

OFFICIAL RECORD OF PROCEEDINGS

Wednesday, 1 June 2011

The Council met at Eleven 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 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, S.B.S., J.P.

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

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, G.B.S., J.P.

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, J.P.

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.

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 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.

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

THE HONOURABLE LEUNG KWOK-HUNG

THE HONOURABLE TANYA CHAN

THE HONOURABLE ALBERT CHAN WAI-YIP

THE HONOURABLE WONG YUK-MAN

MEMBERS ABSENT:

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

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

PUBLIC OFFICERS ATTENDING:

THE HONOURABLE JOHN TSANG CHUN-WAH, G.B.M., J.P.

THE FINANCIAL SECRETARY

DR THE HONOURABLE YORK CHOW YAT-NGOK, G.B.S., J.P.

SECRETARY FOR FOOD AND HEALTH

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 MRS CARRIE LAM CHENG YUET-NGOR, G.B.S., J.P.

SECRETARY FOR DEVELOPMENT

DR KITTY POON KIT, J.P.

SECRETARY FOR THE ENVIRONMENT

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

MR GREGORY SO KAM-LEUNG, J.P.
SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT

MR YAU SHING-MU, J.P.
UNDER SECRETARY FOR TRANSPORT AND HOUSING

CLERKS IN ATTENDANCE:

MS PAULINE NG MAN-WAH, SECRETARY GENERAL

MRS CONSTANCE LI TSOI YEUK-LIN, ASSISTANT SECRETARY
GENERAL

MISS ODELIA LEUNG HING-YEE, ASSISTANT SECRETARY GENERAL

MRS JUSTINA LAM CHENG BO-LING, ASSISTANT SECRETARY
GENERAL

PRESIDENT (in Cantonese): Will the Clerk please ring the bell to summon Members to the Chamber?

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

TABLING OF PAPERS

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

Subsidiary Legislation/Instrument	<i>L.N. No.</i>
Designation of Libraries Order 2011	98/2011

Other Papers

No. 95 — Kowloon-Canton Railway Corporation Annual Report 2010

Report No. 23/10-11 of the House Committee on Consideration of Subsidiary Legislation and Other Instruments

QUESTION UNDER RULE 24(4) OF THE RULES OF PROCEDURE

PRESIDENT (in Cantonese): Questions. In accordance with Rule 24(4) of the Rules of Procedure, I have granted Mr Alan LEONG's request to raise an urgent question.

Measures to Prevent Import and Sale of Food Products Containing Plasticizer

MR ALAN LEONG (in Cantonese): *President, quite a number of food items in Taiwan have recently been found to contain carcinogenic plasticizer, and*

according to a study conducted by a university, 99% of the blood samples from 200 members of the public contain plasticizer, and the source of contamination may even be toys, food and other plastic products, but the Centre for Food Safety (CFS) has not included plasticizer in the regular food surveillance programme of Hong Kong. In this connection, will the Government inform this Council:

- (a) what measures the Government has taken in the face of this incident to prevent Taiwanese food products which have been contaminated by plasticizer from being imported into Hong Kong; and how the authorities will track and test whether the food products previously imported from Taiwan have been contaminated by plasticizer;*
- (b) given that plasticizer is widely used as an industrial raw material but the CFS has not included it in the regular food surveillance programme of Hong Kong, and the food products imported from around the world may be contaminated by plasticizer, whether the authorities have, in respect of the process of handling imported food, established a mechanism with local governments around the world for crisis management and notification, so as to fully grasp information on food sources and prevent food products which have been contaminated by plasticizer from being imported into Hong Kong; and*
- (c) given the results of the aforesaid study, quite a number of members of the public are worried about the impact on their health conditions, whether the authorities will announce as soon as possible how plasticizer is being used, its impact on human body and possible ways of contamination, so that the public can make timely prevention?*

SECRETARY FOR FOOD AND HEALTH (in Cantonese): President, the Government has all along been adopting a multi-pronged approach to enhance food safety and protect public health. In 2006, the Government established the CFS as the specialized agent in the work of food safety, and to liaise with food safety authorities in the Mainland and overseas jurisdictions. Adopting the "from farm to table" strategy, the CFS exercises control at source by requiring a health certificate for the import of high-risk food items. It also collects around

65 000 food samples each year at import, wholesale and retail levels for testing under its food surveillance programme, covering commonly consumed food items as well as seasonal food items. During food incidents, CFS colleagues work tirelessly to safeguard food safety. In fact, the risk analysis work of the CFS has been recognized by the World Health Organization (WHO). Since October 2010, the CFS has been designated as the WHO Collaborating Centre for Risk Analysis of Chemicals in Food, participating in the food contamination monitoring and assessment programme.

Regarding Taiwan's recent incident of finding plasticizer in food, the Food and Drug Administration (FDA) in Taiwan announced on 23 May 2011 that a plasticizer di (2-ethylhexyl) phthalate (DEHP) had been detected in 16 samples of drinks at levels up to 34.1 parts per million (ppm). According to the list of affected drinks published by the FDA, the CFS immediately followed up and conducted inspections at the retail outlets, but could not find any relevant Taiwan sports drinks in the market. Through the subsequent information provided by the Taiwanese authority, the CFS noted that two sports drinks ("Speed sports drink" and "Speed lemon flavour sports drink") which were produced in Taiwan and suspected to be contaminated with DEHP, had been distributed to Hong Kong. The CFS collected six samples from various batches of the two sports drinks from the sole importer for testing at the Government Laboratory. At that time, the company and the retailers concerned had already suspended sale and started recalling the affected products.

Results obtained on 30 May 2011 indicated that all the six samples of the two sports drinks contained DEHP at levels ranging from 11 to 43 ppm. Dietary exposure estimation revealed that the exposure of DEHP from the consumption of the above samples by average consumers (daily consumption of about half bottle of 600 ml sports drink) and high consumers (daily consumption of about one bottle of 600 ml sports drink) would exceed the safety reference value, that is, the tolerable daily intake (TDI) of 0.025 mg/kg of body weight under the WHO Guidelines for drinking-water quality (also exceed the TDI of 0.05 mg/kg of body weight established by the European Food Safety Authority regarding high consumers), which may pose a risk to human health. While the acute oral toxicity of DEHP is low, DEHP was found to affect the liver and kidney as well as the reproduction and development of experimental animals. The International Agency for Research on Cancer concluded DEHP is possibly carcinogenic to humans. The Director for Food and Environmental Hygiene has therefore

promptly exercised the power provided under section 78B of the Public Health and Municipal Services Ordinance (Cap. 132) and made an Order (the Order). The Order prohibits the import of "Speed sports drink" and "Speed lemon flavour sports drink" from Taiwan with effect from 12.00 noon on 31 May 2011, prohibits the supply of these drinks within Hong Kong, and also directs the trade (importer/distributor/retailer) to complete recall of the two sports drinks available in the market according to the specified manner within 30 days, unless the drinks are accompanied by a certificate issued by the relevant Taiwanese authority certifying that the levels of DEHP do not exceed 1.5 ppm.

Apart from sports drinks, the CFS also took samples of Taiwanese food and drinks from the market for testing. As at 31 May, the CFS has collected 52 samples of five major categories of different food and drinks. Among these samples, six samples were unsatisfactory (that is, samples of the two aforesaid sports drinks), three passion fruit juice samples were not detected to contain DEHP, while the results of 43 samples were not yet available. The CFS will closely monitor the situation, take samples at import, wholesale and retail levels for testing, and continue to liaise with the Taiwanese authority on the incident and take appropriate follow-up actions.

The CFS has met with the trade over this DEHP contamination incident to learn more about their operation. The trade was also urged to take the initiative to stop selling drinks or food suspected to be tainted with DEHP. The CFS will issue food alerts to update the trade immediately on the latest information about the food incident provided by the Taiwanese authority, so as to keep traders abreast of the latest development.

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

- (a) Since the FDA in Taiwan announced that a plasticizer DEHP had been detected in 16 samples of drinks at levels up to 34.1 ppm, the CFS has maintained close contact with the Taiwanese authority, and informed relevant importers and retailers of the lists of affected products to facilitate follow-up action. According to information provided by and reported in Taiwan, the CFS will continue to conduct inspections at the retail outlets and take relevant samples for testing. The CFS will strengthen testing of the following five categories of food products, including sports drinks, fruit juice, tea

drinks, fruit jam and fruit syrup, as well as food products in the form of capsule, tablet or powder. Testing results will be published in the website. So far, according to traders, except the two aforesaid sport drinks, passion fruit tea from "Tea Time House" and "Shing Heung Chun (translation)" jelly announced last week, no other concerned products were sold in Hong Kong. The CFS has also been inspecting and taking samples in the market, and has not found problem food products yet.

- (b) The CFS conducts regular food surveillance based on risk and takes samples from import, wholesale and retail levels for testing. Currently, the plasticizer DEHP is not included in the CFS' regular food surveillance programme, which is similar to the practice in overseas countries. The CFS will take into account testing and risk assessment results and report the international practice regarding DEHP surveillance to the Expert Committee on Food Safety. After receiving the Committee's views, the CFS may adjust testing items of its regular surveillance programme. The CFS will continue to liaise with governments in the world and to exchange information with them in order to better safeguard public health.

- (c) DEHP is widely used as a plasticizer for Polyvinyl chloride (PVC) products. PVC is used in various consumer products such as imitation leather, rainwear, footwear, upholstery, flooring, wire and cable, tablecloths, shower curtains, food packaging materials, medical equipment and children's toys. DEHP may be present in food due to migration from food contact materials, or due to its widespread presence as an environmental contaminant in air, water, soil and food. Our exposure to DEHP is mainly through water and food. According to scientific literature, tests conducted on population in various parts of the world (for example, the United States, Germany) have detected plasticizer in blood or urine samples. A recent research by a local university in Hong Kong also confirmed this finding. The Department of Health is obtaining information and following up with the university regarding this ongoing research project.

Animal studies showed that DEHP underwent rapid metabolism and most of it and its metabolites would be excreted through urine and feces. Whether there will be health consequences arising from the consumption depends on the level of DEHP in the product and the amount and duration of consumption. Occasional excursion above the safety reference value is unlikely to cause any significant health risk provided that the average intake does not continuously exceed the safety reference value which emphasizes a lifetime exposure.

MR ALAN LEONG (in Cantonese): *President, I wish to follow up part (b) of the Secretary's main reply. It is said therein that the CFS has not included DEHP in its regular food surveillance programme, which is similar to the practice in overseas countries. The Secretary also said later on that after receiving the views of the Expert Committee on Food Safety, the CFS may adjust the testing items in its regular surveillance programme.*

First, may I ask the Secretary how many countries or regions have included DEHP in their regular food surveillance programmes? Since tests have now shown that DEHP may have the effects on the human body as described by the Secretary in the main reply, why does he not include DEHP in the regular food surveillance programme immediately instead of waiting further?

