Alan LEONG, Mr Ronny TONG, Mr KAM Nai-wai, Ms Cyd HO, Miss Tanya CHAN, Mr WONG Sing-chi and Mrs Regina IP voted for the amendment.

Mr CHAN Kam-lam, Mr LAU Kong-wah, Mr TAM Yiu-chung, Mr CHEUNG Hok-ming, Ms Starry LEE and Mr CHAN Hak-kan voted against the amendment.

Mr Albert CHAN, Mr WONG Kwok-hing, Mr LEUNG Kwok-hung, Dr Priscilla LEUNG, Mr WONG Kwok-kin and Mr WONG Yuk-man abstained.

THE PRESIDENT, Mr Jasper TSANG, did not cast any vote.

THE PRESIDENT announced that among the Members returned by functional constituencies, 27 were present, four were in favour of the amendment, 18 against it and five abstained; while among the Members returned by geographical constituencies through direct elections, 30 were present, 17 were in favour of the amendment, six against it and six abstained. Since the question was not agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was negatived.

MS MIRIAM LAU (in Cantonese): President, I move that in the event of further divisions being claimed in respect of the Motion of Thanks or any amendments thereto, this Council do proceed to each of such divisions immediately after the division bell has been rung for one minute.

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

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

(No Member indicated a wish to speak)

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

(Members raised their hands)

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

(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 passed.

I order that in the event of further divisions being claimed in respect of the Motion of Thanks or any amendments thereto, this Council do proceed to each of such divisions immediately after the division bell has been rung for one minute.

PRESIDENT (in Cantonese): Ms Emily LAU, you may move your amendment.

MS EMILY LAU (in Cantonese): President, I move that Ms Miriam LAU's motion be amended.

Ms Emily LAU moved the following amendment: (Translation)

"To add ", but expresses regret at the Chief Executive's failure to perform his duty to approach the Central Government to strive for the implementation of the election of the Chief Executive and all Legislative Council Members by universal suffrage in 2012" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Ms Emily LAU to Ms Miriam LAU's motion, be passed.

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

(Members raised their hands)

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

(Members raised their hands)

Mr IP Kwok-him rose to claim a division.

PRESIDENT (in Cantonese): Mr IP Kwok-him has claimed a division. The division bell will ring for one minute.

PRESIDENT (in Cantonese): Will Members please proceed to vote.

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

Functional Constituencies:

Dr Margaret NG, Mr CHEUNG Man-kwong, Dr Joseph LEE and Mr CHEUNG Kwok-che voted for the amendment.

Dr Raymond HO, Dr David LI, Mrs Sophie LEUNG, Dr Philip WONG, Mr WONG Yung-kan, Mr LAU Wong-fat, Ms Miriam LAU, Mr Abraham SHEK, Mr Tommy CHEUNG, Mr Vincent FANG, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr WONG Ting-kwong, Mr CHIM Pui-chung, Dr LAM Tai-fai, Mr Paul CHAN, Mr CHAN Kin-por, Dr LEUNG Ka-lau, Mr IP Wai-ming, Mr IP Kwok-him, Dr PAN Pey-chyou, Mr Paul TSE and Dr Samson TAM voted against the amendment.

Ms LI Fung-ying abstained.

Geographical Constituencies:

Mr Albert HO, Mr LEE Cheuk-yan, Mr Fred LI, Mr James TO, Mr LEUNG Yiu-chung, Ms Emily LAU, Mr Andrew CHENG, Mr Frederick FUNG, Ms Audrey EU, Mr LEE Wing-tat, Mr Alan LEONG, Mr Ronny TONG, Mr KAM Nai-wai, Ms Cyd HO, Miss Tanya CHAN and Mr WONG Sing-chi voted for the amendment.

Mr CHAN Kam-lam, Mr LAU Kong-wah, Mr TAM Yiu-chung, Mr WONG Kwok-hing, Mr CHEUNG Hok-ming, Ms Starry LEE, Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr WONG Kwok-kin and Mrs Regina IP voted against the amendment.

Mr Albert CHAN, Mr LEUNG Kwok-hung and Mr WONG Yuk-man abstained.

THE PRESIDENT, Mr Jasper TSANG, did not cast any vote.

THE PRESIDENT announced that among the Members returned by functional constituencies, 28 were present, four were in favour of the amendment, 23 against it and one abstained; while among the Members returned by geographical constituencies through direct elections, 30 were present, 16 were in favour of the amendment, 10 against it and three abstained. Since the question was not agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was negatived.

PRESIDENT (in Cantonese): Mr WONG Sing-chi, you may move your amendment.

MR WONG SING-CHI (in Cantonese): President, I move that Ms Miriam LAU's motion be amended.