SECRETARY FOR FOOD AND HEALTH (in Cantonese): *President, chemicals that should not be added to food may not necessarily be included in the regular food surveillance mechanism because it is impossible for us to include in the relevant legislation each and every one of those substances that should not be added to food. However, when food risks are detected, we will carry out studies, then include the relevant substances in the legislation. At present, I do not have any information on which governments have included DEHP in their surveillance mechanisms, particularly given that it was only last evening that I received notice to answer this question today, so the information that I have is not very detailed. Later on, I will request officers of the relevant departments to collect information, then reply to the question raised by the Member again. (Appendix I)*

As regards whether or not DEHP will be included in the regular food surveillance mechanism, of course, this depends on the development of this

incident. If this incident evolves into a persistent risk, it is certainly necessary to include this substance in the regular surveillance mechanism. However, if this incident arose only because one or two unscrupulous businessmen did something inappropriate, this cannot be considered a persistent risk and we have to re-consider whether or not doing so is necessary.

MR TOMMY CHEUNG (in Cantonese): *President, I remember that when the food risk relating to malachite green occurred, although it was said that one had to eat more than 290 kg of fish containing malachite green for N years before there was the possibility of developing cancer, in the end, the Secretary also banned the import of food containing malachite green. Now, the Secretary also said in the main reply that DEHP had been found to affect the liver and kidney as well as the reproduction and development of animals and its ingestion in large quantities was possibly carcinogenic. Given this, will the Secretary conduct a study as soon as possible to determine what level of DEHP has to be reached before it is necessary to include it in the surveillance mechanism? Will the authorities ban right away all food containing DEHP from being imported into Hong Kong?*

SECRETARY FOR FOOD AND HEALTH (in Cantonese): *President, the existing Public Health and Municipal Services Ordinance (Cap. 132) provides that all food intended for human consumption for sale in Hong Kong must be fit for human consumption. Therefore, food containing DEHP is unacceptable and illegal in Hong Kong. As regards the question of whether or not it is necessary to specify this substance in the legislation, I have already explained that the authorities have to consider the risks involved and the likelihood of this risk persisting in the future. Judging from the present situation, I believe the legislation and the enforcement measures in Hong Kong are adequate for dealing with the relevant problems.*

DR JOSEPH LEE (in Cantonese): *President, the Secretary said just now that the CFS would conduct tests on five categories of food products, including food in various forms. As far as I know, at present, various types of health food or oral drugs for children in the market are presented in the form of fruit syrup. May I*

ask the Secretary if there are any other counter-measures to ensure that these health food or drugs for children in fruit flavours have no DEHP added to them?

SECRETARY FOR FOOD AND HEALTH (in Cantonese): President, we all know that this incident in Taiwan arose mainly because the plasticizer DEHP was used instead of a clouding agent. Clouding agent is used in drinks or drugs (such as liquid drugs) to give them an "emulsified" (in English) appearance, so that the drinks will not have excessive sediments and fermentation, thus making their appearance and texture better. We believe that we should be concerned about what kind of products use this kind of substance, rather than requiring all products from Taiwan to be tested. We must make decisions according to the risk assessments. Therefore, for the time being, we will target the five categories of products prescribed by Taiwan and food products that may use this substance, for example, drugs that use syrup in their production, in taking follow-up actions.

The Food and Environmental Hygiene Department (FEHD) and the Department of Health are undertaking the work in this area. We do not just test Taiwanese products because some substances from Taiwan may be sold to other places or Hong Kong businessmen and manufacturers for addition to food products, so we will also follow up this kind of products.

Insofar as the present situation is concerned, we will place greater emphasis on products the sources of which have been identified and the products manufactured and sold in the markets by the two identified companies. We will take follow-up action by tracing the sales channels of these products. Meanwhile, we will also identify similar products in Hong Kong, that is, health drinks that we believe many members of the public drink — I will not mention their names here — and we will also conduct tests on these products because many Hong Kong people will be affected. However, at present, we have not detected any DEHP in this kind of products.

We will continue to take targeted action and test products in the light of the risk assessment and the development of the situation. Most importantly, we will take action as soon as possible when there is any suspicion. Meanwhile, we will also conduct inspections and tests as soon as possible, so as to release the relevant information to the public in a timely manner. In addition, if it is found on

testing that there are instances of non-compliance with the standards, we will invoke the relevant legislation immediately to take action and ban the sale of this kind of food or drugs in the market.

PRESIDENT (in Cantonese): The Chinese translation for "emulsified" is "乳化".

MR WONG YUNG-KAN (in Cantonese): *President, in the past, when such problems of food risks occurred, the Government would be very anxious and whenever carcinogenic substances or harmful substances were found, it would enact legislation to deal with them immediately. However, judging from the replies by the Secretary to the supplementary questions raised by Honourable colleagues, it seems he does not have the intention to deal with it by way of legislation. In fact, be it the problem of melamine or the problem of malachite green, in both instances, the Government enacted legislation to impose regulation, but why does it not do so in this instance? In Taiwan, preparations are also being made to impose regulation, so I think there is no reason for the reluctance of the Government to enact legislation. Can the Secretary tell us if the Expert Committee will make the request to enact legislation clearly when studying this matter, since all these substances are harmful to the human body?*

SECRETARY FOR FOOD AND HEALTH (in Cantonese): President, I remember that in 2005 or 2006, a number of food incidents occurred in Hong Kong and the legislation in Hong Kong at that time did not enable us to ban the food concerned from sale or import and to destroy the food. However, since the passage of the legislation on food recall last year, that is, after the enactment of section 78B of the Public Health and Municipal Services Ordinance, we now have adequate power under the law, such that the Director of Food and Environmental Hygiene can invoke the law to take action at any time if there is sufficient evidence to suspect that certain food has been contaminated. In this instance, we have also invoked this piece of legislation and the power conferred by the legislation to ban the sale of the two types of drinks. If other products are found to be problematic, we will also take the same approach to deal with them.

As regards whether or not the various chemicals found in food will pose any long-term risk, I believe this can be decided only after experts or other parties have carried out analyses. This is not a matter that calls for immediate attention

because the existing legislation is already sufficient for dealing with the relevant problems. Therefore, we will decide whether or not it is necessary to enact legislation separately to regulate DEHP only after analysing the relevant situation.

MR LAU KONG-WAH (in Cantonese): *President, the Secretary pointed out that when testing the two sports drinks from Taiwan involved in the incident, it was found that the levels of DEHP ranged from 11 ppm to 43 ppm. However, the Secretary has imposed the requirement that if these two types of drinks are to be sold in the market, their DEHP level must not exceed the level of 1.5 ppm. In that case, can I take this to mean that the levels of DEHP in these two kinds of drinks have exceeded the level by 10 to 40 times? Hence, great harm will be done to the liver and kidney as well as the reproduction and development of human beings. May I ask the Secretary how the sale situation of these two types of sports drinks was like and what are the actual quantities sold? If members of the public consume these two types of drinks frequently and suspect that their health has been affected, how will the Government help them? If they request to have body checks, will the Government provide assistance? If, in the future, such food as the passion fruit tea and "Shing Heung Chun" jelly is also found on testing to have excessive levels of DEHP, how would the Government assist members of the public who eat these products frequently?*

SECRETARY FOR FOOD AND HEALTH (in Cantonese): *President, when the Controller of the CFS announced that there were problems with the two types of drinks, she already explained to the public the risk assessment that had been carried out. I remember she pointed out that if members of the public only consumed such drinks occasionally, the DEHP in their bodies will not exceed the relevant standard and it is only by consuming such drinks daily for a long period of time lasting about 10 years that there would be some impact on health. On food safety standards, in particular, standards not based on data from human beings, often, we have to rely on experiments conducted on animals, then apply the experimental data to the human body, carry out analyses and make decisions. The WHO has already set a level for DEHP intake and at such a level, some margin is provided.*

Therefore, on the risk assessment in this regard, we believe that insofar as the great majority of the public is concerned, even if they have consumed this

kind of drinks before, there probably will not be any major impact on their health. However, if a member of the public is very persistent in consuming such drinks and consumes several bottles daily for a span of several years, we believe he may be affected. If members of the public have any doubts about this or they have really developed health problems, they can seek medical advice. Of course, if such cases arise, we can consider helping them in making analyses because we also want to understand better what impact plasticizer has on human beings. At present, most of the information actually comes from experiments conducted on animals.

Therefore, we believe there is no need to carry out universal health checks for the time being because this kind of checks cannot serve to find out how much DEHP human beings have taken in. We must also understand that in our everyday living environment, we may also take in this kind of contaminants through other channels, so in these circumstances, it is really impossible to ascertain how much of them come from food and how much come from other aspects. For example, it is actually also possible to take in this kind of contaminants from cosmetics or the plastic materials that we come into contact with in our daily lives. As regards what the proportion in each area is, at present, we really do not have any data for analysis. Having said that, after the occurrence of this incident, I believe many scientists and medical experts in Hong Kong will conduct studies on this. However, at present, we do not have any information on this. If anyone has the habit of consuming this kind of contaminated food for a long period of time and thinks that it is necessary to undergo a medical examination, we hope he can seek medical consultation. If his doctor thinks that his physical condition is related to DEHP, of course, the former will also notify the relevant government departments.

PRESIDENT (in Cantonese): Many Members are very concerned about this issue but since we have spent 26 minutes on this question, I will now allow one last supplementary question from Members.

MR CHEUNG MAN-KWONG (in Cantonese): *President, since plasticizer may jeopardize students' health and even their reproductive systems, Taiwan has decided to include the intake of plasticizer among students as one of the major items of the health checks conducted on students this year. In this regard, will the SAR Government carry out similar health checks on students or carry out*

checks on whether or not there are excessive levels of plasticizer in students' bodies through the Student Health Service, so as to put the minds of parents at ease?

SECRETARY FOR FOOD AND HEALTH (in Cantonese): President, according to the existing information, there were only two types of drinks containing DEHP in excess of the safety standard in the Hong Kong market, but we do not rule out that in future, more contaminated food or drinks may be found. As regards how great a risk children are exposed to, a judgment can be made only after a detailed analysis. If checks are to be carried out on children, particularly students, it depends on what truly useful method of examination can be adopted to find out the level of DEHP in them. If blood tests are to be carried out on all students, it is also necessary to obtain their consent before we can do so.

We may have to make reference to the experience in Taiwan and look at the results of the analyses made by the medical and scientific sectors in Hong Kong before making a decision. For example, recently, a professor in a certain university, who originally had not intended to look for this kind of substance, found on testing for other substances that this kind of substance was present in human blood. We also have to look at the conclusion of his study first because this study has not yet been published in the scientific circle. We have to obtain more relevant information before deciding if this kind of checks has to be included as part of our policy.

PRESIDENT (in Cantonese): The urgent question ends here.

ORAL ANSWERS TO QUESTIONS

PRESIDENT (in Cantonese): First question.

Regulation of Sub-division of Flat Units

1. **MR WONG KWOK-KIN** (in Cantonese): *President, since the incident of the collapse of a building at Ma Tau Wai Road, building safety has remained an issue of great public concern. Some members of the public have recently*

relayed to me that quite a number of flat units in old tenement buildings in Wong Tai Sin and Kwun Tong districts have been converted and divided into separate units (commonly known as "sub-divided units") for sale or letting purpose, posing a serious threat to the safety and management of the buildings concerned. In this connection, will the Government inform this Council:

- (a) given that in reply to a question of a Member of this Council on 1 December last year, the authorities indicated that they did not have statistical breakdown of cases of works concerning sub-division of flat units, whether they now have such information; if not, of the reasons for that; whether they know the respective numbers of legal and illegally converted sub-divided units in each of the 18 districts; if not, whether the authorities can expeditiously conduct a general survey in this respect, so as to obtain a full picture of the actual situation about sub-divided units in the buildings in Hong Kong;*
- (b) of the number of complaints received by the Buildings Department (BD) in the past three years involving sub-division of flat units, and among them, the number of cases confirmed to be in contravention of the Buildings Ordinance after investigation; and in respect of the problems of the buildings caused by sub-division of flat units, whether the BD carries out regular inspections and takes follow-up actions at present to combat such problems; if it has, of the effectiveness of such efforts; if not, the reasons for that; and*
- (c) given that the authorities indicated at the meeting of the Subcommittee on Building Safety and Related Issues (the Subcommittee) under the Panel on Development of this Council on 27 July 2010 that they were conducting a comprehensive review of the building safety policy in Hong Kong and considering whether to further regulate sub-division of flat units, of the current progress of the review, and when the outcome of the review will be available and a clear account on the introduction of legislation to comprehensively regulate sub-divided units be given?*

SECRETARY FOR DEVELOPMENT (in Cantonese): President, as I have pointed out in my written reply on 1 December 2010, "sub-division of flat units",

which is commonly known as "sub-divided units", in general refers to the sub-division of a flat unit into two or more individual units. The relevant works commonly involve knocking down of the original non-structural partition walls, construction of new non-structural partition walls, installation of new toilets, alteration or addition of internal water pipes and drainage systems for the additional toilets, as well as raising of floor screeding to accommodate new/diverted pipes and drains, and so on. Sub-divided units have also recently emerged in commercial/residential composite buildings and multi-storey industrial buildings. The situation has aroused concern.

Currently, our statutory control on such kind of sub-division of flat units is not entirely clear. Under section 41(3) and 41(3A) of the Buildings Ordinance (BO), certain building works and drainage works that do not involve the structure of a building can be carried out in existing buildings without prior application to the Building Authority (BA) and obtaining the BA's approval. The construction of non-structural partition wall is an example of such kind of exempted works. However, the additional partition wall should still comply with the building standards stipulated in the building regulations, including not causing overloading to the building and not affecting the means of fire escape.

The Minor Works Control System (MWCS) which was fully implemented on 31 December 2010 has enhanced the control on sub-divided units. The new system has designated an item of works commonly found in sub-divided units, that is, internal drainage works within building units, as minor works. Although the MWCS provides owners with a set of simplified procedures under which there is no need to obtain the BA's prior approval, owners have to engage suitable professionals to carry out the relevant works according to the prescribed procedures and standards in order to ensure the safety as well as quality of the works. The professionals also need to submit information of the works to the BD.

For the sake of more comprehensive control on works of sub-divided units, amid the package of measures we announced in October 2010 to enhance building safety in Hong Kong, we proposed to further include in the MWCS various types of works involved in sub-divided units other than internal drainage works which has already been covered by the MWCS. Major items include erection or alteration of partition walls in buildings, addition or alteration of floor screeding in buildings, formation of openings to fire escape route, and so on.

The reply to Mr WONG's three-part question is as follows:

- (a) The BD currently does not have specific statistical breakdown of applications for works of sub-divided units and hence could not provide information on legally or illegally altered sub-divided units in different districts in Hong Kong. Indeed, the existing BO does not specifically categorize or regulate different types of works involved in sub-divided units. Nevertheless, as I have explained just now, with the full implementation of the MWCS on 31 December 2010, internal drainage works commonly found in sub-divided units have already been covered by the MWCS. Contractors who carry out such works have to submit relevant information of the works to the BD. Up to 25 May 2011, 251 cases related to internal drainage works have been submitted. However, I must point out that not all the cases of internal drainage works involve sub-divided units. Although the BD is currently arranging a stock-taking exercise for all the unauthorized building works at the exterior of private buildings in Hong Kong, it will be difficult to verify the situation of interior sub-divided units during the exercise. As a result, this operation will not enable us to provide comprehensive information on sub-divided units.

However, since 1 April 2011, the BD has launched a series of multi-pronged new measures to enhance building safety in Hong Kong through different means, including enforcement action specifically addressing the problem of sub-divided units. In addition to the proactive handling of public's reports and complaints on sub-divided units, the BD will launch a special operation to inspect 150 target buildings each year to tackle potential irregularities of building works associated with sub-divided units. It is estimated that over 1 300 sub-divided units will be inspected in the special operation each year. The BD will establish a database upon gathering of inspection cases with a view to drawing an overall picture of sub-divided units in different districts in Hong Kong. This will facilitate the BD to plan corresponding inspection and enforcement action.

- (b) From 1 January 2008 to 30 April 2011, a period of more than three years, the BD received about 4 400 complaints against sub-divided units. In the same period, the BD issued 73 removal orders on unauthorized sub-divided units pursuant to the BO. Amongst which, most of the cases involved breach of the safety requirements on means of fire escape, while a small portion of them involved problems like water seepage and structural loading of buildings.

As I have mentioned in part (a) of the reply, with the launch of a series of measures to enhance building safety in Hong Kong, the BD will launch a special operation on sub-divided units to inspect 150 target buildings each year and to tackle potential irregularities and safety problems of building works associated with sub-divided units.

- (c) The comprehensive review of building safety policy raised by the Administration in July 2010 had largely been completed and was announced in the Chief Executive's Policy Address in October 2010. The Development Bureau subsequently issued a Legislative Council brief and consulted Subcommittee under the Panel on Development on the related matters in January 2011. We obtained general support from the members attended. In May 2011, we also consulted the Subcommittee on the proposal of re-organization of the BD in order to implement the measures and obtained the support of the members attended. We will later submit the proposals on the establishment of directorate staff to the Establishment Subcommittee of the Finance Committee for consideration. Regarding the regulation of sub-divided units under review, as mentioned above, we propose to further include other works involved in sub-divided units in the MWCS. The BD is consulting the industry on the proposed technical specifications. We will amend the Building (Minor Works) Regulation (Cap. 123N) as soon as the details are finalized.

MR WONG KWOK-KIN (in Cantonese): *President, sub-divided units are actually another kind of unauthorized building works (UBW) problem. It was precisely because of the lax enforcement by the law-enforcement agencies and the*

constantly changing enforcement standards that the storm over UBW in Hong Kong has recently got increasingly worse.

I note from part (a) of the Government's main reply that the authorities cannot even draw a full picture of the actual situation about sub-division of flat units. With no idea of the number of sub-divided units and their condition, how can the authorities formulate their policy objectives? Part (b) of the main reply also reflects lax enforcement as only 73 removal orders have been issued despite 4 400 complaints about sub-divided units. Hence, may I ask the Government whether it will conduct a general survey on sub-division of flat units, so that the survey can be used for future reference by the Government in formulating its policy on regulating sub-division of flat units?

SECRETARY FOR DEVELOPMENT (in Cantonese): I will respond to the several points mentioned in Mr WONG's supplementary question in *seriatim*.

First of all, I disagree with Mr WONG's accusations of lax enforcement, varying standards and constant changes against our current efforts in tackling UBW. All these accusations do not hold water. The point is Members should be well aware of the number of UBW and the magnitude of their problems in Hong Kong. Therefore, for a long period in the past, we have persistently tried to identify a legitimate, reasonable, sensible and pragmatic method to tackle the enforcement against UBW. Of course, public safety is our first and foremost consideration in every exercise and policy formulated. However, we must tackle this issue according to priorities because of the exceedingly large number of UBW.

During the past decade since 2001, we have accorded high priority to tackling UBW that pose imminent danger, newly built or exceedingly large UBW, and those required to be demolished in large-scale operations. On 1 April this year, we expanded the enforcement policy having regard to public aspirations in view of the fact that more than 400 000 exceedingly large UBW that posed imminent danger had been demolished during our decade-long operation. Each of our exercises is governed by standards and rules. Moreover, public education will be carried out. Members who care to pay some attention will find that many buses are now painted with slogans against UBW. Many publicity leaflets have also been distributed.

In the second part of his supplementary question, Mr WONG asked: How can a policy be formulated in the absence of information? As I pointed out in the main reply, since there is no specific definition for sub-divided units, such units cannot be classified for the purpose of regulation, as different types of works are involved. We have included as a start drainage works for regulation. Later, we will amend the regulation to cover other related works to enable us to further grasp the relevant information.

However, it is indeed difficult to conduct a general survey. Hence, I pointed out in the main reply — I believe Mr WONG Kwok-hing will definitely raise the same question should he have the opportunity to do so — that we are currently carrying out a stock-taking exercise to ascertain the number of UBW in Hong Kong territory-wide. This major operation will cost \$27 million and take one year to complete. This exercise, however, can only be confined to UBW that can be observed from the exterior of buildings to facilitate the formulation of policy for implementation in future.

Very often, sub-division of flat units involves the interior of a building. Members can simply not imagine the difficulty encountered by the staff of the BD in entering a building to conduct a survey — when they arrive at a flat unit in the morning, they are not allowed entry by the occupiers; when they go there again in the afternoon, they will still not be allowed entry; the same thing happens to them when they go there again in the evening. It is precisely for this reason that I hope Members can agree to our legislative amendment later to enable the BD to apply to the Court for an entry warrant. Hence, regarding the general survey proposed by the Honourable Member, if the staff concerned cannot enter a building for internal observation, their efforts will be seriously hampered. Moreover, they cannot accomplish their tasks even though a lot of resources have been used.

Mr WONG has specifically cited some figures and asked why only 73 removal orders have been issued despite the receipt of more than 4 000 complaints. As I have explained in the main reply, not all sub-divided units are in breach of the law. In July last year, I gave Members a brief powerpoint presentation to show that some sub-divided units were partitioned in full compliance with the requirements such that there is no way we can detect any regularities. Neither were there any problems with overloading, water seepage or means of fire escape. Members also agreed at that time that, if there were no

problems, the Government should not strangle or clamp down on sub-divided units because they could satisfy the housing needs of certain people in Hong Kong, especially the lower class. The number of removal orders is so small because many sub-divided units are not necessarily in breach of the law. Even if some of them are regarded as UBW, according to different policies of enforcement at different stages, some UBW do not fall into the category of those requiring immediate clearance. Under such circumstances, as I stated in my main reply just now, 73 removal orders have been issued.