Mr WONG Sing-chi moved the following amendment: (Translation)

"To add ", but expresses regret that the Chief Executive completely ignores the problems of worsening disparity between the rich and the poor and the drastic increase in the poverty population" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mr WONG Sing-chi to Ms Miriam LAU's motion, be passed.

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

(Members raised their hands)

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

(Members raised their hands)

Mr WONG Sing-chi rose to claim a division.

PRESIDENT (in Cantonese): Mr WONG Sing-chi has claimed a division. The division bell will ring for one minute.

PRESIDENT (in Cantonese): Will Members please proceed to vote.

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

Functional Constituencies:

Dr Margaret NG, Mr CHEUNG Man-kwong, Dr Joseph LEE, Dr LAM Tai-fai, Mr Paul CHAN, Mr CHAN Kin-por, Dr LEUNG Ka-lau, Mr CHEUNG Kwok-che and Dr Samson TAM voted for the amendment.

Dr Raymond HO, Dr David LI, Mrs Sophie LEUNG, Dr Philip WONG, Mr WONG Yung-kan, Mr LAU Wong-fat, Ms Miriam LAU, Mr Abraham SHEK, Mr Tommy CHEUNG, Mr Vincent FANG, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr WONG Ting-kwong, Mr CHIM Pui-chung and Mr IP Kwok-him voted against the amendment.

Ms LI Fung-ying, Mr IP Wai-ming, Dr PAN Pey-chyou and Mr Paul TSE abstained.

Geographical Constituencies:

Mr Albert HO, Mr LEE Cheuk-yan, Mr Fred LI, Mr James TO, Mr LEUNG Yiu-chung, Ms Emily LAU, Mr Andrew CHENG, Mr Frederick FUNG, Ms Audrey EU, Mr LEE Wing-tat, Mr Alan LEONG, Mr Ronny TONG, Mr KAM Nai-wai, Ms Cyd HO, Miss Tanya CHAN, Mr WONG Sing-chi and Mrs Regina IP voted for the amendment.

Mr CHAN Kam-lam, Mr LAU Kong-wah, Mr TAM Yiu-chung, Mr CHEUNG Hok-ming, Ms Starry LEE and Mr CHAN Hak-kan voted against the amendment.

Mr Albert CHAN, Mr WONG Kwok-hing, Mr LEUNG Kwok-hung, Dr Priscilla LEUNG, Mr WONG Kwok-kin and Mr WONG Yuk-man abstained.

THE PRESIDENT, Mr Jasper TSANG, did not cast any vote.

THE PRESIDENT announced that among the Members returned by functional constituencies, 28 were present, nine were in favour of the amendment, 15 against it and four abstained; while among the Members returned by geographical constituencies through direct elections, 30 were present, 17 were in favour of the amendment, six against it and six abstained. Since the question was not agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was negatived.

PRESIDENT (in Cantonese): Mr Alan LEONG, you may move your amendment.

MR ALAN LEONG (in Cantonese): President, I move that Ms Miriam LAU's motion be amended.

Mr Alan LEONG moved the following amendment: (Translation)

"To add ", but expresses deep regret at the Chief Executive's failure to provide a roadmap for universal suffrage in the Policy Address, as well as his failure to honour his election promise of 'settling the issue of universal suffrage once and for all'" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mr Alan LEONG to Ms Miriam LAU's motion, be passed.

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

(Members raised their hands)

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

(Members raised their hands)

Mr Ronny TONG rose to claim a division.

PRESIDENT (in Cantonese): Mr Ronny TONG has claimed a division. The division bell will ring for one minute.

PRESIDENT (in Cantonese): Will Members please proceed to vote.

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

Functional Constituencies:

Dr Margaret NG, Mr CHEUNG Man-kwong, Dr Joseph LEE and Mr CHEUNG Kwok-che voted for the amendment.

Dr Raymond HO, Dr David LI, Mrs Sophie LEUNG, Dr Philip WONG, Mr WONG Yung-kan, Mr LAU Wong-fat, Ms Miriam LAU, Mr Abraham SHEK, Mr Tommy CHEUNG, Mr Vincent FANG, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr WONG Ting-kwong, Mr CHIM Pui-chung, Dr LAM Tai-fai, Mr CHAN Kin-por, Dr LEUNG Ka-lau, Mr IP Wai-ming, Mr IP Kwok-him, Dr PAN Pey-chyou, Mr Paul TSE and Dr Samson TAM voted against the amendment.

Ms LI Fung-ying and Mr Paul CHAN abstained.

Geographical Constituencies:

Mr Albert HO, Mr LEE Cheuk-yan, Mr Fred LI, Mr James TO, Mr LEUNG Yiu-chung, Ms Emily LAU, Mr Andrew CHENG, Mr Frederick FUNG, Ms Audrey EU, Mr LEE Wing-tat, Mr Alan LEONG, Mr Ronny TONG, Mr KAM Nai-wai, Ms Cyd HO, Miss Tanya CHAN and Mr WONG Sing-chi voted for the amendment.