MR ABRAHAM SHEK (in Cantonese): *President, I am grateful to the Secretary for providing such a comprehensive reply concerning sub-divided units. For people living in sub-divided units, would they not want to live in bigger homes if they have the financial means to do so? Most of those living in sub-divided units are either on the Waiting List for public rental housing (PRH) or not eligible for PRH. These people do not have the means to purchase other flats. Furthermore, sub-divided units are not UBW, and many of them will not pose structural danger to the entire building.*

President, I am very puzzled why the Secretary should make use of this question to raise the issue of allowing the staff concerned to enter sub-divided units. This really feels like "Article 23". Despite no dangers being posed by these sub-divided units, the authorities still want to enter the premises, and this involves the issue of human rights. She cannot make use of this question

PRESIDENT (in Cantonese): Mr Abraham SHEK, please raise your supplementary question.

MR ABRAHAM SHEK (in Cantonese): *President, in this connection, I must point out that these are our rights. The Secretary cannot say that she likes to enter sub-divided units and thus make use of this opportunity*

PRESIDENT (in Cantonese): Mr Abraham SHEK, you have clearly presented your views.

MR ABRAHAM SHEK (in Cantonese): *Thank you, President. I will now raise my supplementary question. Sub-divided units are not UBW. Nor will they pose dangers to society. Should the Government wish to regulate sub-divided units, may I ask the Secretary whether the Government will build more public rental housing flats to rehouse the people affected by the removal operations?*

SECRETARY FOR DEVELOPMENT (in Cantonese): President, as I explained just now, during our discussion last year with the Panel on Housing of the Legislative Council, we pointed out that, due to several factors, we had to regulate sub-divided units. One of these factors was the housing need. During that discussion, a conclusion was also reached by Members that sub-divided units should not be strangled or cleared.

However, let me point out in broad terms that if the demolition process involves people with rehousing needs, for instance, some residents might require rehousing because of clearance of rooftop houses of some single buildings during the past decade, we will make special arrangements with the Housing Department and the Hong Kong Housing Society. As a government, we do not want to see some people lose their homes because of law enforcement. We will definitely tackle this situation.

MR IP KWOK-HIM (in Cantonese): *In part (b) of the main reply, the Secretary pointed out that most of the 73 removal orders issued involved means of fire escape and water seepage. However, many kaifongs are worried about structural problems because the entire floor slab has become thicker. Furthermore, some members of the public also find that some structural walls or columns have been moved. Now, the Secretary is saying that more than 400 of the 4 400-odd complaints are not problematic. This number is very large. So, how can the authorities allay the misgivings of the community?*

SECRETARY FOR DEVELOPMENT (in Cantonese): I have to clarify that the so-called 4 000-odd complaints received over the past three years do not imply that we have as of now investigated and handled 4 000-odd complaints. Therefore, we cannot simply compare these 4 000-odd complaints with the 73 removal orders. Anyhow, if we purely talk about removal orders, Members

should be able to see that the number of removal orders issued is very small. And I already explained the reasons just now.

Insofar as the 73 removal orders are concerned, four of them involve structural problems. However, as Mr IP should be aware, more than half of the cases, that is, 38 cases, involve fire safety problems. For instance, rear staircases which were originally used as means of fire escape are blocked for partitioning. Another 12 cases involve serious water seepage and hygiene problems.

As these partition walls usually involve the non-structural walls of a building, coupled with the fact that the professional staff of the BD have pointed out that the loading standards in the buildings in Hong Kong are actually very high, the original design loading standards might not be adversely affected even if a building were partitioned.

DR MARGARET NG (in Cantonese): *President, may I ask the Secretary whether the BD has already failed in enforcement? During the removal of UBW, vigorous efforts are made by the BD to attempt to force into premises to carry out investigation even though, as stated by Mr Abraham SHEK just now, there are no reasonable grounds to suspect the sub-divided units have any irregularities or dangers. But when members of the public apply to the BD for approval for investigation to be carried out, the BD today, an academic cited a live example in his article to illustrate that members of the public who wished to make applications were discouraged by the ambiguous approval criteria and cumbersome application procedures. In this respect, should the BD not make improvements before proposing vigorous efforts to enforce the law if UBW have been built?*

SECRETARY FOR DEVELOPMENT (in Cantonese): I have also noticed such comments. In fact, the MWCS fully implemented in December last year precisely responds to the points raised by many people in the past, including the professionals. They were of the view that if any works requiring prior applications to be made pursuant to the BO were to be carried out, the process would be extremely complicated and the vetting and approval standards were also

very high because of the requirement to employ Authorized Persons and the many formalities.

The introduction and implementation of the MWCS has aptly responded to the problems in this respect. Under a streamlined procedure currently adopted, qualified persons, not necessarily Authorized Persons, can be employed to carry out minor works according to their categories, namely Class I, Class II and Class III. Furthermore, many of these minor works can commence without the BD's prior approval. Hence, broadly speaking, the way of handling this problem has been put into practice by way of the bill scrutinized together with the Legislative Council. Nevertheless, I also agree that if the formalities still have room for improvement, we will definitely continue to pursue improvements because the manpower of the BD is indeed very tight.

President, please allow me to make a further response because both Dr NG and Mr Abraham SHEK mentioned the problem with warrants. I do not want members of the public to hold the wrong impression that we like to enter their homes to see what has happened therein even if there is no danger. The existing section 22 of the BO actually empowers BD staff to enter premises to facilitate law enforcement. If necessary, they may force into premises in the presence of police officers. However, as Members should know, this piece of legislation was enacted a long time ago. According to the current standards for privacy and human rights, it is probably difficult to invoke this kind of provision to force into premises. In fact, this kind of provision was seldom invoked in the past.

Hence, we have made reference to the practices of other government departments. For instance, the Food and Environmental Hygiene Department and the Water Supplies Department have once applied to the Court for warrants. Our concern for building safety will not be lower than that shown by other government departments in handling their tasks. We have merely proposed amending the relevant provisions of the BO to introduce practices that may be employed by other departments, whereby it is provided that only under some very clearly-defined circumstances can the BD apply to the Court for warrants to enter private premises for law enforcement purposes.

During our deliberation with the Bills Committee, we also heard concerns raised by members, just as those expressed by Mr Abraham SHEK and Dr NG. Hence, we have a further suggestion to specify the circumstances under which the

BD will apply to the Court for warrants and incorporated some safeguards and requirements. Under the revised proposal, certain provisions have to be satisfied before the Magistrate will issue a warrant to authorize the BA or any authorized officers to enter premises. As the relevant provisions have been tabled to the Bills Committee, I do not intend to read them out here.

However, I am also aware that some members of the Bills Committee might disagree with our proposal to complete this package of amendments through amending the legislation on inspection of buildings and windows because they have taken heed of the advice of the Assistant Legal Advisor of the Legislative Council. I will respect such views if they represent the views of Honourable Members, or even only some of them. I will table another amendment bill in the soonest possible time in order to give effect to this package of measures.

PRESIDENT (in Cantonese): We have spent more than 23 minutes on this question. Second question.

Compensation to Victims of Accidents Occurred in MTR Network

2. **MR WONG KWOK-HING** (in Cantonese): *President, a number of members of the public have approached me for assistance, indicating that they had sustained injuries in accidents in MTR stations, train compartments and controlled areas, and when they requested compensation from the MTR Corporation Limited (MTRCL), it had unreasonably delayed its response and rejected their requests; they also feel very helpless and dissatisfied because they are unlike victims of ordinary traffic accidents who are able to receive assistance under the Traffic Accident Victims Assistance Scheme (TAVAS) regardless of whether the accidents concerned were caused by their faults. I have also learnt that government departments have not assisted the injured persons in recovering the compensation in question. In this connection, will the Government inform this Council:*

- (a) *whether it knows the total number of accidents which occurred in the MTR network involving casualties among MTR passengers since the rail merger; the number of persons involved; whether the MTRCL*

and its appointed insurance providers have paid damages or made different kinds of compensation under various categories to such injured persons; if yes, the amount involved; if not, the reasons for that;

- (b) *whether it knows if the MTRCL has taken out adequate accident insurance to safeguard passengers' interests; if yes, of the details of the protection coverage for passengers and the sum insured, and among the compensation cases in part (a), the number of cases involving insurance compensation and the amount involved; if not, the reasons for that; and*
- (c) *whether the TAVAS of the Social Welfare Department covers any accident which occurred in the MTR network; if yes, of the details; if not, the reasons for that; whether the authorities will extend the coverage of the scheme, for example, by amending the Traffic Accident Victims (Assistance Fund) Ordinance (the Ordinance) to also cover passengers or members of the public injured in accidents which occurred in the MTR network, or whether the MTRCL will establish a similar fund to make up for the deficiencies of the TAVAS; if yes, of the details; if not, what measures the authorities have to protect passengers who were injured in railway incidents but have not received any damages or different kinds of compensation?*

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

(a) and (b)

The MTRCL attaches great importance to passengers' safety. The railway system meets stringent safety standards in its design and operation. Various facilities have been installed for the prevention of accidents. The major facilities and measures include:

- installing platform gap fillers to narrow the gap between the platform and the train doors;

- installing yellow tactile strips along platform edges to remind passengers not to stand beyond the yellow line;
- broadcasting door chimes before train doors close to remind passengers not to charge doors;
- making public announcements on platforms and in train compartments to remind passengers to mind the platform gap;
- installing illumination and flashing lights under the platforms where the platform gaps are relatively wide to remind passengers to mind the gap;
- arranging platform assistants to assist passengers in boarding and alighting from the trains during peak hours;
- displaying notices at escalators in the MTR network to remind passengers how to use the escalators safely;
- displaying notices in conspicuous positions at entrances/exits of concourses of stations (if the floor has become wet and slippery in rainy days) to remind passengers to mind the wet or slippery floor so as to prevent falls; and
- conducting passenger education activities from time to time to raise the safety awareness of the public.

Although the MTRCL has already taken the above measures, it is difficult to prevent the occurrences of accidents completely. The MTRCL indicates that it takes each and every accident very seriously and takes follow-up action accordingly.

Information on accidents involving injuries or fatalities of passengers in the past three years as provided by the MTRCL is set out in Annex 1.

To protect the interests of both the MTRCL and the passengers, the MTRCL has taken out the Third Party Liability Insurance covering the MTRCL's legal liability and compensation payable to any third parties arising from accidents or incidents related to the operation and business of the MTRCL. The amount of such indemnity for each and every occurrence is no less than HK\$100 million.

The MTRCL has established procedures for passengers to make claims for compensation. Passengers who wish to apply for compensation have to write to the MTRCL specifying the particulars of the accident (such as date, time and place of its occurrence), the circumstances of the case and the amount of the claim, supported by the relevant documents such as medical report, payment receipt, and so on. Hotline and front-line customer service staff of the MTRCL are also able to explain the relevant procedures to passengers.

After a passenger has submitted an application for compensation, the MTRCL will process the application in accordance with established procedures. After seeking the advice of its legal advisor with regard to the application, the MTRCL will decide whether to handle the application on its own or refer the application to its insurer for follow-up or investigation.

If the legal advisor of the MTRCL considers that the MTRCL should have liability to the third party and offer compensation in a case, and the amount of claim is below the deductibles (commonly known as "policy excess") under the insurance policy, the MTRCL will directly handle the application to facilitate a prompt provision of compensation to the claimant. If the legal advisor of the MTRCL considers that the MTRCL has no liability to the third party in a case, the MTRCL will also promptly notify the claimant.

Other than the above scenarios, the MTRCL will refer the application to its insurer and the appointed loss adjuster of its insurer for consideration having regard to the individual circumstances, including whether the accident or incident was attributed to any fault on the part of the MTRCL, and whether the MTRCL should be liable

and offer compensation to the third party in relation to the accident or incident. Upon the completion of the investigation, the loss adjuster will notify the applicant of the result as soon as possible.

The amount of compensation paid in relation to accidents that occurred within the MTR premises in the past three years and the number of accidents concerned are set out in Annex 2.

The MTRCL will continue to take the aforementioned measures to prevent the occurrence of accidents, and at the same time organize campaigns from time to time to raise the safety awareness of passengers. These activities are kept under review and planning every year.

- (c) The Traffic Accident Victims Assistance Scheme (TAVAS) was established under the Ordinance, Cap. 229 of the Laws of Hong Kong. The TAVAS aims to provide speedy financial assistance to road traffic accident victims or to their surviving dependents on a non-means-tested basis, regardless of the element of fault leading to the occurrence of the accident.

The Ordinance requires that the traffic accident must involve vehicle(s) (including trams and Light Rail vehicles) and occur on the road (including tramway tracks and railway of the Light Rail) or a private road. The accident must also cause death or injury to any person. Road or private road, as interpreted under the Ordinance, does not include railways other than the Light Rail.

Railways other than the Light Rail do not connect with roads and are not affected by other road-based transport. The public is also prohibited from trespassing onto the tracks of railways. Since the operation of and chance of accidents involving railways (excluding the Light Rail) are different from those of road-based transport in general, the Labour and Welfare Bureau has no plan to extend the TAVAS to cover railways other than the Light Rail.

Annex 1

Information on accidents involving injuries or fatalities of passengers
as provided by the MTRCL in the past three years

<i>Railway equipment involved in the accident</i>	2008			2009			2010		
	<i>Number of accidents</i>	<i>Number of injuries</i>	<i>Number of fatalities</i>	<i>Number of accidents</i>	<i>Number of injuries</i>	<i>Number of fatalities</i>	<i>Number of accidents</i>	<i>Number of injuries</i>	<i>Number of fatalities</i>
Escalator/ Travelator	706	778	0	721	788	0	725	785	0
Train Door	254	273	0	236	248	0	259	272	0
Platform Gap	143	143	0	133	133	0	159	159	0
Platform Screen Door/Automatic Platform Gate	38	38	0	46	48	0	44	46	0
Lift	8	8	0	9	9	0	12	12	0
Miscellaneous	87	109	2	69	84	3	92	115	1
Total	1236	1349	2	1214	1310	3	1291	1389	1

The above figures exclude cases of suicide/attempted suicide, accidents due to passengers' own sickness and trespassing. "Miscellaneous" refers to accidents including cases of passengers or members of the public tripping or falling as a result of losing balance and Light Rail accidents involving pedestrians or vehicles on the road.

Annex 2

Amount of compensation paid in relation to accidents that occurred within
the MTR premises and the number of accidents concerned

<i>Year</i>	<i>Amount of compensation (HK\$)</i>	<i>Number of accidents concerned</i>
2008	\$933,460	17
2009	\$238,567	12
2010	\$21,348	18

MR WONG KWOK-HING (in Cantonese): *President, the reply from the Secretary is exactly opposite to the facts. The reason why I placed this placard upside down was to convey this meaning. Actually, the meaning of the authorities is: "Sorry, too bad if you die but the compensation has nothing to do with us". According to the Annexes to the Secretary's main reply, the number of injuries and fatalities over the last three years averages some 1 300 persons. But in fact only about one tenth of these people have received damages under insurance of the railways. In such circumstances, may I ask the authorities what assistance is given to the people to claim damages? Have the authorities ever investigated into the matter or try to understand why 90% of the persons injured or killed cannot receive any compensation?*

I have got some actual cases on hand. There is this old lady surnamed WONG and she has been injured for 14 months. The third section of her spinal cord was fractured and she has difficulty in walking even now. After actions taken by a Member's office to claim damages, the MTRCL is still trying to evade responsibility. The Government has not taken any follow-up action either. There is also another old lady surnamed MA and she has been injured for eight months. I have cited these two cases for I hope to ask the Government through the President why 90% of the injured or dead passengers are not compensated. Have the authorities ever conducted any investigation to find out whether the MTRCL is deliberately refusing to make compensations and take follow-up action? How is the Government going to help those injured passengers?

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, we have specifically studied the figures of accidents involving injuries or fatalities with the Electrical and Mechanical Services Department and the Transport Department. The total number of people involved in accidents which occurred in the MTR network is some 1 200 to some 1 300 persons a year. The figures have remained quite steady over the past three years. More than half of these accidents involved escalators or travelators. After our objective analysis, it is found that 90% of the accidents involved human causes. It could be that the people of Hong Kong are always in a hurry and they do not hold the rails of the escalators as they move up and down. Having said that, as I have mentioned in the main reply, the MTRCL has adopted a series of measures to protect the safety of the public and enhance people's awareness in this respect.

As for compensation, I have explained in the main reply the established procedures for it. Of course, the MTRCL attaches importance to each and every case and it has taken out third party insurance. The MTRCL will look carefully into the causes of the accidents and examine if the corporation is liable. If it is the case, then it will have to bear the responsibility. The manner in which the case is then handled will depend on the amount of the claim in question. In some cases, the corporation will handle them on its own. In others, the insurance company will be called in to handle the cases. For cases handled by the insurer, the loss adjuster will be called in to oversee whether the claim is justified. In addition, many members of the public will pursue their claims through legal proceedings. About the cases mentioned by Mr WONG, if the nature of the accident is serious, these members of the public are entitled to taking their claims to Court. And there are cases being handled by way of legal proceedings.

Mr WONG is concerned if there are swift and instant ways of helping members of the public. Part (c) of the main reply mentions that the TAVAS provides speedy financial assistance to the public and it is by no means a kind of compensation. The assistance is given in the form of cash payment to victims of traffic accidents. Even if these victims have accepted such assistance, they can also lodge their claims with the insurance company through legal channels simultaneously. Of course, if at the end of the day, the victim is paid damages, he or she then has to return the assistance payment to the TAVAS. We have made enquiries with the Labour and Welfare Bureau and although the TAVAS does not cover the network of the MTR, it does cover the Light Rail and the trams. This is because these two means of transport are connected with the roads and they bear a close relationship with roads. But as the rails of a heavy railway are separate from the roads, there will not be any accident involving knock-down by other vehicles. But if necessary, there are other emergency assistance funds operated by both the Government and the private sector available for application.

So with respect to the cases mentioned by Mr WONG, we will ask the Social Welfare Department to follow up and see how best the related parties in these cases can be helped. But we have to be careful about this and we need to examine if the MTRCL has any legal liabilities in these cases because there are different causes to individual cases. For example, a case could involve acts done by the passenger concerned on the escalator, or the accident may have been

caused by the deficiency of measures put in place by the MTRCL. We think that the existing mechanism can take care of the problems. But should there be any special needs arising from individual cases, there are various channels through which members of the public can seek assistance. We are glad to follow up these two particular cases mentioned by Mr WONG just now.

MR LEUNG YIU-CHUNG (in Cantonese): *President, there is a great number of persons involved in incidents occurred in the MTR network. As Members have said, there are more than 1 000 accidents every year. Many of these accident occurred on escalators or travelators. The cause of these accidents is not necessarily due to carelessness of the persons involved. It is most likely that someone has dropped some article when using an escalator, making the escalator come to a sudden halt. And other people on the escalator may then trip over and fall. Hence, all the passengers may be injured as a result. Actually, I have received a number of such cases.*

But the MTRCL says that these incidents are none of its business and so no compensation is offered. It does even send a basket of fruits to the injured as a token of its sympathy. It does not inquire after the health of the injured persons either. It only says that the accidents are none of its business. Why does the MTRCL not assume any responsibility when passengers are injured or even died when using its facilities? The MTRCL always says something like this: "If you think there is anything wrong, then sue us. Our insurer and loss adjuster have looked into the cases and they say these are none of our business."

As we all know, not every person can afford the costs of a lawsuit. I think part (c) of the main question is well put in that it asks the Government to study amending the relevant legislation. Would the Secretary please not read that piece of legislation out to me later? The aim of amending the law is to enable passengers who are involved in casualties which occur in the MTR network to get assistance. The Secretary has said that there are other avenues through which passengers may be given assistance. But the fact is there is no such avenue available. Would the Secretary please tell me if there are really such avenues? If not, then I think the Government should consider amending the legislation to protect all the passengers.

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, I would like Members to take a look at the number of accidents in the Annexes to the main reply and make an analysis. I admit that a considerable number of accidents occurred on the escalators and travelators and these accidents account for more than half of the total. The MTRCL needs to install escalators and travelators because the stations have to handle the heavy passenger flow there in a speedy manner. According to our analysis, more than 90% of the accidents are caused by human factors related to the passengers or other members of the public.

Why do we have to issue some reminders specifically related to accidents involving escalators? This is because, as Mr LEUNG has said, these accidents are not necessarily caused by mechanical problems, but by other passengers instead. So passengers must hold the rails very firmly. If Mr LEUNG fell and were injured and the staff of the MTRCL did not send their regards, I would sternly remind the MTRCL of that. But as far as I know, if any passenger is injured, the public relations department of the MTRCL will send its regards to the passenger concerned. On activities promoting safety among the passengers, such as the campaign about safety on escalators, campaign about the safety of the train doors, and so on, I am sure Members may have seen promotional footages on the TV or other advertising media.

As to the question of legislative amendment, I understand why there is a call for it, but we have to know that the risk coefficient is different from the risk coefficient found in the Ordinance. The income of the TAVAS comes from levy collected from vehicles and holders of driving licences. This is the main source of income for the TAVAS under the Ordinance. Why were the Light Rail and trams incorporated into the scope of the Ordinance at that time? As I have explained, the Light Rail trains and trams run on the roads also and there is a possibility that they may come into contact with or hit other vehicles running on the roads. As the risk coefficient is different, and as the Labour and Welfare Bureau has informed us, there may not be a need to amend the law at this stage. This is because it is not a mechanism for compensation but contingency and it aims at offering speedy financial assistance. Therefore, even if an application cannot be made to the TAVAS which is geared for road accidents, assistance can also be provided by other kinds of assistance funds.

We have made enquiries with the Labour and Welfare Bureau on this matter and learnt that social workers may be called in to take follow-up actions and refer the victims to other suitable channels so that they can receive financial assistance to meet their urgent needs. It does not mean that once they have obtained such contingency assistance, they cannot make any claims or are deprived of the other kinds of protection in law. They can take a parallel course of action. So we can say that there are avenues to cater for cases of special and immediate needs.