Mr CHAN Kam-lam, Mr LAU Kong-wah, Mr TAM Yiu-chung, Mr WONG Kwok-hing, Mr CHEUNG Hok-ming, Ms Starry LEE, Mr CHAN Hak-kan, Mr WONG Kwok-kin and Mrs Regina IP voted against the amendment.

Mr Albert CHAN, Mr LEUNG Kwok-hung, Dr Priscilla LEUNG and Mr WONG Yuk-man abstained.

THE PRESIDENT, Mr Jasper TSANG, did not cast any vote.

THE PRESIDENT announced that among the Members returned by functional constituencies, 28 were present, four were in favour of the amendment, 22 against it and two abstained; while among the Members returned by geographical constituencies through direct elections, 30 were present, 16 were in favour of the amendment, nine against it and four abstained. Since the question was not agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was negatived.

PRESIDENT (in Cantonese): Ms Miriam LAU, you may now reply and you have six minutes and 19 seconds.

MS MIRIAM LAU (in Cantonese): I made it clear when I proposed the Motion of Thanks that the Motion of Thanks is proposed in accordance with the Rules of Procedure and the tradition, aiming to provide a platform for Members to express their different views on the policy address of the Chief Executive and speak freely to their heart's content. Evident in the enthusiastic debates in the last two days, this purpose has been achieved.

As I also pointed out in moving the motion, the Motion of Thanks indeed does not take any direction. Since all the amendments have been negatived, what remains is only the line "That this Council thanks the Chief Executive for his address". Though Members hold different views on the many policies set out in the policy address, it is indeed not a big problem, for the issues can be settled by spending more time on negotiations and communication with the public officers. Now, the question put to Members is whether this Council will thank the Chief Executive for submitting or delivering his policy address. The motion is just that simple and I hope Honourable colleagues will support it. Thanks.

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

PRESIDENT (in Cantonese): Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raised their hands)

Ms Miriam LAU rose to claim a division.

PRESIDENT (in Cantonese): Ms Miriam LAU has claimed a division. The division bell will ring for one minute.

PRESIDENT (in Cantonese): Will Members please proceed to vote.

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

Functional Constituencies:

Dr Raymond HO, Dr David LI, Mrs Sophie LEUNG, Dr Philip WONG, Mr WONG Yung-kan, Mr LAU Wong-fat, Ms Miriam LAU, Mr Abraham SHEK, Mr Tommy CHEUNG, Mr Vincent FANG, Dr Joseph LEE, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr WONG Ting-kwong, Mr CHIM Pui-chung, Prof Patrick LAU, Dr LAM Tai-fai, Mr CHAN Kin-por, Dr LEUNG Ka-lau, Mr IP Wai-ming, Mr IP Kwok-him, Dr PAN Pey-chyou, Mr Paul TSE and Dr Samson TAM voted for the motion.

Dr Margaret NG, Mr CHEUNG Man-kwong and Mr CHEUNG Kwok-che voted against the motion.

Ms LI Fung-ying and Mr Paul CHAN abstained.

Geographical Constituencies:

Mr CHAN Kam-lam, Mr LAU Kong-wah, Mr TAM Yiu-chung, Mr WONG Kwok-hing, Mr CHEUNG Hok-ming, Ms Starry LEE, Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr WONG Kwok-kin and Mrs Regina IP voted for the motion.

Mr Albert HO, Mr LEE Cheuk-yan, Mr Fred LI, Mr James TO, Mr LEUNG Yiu-chung, Ms Emily LAU, Mr Andrew CHENG, Mr Albert CHAN, Mr Frederick FUNG, Ms Audrey EU, Mr LEE Wing-tat, Mr Alan LEONG, Mr LEUNG Kwok-hung, Mr Ronny TONG, Mr KAM Nai-wai, Ms Cyd HO, Miss Tanya CHAN, Mr WONG Sing-chi and Mr WONG Yuk-man voted against the motion.

THE PRESIDENT, Mr Jasper TSANG, did not cast any vote.

THE PRESIDENT announced that among the Members returned by functional constituencies, 29 were present, 24 were in favour of the motion, three against it and two abstained; while among the Members returned by geographical constituencies through direct elections, 30 were present, 10 were in favour of the motion and 19 against it. Since the question was not agreed by a majority of each of the two groups of Members present, he therefore declared that the motion was negatived.

NEXT MEETING

PRESIDENT (in Cantonese): This Council has held this meeting for more than 30 hours, during which, only one public officer felt unwell and one Member raised his hand wrongly. *(Laughter)*

I now adjourn the Council until 11.00 am on Wednesday, 4 November 2009.

Adjourned accordingly at four minutes to Five o'clock.