MR TAM YIU-CHUNG (in Cantonese): *President*

PRESIDENT (in Cantonese): Mr LEUNG, is your supplementary not answered?

MR LEUNG YIU-CHUNG (in Cantonese): *No, the Secretary has not replied as to what funds are available and she should not have just said that the victims can try to find a social worker for assistance. She has not talked about what other funds are available. I wish to know what these funds are. In fact, as far as I know, there is no such fund available which can offer help to the victims. I hope she can tell me clearly what these funds are. Also, I wish to thank the Secretary for her care and concern, but I wish to point out that it is not me but other members of the public who are injured. Even if members of the public are injured, the MTRCL will not pay them a visit and send them its regards. I think as a public body, it is something that it must not do*

PRESIDENT (in Cantonese): Your point is clear enough. Secretary, can you tell the Member what other funds are available for his reference?

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, I have made enquiries with the Labour and Welfare Bureau and learnt that some funds are available to provide such assistance. I will relay this question to the Bureau and I hope the Bureau can furnish some information in writing. (Appendix II)

MR TAM YIU-CHUNG (in Cantonese): *President, the Secretary has just said that many cases are related to accidents which occurred in escalators. But the complaints I have received related to the gap between the platform and trains. There is this lady who is rather fat and she was injured. She fell to the ground as she tripped over while walking along the platform. She was injured and had to receive long-term treatment before she recovered. She lodged a complaint later with the MTRCL and demanded compensation. She was refused. Then she came to me. I have helped her on a number of occasions and I even called on the CEO of the MTRCL.*

But the MTRCL said that no damages or compensation would be offered in that case. The lady thought that if she had to take the matter to the Court, she might not be qualified for legal aid. But it was financially not worthwhile if she had to pay from her own pockets. We had pursued the matter for a long time and finally the MTRCL said that it was willing to offer a small amount of money as compensation and it would see if the applicant would take the offer.

From Annex 2 of the main reply, it can be seen that this is actually what happens in reality. The amount of compensation paid out in 2010 is \$21,348 and there are 18 cases involved. In other words, only some \$1,000 is paid out in each case and the corporation thinks that will settle the matter. Is this fair to the passengers? Is such a way to handle the matter reasonable at all? Should the Secretary not discuss this with the Board of Directors of the corporation?

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): *President, as the MTRCL has to handle such a large number of passengers every day, that is why we have a number of special measures in place for the platform gap. I have also mentioned in the main reply that reminders are issued in the platform area to tell members of the public to be careful.*

As for Annex 2, I have checked the number of cases for 2010 in particular — the number is about cases in which compensation was accepted — I asked the MTRCL about what these figures were about and I was told that many of the cases were actually minor accidents and when medical certificates were produced by the victims, the MTRCL would bear the medical costs. So the amount of compensation may not necessarily reflect all the accidents occurred in that particular year, because there were some other cases handled by the insurance company.

I am sure Members will know that the loss adjuster also has some procedures to follow and I would think that the most important thing is that each case should be looked into seriously. But on the other hand, we should know that the MTRCL has to examine and decide whether it really has to bear the liabilities for the accidents. Presently, there are many avenues in law to handle such claims. And a claim involving a small amount of money may not necessarily have to be made by recourse to legal aid. Of course, claims of a larger amount of money should be handled in a Court of law.

I have said in the main reply that we hope that be it in the form of a fund or other avenues, the people involved in such accidents can be given speedy financial support to meet their contingencies. I would also hope that the MTRCL can handle these cases speedily. As far as I know, if a case is handled by the MTRCL on its own, it will be processed as soon as possible. If the case has to be referred to the insurer or the loss adjuster, these cases will also be processed as soon as possible.

MR WONG SING-CHI (in Cantonese): *President*

MR TAM YIU-CHUNG (in Cantonese): *President* *President*

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

MR TAM YIU-CHUNG (in Cantonese): *There is another point. I asked the Secretary just now whether or not she would bring these problems to the Board of Directors of the MTRCL for discussion, but she has not answered this point.*

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, I will relay the views raised by Members today to the MTRCL.

MR WONG SING-CHI (in Cantonese): *President, the Secretary has mentioned many measures in parts (a) and (b) of the main reply. But after the introduction of these measures, the number of accidents as listed in Annex 1 still keeps on increasing. Obviously, these measures cannot really prevent the occurrence of accidents or mitigate their seriousness.*

All along we have been urging the MTRCL to install platform screen doors, but action has not been taken even to date. It is also said that platform screen doors will be installed 10 years later. But on the other hand, the MTRCL is always increasing the fares and it does not pay out any compensation or damages when accidents occurred and people were injured.

The reply given by the Secretary earlier was very detailed. Now I would just like to ask the Secretary a simple question. She can just give a brief answer and that will be fine. When the MTRCL does not address these problems and it does not help the people or appreciate their difficulties, would the Secretary think that the MTRCL is very unscrupulous? May I ask the Secretary if she thinks that the MTRCL is very unscrupulous?

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, we have given a detailed explanation in the Subcommittee on Railway Matters on the issue of platform screen doors and Members are actively following up the developments of the matter. As a matter of fact, the works related to the platform screen doors of the former MTR lines have been expedited and they are expected to finish earlier than scheduled. The platform screen doors that we are talking about now are those for the East Rail.

We have gained an understanding of the situation regarding the East Rail. We found in the tests carried out that there is some problem with the stability and the crux of the problem lies in the signalling system. The present signalling system is old and if it is not replaced, the system may not be able to handle such sophisticated operations, that is, the synchronization of the trains and the platform screen doors and their opening at the same openings, and so on. This will affect the frequency of the trains. We think that this problem should be solved as quickly as possible. But this has to be carried out together with works to replace the system. I think we have explained to Members these technical problems.

The MTRCL attaches great importance to upgrading the entire system and its safety coefficient. As Members have said, the accident figures for 2008 have remained steady. I have also explained that that is because most accidents involved the escalators and travelators. And more publicity efforts will be made in this respect and concrete measures will be adopted.

MR WONG SING-CHI (in Cantonese): *President, I asked about the view of the Secretary as to whether she thinks that the MTRCL is unscrupulous or not. And she has not replied whether it is unscrupulous or otherwise.*

PRESIDENT (in Cantonese): Mr WONG, the Secretary has given a reply.

We have spent more than 25 minutes on this question. Third Question.

Measures to Encourage Kidney Donations

3. **MR CHAN KIN-POR** (in Cantonese): *President, most patients suffering from end-stage nephrosis need long-term dialysis treatment, but not only does dialysis fail to cure the disease, it also seriously downgrades the patients' quality of life. As such, kidney transplant is the only chance for them to gain a new life; yet, the number of patients waiting for kidney transplant in Hong Kong last year was much higher than the number of donations and the ratio of such two numbers was 20 to one, which was much higher than the corresponding ratios for lung (six to one), cornea (two to one), liver (one to one) and heart (0.6 to one). In this connection, will the Government inform this Council:*

- (a) *given that a telephone interview conducted by the Department of Health (DH) in 2007 revealed that about 70% of the respondents were willing to donate their organs after death, yet as at the end of last year, only about 70 000 members of the public had registered under the Centralised Organ Donation Register (CODR), representing only 1% of the total population, which was much lower than the outcome of the telephone interview, whether the authorities have reviewed the reasons for such significant discrepancy; besides, according to the data of the International Registry of Organ*

Donation and Transplantation, Spain's deceased donor rate of 34 donors per million population (pmp) in 2009 was the highest in the world, and the rate in the European Union was 17 donors pmp on average, while that in Hong Kong was only about five donors pmp, whether the authorities have analysed the causes of the much lower number of deceased donor organ donations in Hong Kong as compared to other places, so as to propose means to rectify the problem at source by adopting measures conforming to the traditional culture of the Chinese;

- (b) given that the number of living donor kidney transplants in Hong Kong accounted for less than 10% of all kidney transplants last year, which was much lower than the rate of 40% in the United Kingdom and the United States, whether the authorities have studied the problem of the rate of living donor kidney transplants in Hong Kong being much lower than that of the European and American countries, and make reference to the examples of other countries to educate the public that they need not wait until the end of life before making organ donations; and*
- (c) given that "paired donation" (that is, matching one pair of donor and patient to another pair of donor and patient) has become increasingly popular in many countries in recent years, leading to a significant increase in the number of living donor organ donations; and according to the statistics of the United States Department of Health and Human Services, the number of living donor kidney transplants through paired donation had surged from four cases in 2001 to more than 400 last year; but during the same period, the number of living donor kidney transplants in Hong Kong had dropped from 14 to seven cases, whether the authorities will consider exploring through enacting legislation and from various perspectives if "paired donation" may help the over a thousand of patients waiting for kidney transplant in Hong Kong?*

SECRETARY FOR FOOD AND HEALTH (in Cantonese): President, for patients suffering from end-stage organ failure, organ transplant is often their only hope for gaining a new life. Currently, there are about 400 organ donation

cases per year in Hong Kong, of which about 90% are cadaveric donations. Organ transplants in Hong Kong, from both cadaveric or living donations, are subject to regulation under the Human Organ Transplant Ordinance (HOTO), the main purpose of which is to ensure that no commercial dealing is involved in organs for transplant.

Organ donation and transplant — and eventually whether they can save patients — depend on a number of factors. The Hospital Authority (HA) already has mechanisms to handle and co-ordinate the clinical aspects involved in the process. Yet, one of the most important factors beyond our control is the attitude of the general public towards organ donation. In this regard, the Government's policy is to gradually inculcate a culture of organ donation in our society. Over the years, the DH has joined hands with the HA and various sectors in the community to promote organ donation through different ways, including rallying support of community leaders from various sectors for organ donation, so that more people become receptive and willing to donate organs.

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

- (a) Hong Kong has seen a general trend of increase in organ donation rate, rising from about four for every million of our population in 2005 to about seven in 2010, which is higher than that of many advanced economies in Asia, such as Singapore (4.6) and Japan (0.8), though lower than some Western countries. Organ donation rate is affected by a number of factors, including demographic structure and death rate, attitude of individuals and their family members, and clinical factors, and so on. Given the differences in background and circumstances, it is inappropriate to make general comparison of the organ donation rate of Hong Kong with other regions.

At present, members of the public may register their wish to donate organs after death through the CODR managed by the DH. Currently, more than 78 000 registrations were recorded at the CODR. Apart from registering at the CODR, the public may also carry signed organ donation cards or express their wish to healthcare workers if they wish to donate organs after death. Even in the event that a deceased person did not indicate his/her wish on organ

donation by registration through the CODR or carrying signed organ donation cards, the organs of the deceased can still be donated to save lives with the consent of his/her family members. According to data from the HA in 2010, among those assessed to be suitable for organ donation, the rate of the family members giving consent for solid organ donation was about 50%. This has remained steady over the years. We hope that, through promotion and education, the message of saving lives with organ donation can be more widely disseminated to the public, so that more people, especially family members of the deceased, will be receptive and willing to contribute to the cause of organ donation.

- (b) For kidney donation, the number of living donations has remained steady in general from 2006 to 2010, with an average of 10 cases per year. The number of cadaveric donations has been increasing in overall, rising from 53 cases a year to 74 a year. The proportion of living donations among all kidney donations has thus reduced because of the increase in the number of cadaveric donations. In contrast, in the case of liver transplant, living donations account for a greater portion of the overall number of liver donations at a proportion of about 60%.

There are more considerations to be taken into account for living donations over cadaveric donations, such as the medical risk of and rehabilitation support for both donors and recipients. Healthcare professionals in public hospitals will consider and examine all clinical factors involved. Generally speaking, living donations are more common between those who are genetically related or parties to a marriage. There were also cases with no direct family relationships, which are permissible under the HOTO so long as there are no commercial interests and dealings.

When promoting organ donation as a commendable life-saving act, we do not differentiate between cadaveric and living donations. Nonetheless, for practical reasons and as borne out by statistics, cadaveric donations will continue to be the main source of organ donations.

- (c) In view of the limited number of cases in Hong Kong suitable for living kidney donation and transplant, the chance of making a paired donation is also limited. There were cases in the past assessed to be suitable for paired liver donation and transplant and in compliance with the requirements of HOTO, and such donations and transplants were arranged and executed in public hospitals with the approval of the Human Organ Transplant Board (HOTB). Such transplant is allowed under the existing law so long as no commercial dealing is involved. Whether there will be cases of paired donation and transplant depends on the considerations and judgment of the attending physicians having regard to relevant clinical factors, as well as whether approval from the HOTB has been obtained.

MR CHAN KIN-POR (in Cantonese): *President, traditionally most of the kidney donations are carried out between spouses and blood relatives. But very often, the opportunity for a patient to receive organ transplant is wasted because the blood types and immune system of the donor and patient are not compatible with each other.*

May I ask whether the authorities will look into the practices of the Netherlands and South Korea and introduce a territory-wide paired donation programme, including the establishment of a centralized database for persons intent on participating in paired donation to register?

SECRETARY FOR FOOD AND HEALTH (in Cantonese): President, we have not been given any expert advice in this regard. Generally speaking, although there are a large number of patients waiting for kidney transplant, dialysis services are always available to sustain their lives. So, in this respect, we will be very careful in determining whether it is necessary to adopt a relatively innovative mechanism to help patients to accept living donations.

Regarding living kidney donations, blood type matching and tissue matching are more complicated than that for other organs. So, blood type compatibility is just one of the factors. It will also depend on the matching of other specific tissues, or the so-called tissue typing. Therefore, the work involved is quite complicated and it can be said that quite a lot of resources or

manpower will be involved. If our effort to encourage more patients to be receptive to kidney transplant eventually fails, we have to consider whether it is worthwhile to do so. The way of handling kidney ailments in Hong Kong has been improving. Apart from improvement in haemodialysis services, the number of cadaveric kidney donations has also been increasing.

MS LI FUNG-YING (in Cantonese): *President, I have recently received a case concerning living donor kidney transplant and was told by the patient concerned that even though his relative was prepared to donate a kidney, it was necessary to conduct an assessment, which might take a year and a half, before a decision as to whether the organ was suitable for transplant could be made. Undoubtedly, it is a long wait for the patient, as well as a heavy burden for the patient, mentally, physically and financially.*

Therefore, I would like to ask the Secretary this question. As medical technology advances, will the authorities review the relevant assessment procedures so that patients will no longer have to bear such a heavy burden and therefore feel relieved both mentally and physically?

SECRETARY FOR FOOD AND HEALTH (in Cantonese): As end-stage nephrosis is a kind of chronic disease, doctors usually have to spend quite some time before reaching a decision as to whether the patients concerned are suitable for kidney transplant. If kidney transplant is deemed necessary, the cases of patients concerned will be included in the waiting mechanism and they will be advised on who are suitable to be living donators. Doctors usually have to spend a lot of time to explain the patients' condition to their families or next of kin. If someone is willing to be a living donor, the doctor will carry out tissue matching expeditiously. An application will then be lodged to the HOTB if it is considered suitable. So, as far as the whole procedure is concerned, the patient should not have to wait for more than a year for the completion of each step. Why is the waiting time in some cases so long? We have to find out whether it is due to other factors for I believe some patients may sometimes have to consider, among other things, whether living donator transplant, with their relatives as the donors, should be accepted. These are some of the factors. We can expedite the process of laboratory tests or matching, but very often the final

decision does not lie in the laboratory report, and different considerations may be made by both the donors and the recipients.

Therefore, I think it is necessary to conduct more studies in the hope that more patients will be able to receive donation and transplant of organs in a timely manner.

MISS TANYA CHAN (in Cantonese): *President, in part (a) of the main reply, the Secretary mentioned that there were 78 000 registrations at the CODR. He also mentioned the organ donation cards. I remember that when I was young or upon reaching the age of donating blood, donors at blood donation stations were also required to fill out the organ donation cards at the same time. The number of registrations at the CODR accounts for only 1% of the population in Hong Kong, which seems to be less than desirable. May I ask the Government whether the Administration has examined the annual increase in the number of registrations and whether it has launched extensive publicity so as to encourage more people to, at least, fill out the organ donation cards or register at the CODR?*

SECRETARY FOR FOOD AND HEALTH (in Cantonese): President, we joined hands three years ago with the Hong Kong Medical Association (HKMA) to compile the CODR. That means the DH took over the work that had been done by the HKMA all along. As a result, the number of registrations has increased to over 70 000 from the previous number of more than 40 000. Of course, we think that the figures should grow steadily and we will continue to carry out more publicity. The DH will, for instance, distribute leaflets. I have in my hand a donation card of the latest version. I am not sure if Miss CHAN also has the same new kind of donation card. If Miss CHAN has the old one, she may consider getting a new one which is made of plastic for easier storage and better durability.

I believe many Hong Kong people are willing to donate their organs. But what if they have not indicated their willingness? Family members' guess of the wish of the deceased has, therefore, become a very important decision to make. I particularly urge all Hong Kong families to talk about this issue. If you have mentioned your wish to donate organs upon death, it would be much easier for

your family members to make up their mind even though you do not have any donation card. I have just said that even if a person is unfortunately certified as brain dead, his family members may still not be able to decide on the donation because they do not know whether he was in favour of donating organs. I think it is a fifty-fifty case that we may lose the chance of getting the organs for transplant.

Generally speaking, we all have to respect the wishes of the family members of the deceased no matter whether the deceased has a donation card or has ever registered. We can explain to the family members that the deceased has a donation card, or that the deceased has registered for organ donation. It will help them make up their mind while removing their psychological burden. I think this is very important.

I would also like to take this opportunity to urge Members to help promote organ transplant. On the occasion of this question being asked, we would like to distribute again some leaflets to Members for their retention, hoping that they will help us promote the concept within their families as well as offices.

MISS TANYA CHAN (in Cantonese): *President, I would like to ask a follow-up question. Rather, I should say that the Secretary has not fully answered my question. Apart from making publicity in the Legislative Council, has the Secretary considered some special promotion channels? Back in those days, I made the registration in a blood donation station, which was also been explained by the Secretary just now. But there is no specific*

PRESIDENT (in Cantonese): Please put your follow-up in a succinct manner.

MISS TANYA CHAN (in Cantonese): *He has not mentioned any specific channels of publicity.*

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

SECRETARY FOR FOOD AND HEALTH (in Cantonese): President, regarding specific channels, we will seize all possible opportunities to carry out publicity on this. For instance, a memorial landmark on organ donation will be erected in Kowloon Park this year as a symbol of giving recognition to organ donors. Some long-term activities will be held there to promote organ donation. The DH will also organize relevant talks in schools and other venues, apart from making appeals to the public through electronic media or the radio on a regular basis.

MR LEUNG YIU-CHUNG (in Cantonese): *President, just now the Secretary said that he believed many Hong Kong people were willing to donate their organs. However, the way of encouraging people to donate organs proposed by the Government is just some publicity. However, as Miss Tanya CHAN has said, even though you wish to register as an organ donor, you do not know where you can do so. In view of this, can the Secretary consider providing an alternative way of registration for prospective organ donors similar to the voter registration campaign, so that territory-wide publicity on the streets to facilitate registration will be held every year and people who have signed to express their willingness will be issued donation cards right on the spot? I believe only in doing so can the promotional effort be effective because the number of registrations will remain not satisfactory despite the growth if we still rely on the past practice. Can such promotional effort be made extensively?*

SECRETARY FOR FOOD AND HEALTH (in Cantonese): President, we will consider various ways to enhance publicity. As to the question of whether we can make use of different occasions such as registration of voters or other information (application for identity cards, for instance) for publicity purpose, I think it is feasible. However, people's freedom to decide in respect of organ donation should be respected and I think this is very important as Hong Kong is a place of great freedom. While we can carry out publicity by all means, the decision still rests the people themselves.

As I mentioned earlier, issues such as death will not be extensively discussed among family members. We should be more open-minded and encourage more discussion on the issue in families, particularly when an opportunity arises when organ donation is reported in the news. Take a recent

case concerning the kindhearted donor who works in the Customs and Excise Department as an example. His willingness to donate his liver to a colleague who is not blood-related to him makes more Hong Kong people understand the significance of organ donation and the important message of giving people a new lease of life. We will also make use of different channels to continue to disseminate this correct message.

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

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

MR LEUNG YIU-CHUNG (in Cantonese): *No, the Secretary has not. I asked him directly whether he could*

PRESIDENT (in Cantonese): Please put your follow-up in a succinct manner.

MR LEUNG YIU-CHUNG (in Cantonese): *..... adopt a practice similar to the voter registration exercise conducted in the whole territory every year. I am not sure whether the Secretary has misunderstood my*

PRESIDENT (in Cantonese): You have asked your follow-up question clearly.

MR LEUNG YIU-CHUNG (in Cantonese): *Such registration is also on a voluntary basis instead of compulsory. People who come to register must be doing so on a voluntary basis, right? It is also a way of indicating their willingness*

PRESIDENT (in Cantonese): Please let the Secretary answer the question.

SECRETARY FOR FOOD AND HEALTH (in Cantonese): President, I have already said that we would give it consideration.

PRESIDENT (in Cantonese): We have spent almost 22 minutes on this question. Fourth question.

Regulation of Charitable Institutions

4. **MR CHEUNG KWOK-CHE** (in Cantonese): *President, it has been reported that the number of tax-exempt charities and fund-raising activities on the streets has continued to increase in recent years, the practices of quite a number of charities in soliciting donations are controversial and they even manage their finances in a black box. It has also been reported that it is rather easy for institutions to apply for tax exemption or raising funds on the streets, for example, at present, any institution of a charitable nature can apply to the Inland Revenue Department (IRD) for tax exemption so long as it meets the requirements under section 88 of the Inland Revenue Ordinance; and institutions intending to organize fund-raising activities on the streets are only required to apply for the relevant permits or licences from the government departments concerned. In this connection, will the Government inform this Council:*

- (a) *given that at present, when vetting tax exemption applications from charitable institutions or trust bodies, the IRD ascertains whether they are of charitable nature on the basis of documentary proof submitted by them, whether it has reviewed the effectiveness of the aforesaid mechanism; whether it had refused to approve such applications in the past three years; if it had, of the details; whether the government departments responsible for approving applications for fund-raising activities on the streets will monitor or inspect the conduct of such fund-raising activities after granting approval to the applications; if they will, of the details; if not, the reasons for that; whether various government departments will co-ordinate or exchange information of the applicants so as to prevent institutions which violated the relevant regulations from submitting applications again;*

- (b) *whether there is legislation in place at present to regulate on-line fund-raising activities; if there is, of the details; if not, the reasons for that, and whether it will study introducing legislation to regulate such activities in the future; and*
- (c) *given that the Law Reform Commission of Hong Kong (LRC) has finalized the consultation document concerning the legal and regulatory framework for charitable organizations in Hong Kong, when the Government will publish the document and implement the recommendations therein; of the short-term measures put in place by the Government at the present stage to step up regulation of such organizations and fund-raising activities on the streets?*

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): President, my reply to the three parts of the question is set out below, which has incorporated replies from the Social Welfare Department (SWD), the Television and Entertainment Licensing Authority (TELA) and the Food and Environmental Hygiene Department (FEHD).

Currently, there is no statutory definition of what constitutes a charity or a charitable purpose, nor is there a single piece of legislation which governs charities in Hong Kong and the use of donations. A charity can be established in different forms, including a trust body, a society established under the Societies Ordinance, a corporate registered under the Companies Ordinance, an organization established under a statute, and so on.

According to section 88 of the Inland Revenue Ordinance, charitable institutions or trusts of a public character are exempted from tax. If such organizations wish to enjoy tax exemption according to the relevant provision, they have to submit applications to the Commissioner of Inland Revenue together with copies of relevant certificates of registration, the instruments and rules governing their activities (such as the Memorandum and Articles of Association, the Trust Deed, or the Constitution) and the lists of activities carried out in the past year and/or to be carried out in the coming year, so as to demonstrate that the applicants' objects are charitable and their activities are compatible with their objects.

In processing tax exemption applications of charitable institutions, the IRD has all along made reference to the case law in the common law. In brief, tax-exempt charitable institutions must be of a public character and established solely for charitable purposes recognized by the law. According to case law, "charitable purposes" include (a) relief of poverty; (b) advancement of education; (c) advancement of religion; and (d) other purposes of charitable nature that are beneficial to the community. The IRD has all along adopted the above criteria in processing tax exemption applications of charitable institutions and finds them effective. If the objects stated in the governing instruments of the relevant organizations are not purely charitable in accordance with the above-mentioned charitable purposes, or the planned activities of the organizations are not compatible with their objects, the relevant applications for tax exemption will be returned to the applicants. Some of the applicants may re-submit their applications after making appropriate amendments. The IRD does not have statistics on the number of rejected applications for tax exemption from charitable bodies.

As regards the regulation of on-street fund-raising activities, it straddles several government departments, including the TELA, the FEHD and the SWD. These departments implement monitoring measures on the fund-raising activities under their respective purview to avoid and combat fraudulent fund-raising activities.

Under the Gambling Ordinance (Cap. 148), an organization must submit prior application to the TELA for a lottery licence and obtain permission from the TELA for the sale of lottery tickets on public streets. In considering such applications, the TELA would make reference to the applicants' previous records of activities or charity work as well as their financial statements. The TELA may consider declining applications made by organizations which have previously breached the licence conditions. The TELA also requires the licence holder to prominently display the name of the organization during the sale of lottery tickets on public streets and the person-in-charge at each sale location is required to keep a copy of the licence and the letter of permission by the Commissioner for Television and Entertainment Licensing for inspection by the public as necessary. The public may also check on the website of the TELA the list of organizations issued with lottery licences and the places and dates of approved lottery activities.

For the sale of goods in public places for raising funds, charitable bodies have to obtain temporary hawkker licences (THLs) from the Director of Food and Environmental Hygiene under the Public Health and Municipal Services Ordinance (Cap. 132). The FEHD would not consider any applications for commercial or profit-making purposes. Upon receipt of applications, the FEHD would consult relevant departments. THLs would only be granted if the relevant departments do not raise any objection. The FEHD's main responsibility for THLs is to monitor the relevant hawking activities and environmental hygiene issues. The district Hawker Control Teams of the FEHD conduct sector patrols on the streets every day and inspect fund-raising hawking stalls with THLs to ensure that the licensees conduct the relevant activities in accordance with the Hawker Regulation (Cap. 132AI) and the licensing conditions. If issues under the purview of other government departments are identified, the Hawker Control Teams will refer the cases to the relevant departments for follow-up action. The FEHD would continue to communicate with the relevant departments in the processing of applications for THLs by charitable organizations under the current licensing mechanism.

Besides, organizations have to apply for Public Subscription Permits (PSPs) from the Director of Social Welfare under the Summary Offences Ordinance (Cap. 228) for any collection of money or sale or exchange for donation of badges, tokens or similar articles for charitable purposes in public places. Fund-raising organizations are required to submit an audited report of their activities to the SWD within 90 days upon completion of the activities. The audited report should state, among others, the purpose as well as the income and expenditure of the fund-raising activities, and so on. If any organization is found to have seriously breached the PSP conditions or been involved in illegal acts in the past, the SWD will not approve the PSP application of that organization. Moreover, the SWD will inform the relevant departments, including the police, the Lands Department and the FEHD, regarding the rejected applications.

The Lotteries Fund Advisory Committee completed a review on the monitoring of public charitable fund-raising activities under the purview of the SWD in May this year and recommended the implementation of a series of administrative measures. The measures aim to address nuisance possibly caused by public fund-raising activities and increase the transparency of these activities. They include requiring organizations to publicize the audited report of their

fund-raising activities within 90 days upon completion of the activities through their websites, annual reports, newsletters or special circulars to members and to retain relevant documents for public inspection. Moreover, the boundary of moving-around solicitation on public streets will be restricted to 10 metres measured from the rim of the stationed counter set up with the donation box while the maximum number of fund-raisers at each approved location/boundary on public streets will be eight. Each staff member or fund-raiser is also required to wear an identification tag printed with the name, logo (if applicable) and telephone number of the organization, and so on. Having consulted relevant non-governmental organizations and government departments, the SWD will implement the new administrative measures in August this year to strengthen its monitoring work.

Hong Kong is a caring society and the community is supportive of charitable causes. The Administration strives to provide a friendly environment with administrative procedures kept to a minimum to facilitate charitable organizations in mobilizing community resources for their fund-raising activities. At the same time, the Administration needs to ensure that such activities do not cause nuisance or inconvenience to the public, and that the interests of the donors are safeguarded. We also combat fraudulent fund-raising activities vigorously.

The Charities Sub-committee of the LRC is expected to issue its consultation paper on Charities in mid-June 2011 for three-month public consultation on the legal and regulatory framework relating to charities in Hong Kong. After the consultation, the LRC will consider public views received and prepare a final report. The Administration will keep in view the progress of the review and its recommendations.

MR CHEUNG KWOK-CHE (in Cantonese): *It is indeed a bit too slow and unresponsive to propose only now the making of legislation on charities. As the Secretary said earlier on, there is no single law to govern charities. While the Secretary has spent quite some time on his reply, he appeared to have forgotten to answer part (b) of the question which is about on-line fund-raising activities. It seems that the main reply has not mentioned whether the authorities have imposed regulation on on-line fund-raising activities. Can the authorities tell this Council the difficulties, if any, faced by them in regulating these activities?*

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): Thanks to Mr CHEUNG for the supplementary question. There is at present no specific legislation regulating on-line fund-raising activities. Complaints or reports about suspected fraudulent on-line fund-raising activities received by us will be referred to the police for follow-up and investigation.

MR PAUL CHAN (in Cantonese): *President, I have this supplementary question. How many complaints involving the corporate governance, financial transparency and fund-raising activities of charities have been received, and what follow-up actions have been taken? Has prosecution been instituted against any person; if so, what penalty has been imposed?*

PRESIDENT (in Cantonese): Which Secretary will give a reply? Secretary for Financial Services and the Treasury, please.

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): Regarding the complaints in relation to taxation, I do not have the information in this respect, or information on complaints about breach of the Inland Revenue Ordinance (IRO). But we do certainly carry out follow-up work on a regular basis to ascertain whether the activities organized by charities are consistent with their declared objects.

MR PAUL CHAN (in Cantonese): *President, my supplementary question is not about complaints involving tax exemption applications made to the IRD.*

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

MR PAUL CHAN (in Cantonese): *The main reply has actually mentioned many aspects, and I would like to ask*

PRESIDENT (in Cantonese): You only have to repeat your supplementary question.

MR PAUL CHAN (in Cantonese): *My supplementary question is like this: With regard to the various types of fund-raising activities organized by charities as mentioned in the main reply, do the authorities have statistics on the total number of complaints received so far? And, in response to these complaints, what follow-up work has been carried out and has prosecution been instituted against any person? Do the authorities have such statistics? If prosecution has been instituted, what happened to those people prosecuted?*

PRESIDENT (in Cantonese): Which Secretary will reply?

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): President, perhaps let me reply to these questions.

I should be able to respond to the concern raised by Mr CHAN with the statistics of the SWD. In 2008, the SWD successfully instituted prosecution in two cases in which the persons involved were convicted and fined. In other words, we have handled these complaints and taken follow-up actions.

MR PAUL CHAN (in Cantonese): *President, with regard to the statistics that I have just requested, can I request the Secretary to provide supplementary information in writing after this meeting?*

PRESIDENT (in Cantonese): The Member has asked for the numbers of complaints as well as complaints that have been handled. Secretary, can you provide them to the Member?

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): Yes. We will provide them to the Member after we have co-ordinated and collated the relevant information of the other departments. (Appendix III)

MR CHIM PUI-CHUNG (in Cantonese): *President, in the main reply the Secretary said that the maximum number of fund-raisers at each approved location/boundary on public streets will be eight. I have lodged a complaint about fund-raisers on wheelchairs going after members of the public, asking them for donations outside the Admiralty MTR station and even now, I still see this happen once in a while. May I ask the authorities which department is responsible for handling these complaints? I hope that the fund-raisers will not cause nuisance to the public.*

PRESIDENT (in Cantonese): Which Secretary will reply? Secretary for Labour and Welfare, please.

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): First of all, I thank Mr CHIM for the question. Mr CHIM personally called me about a case some time ago, and I have followed it up.

As mentioned in the main reply, the SWD will implement a series of measures on 1 August. Currently, no limit is imposed on the number of fund-raisers. The Lotteries Fund Advisory Committee has conducted a comprehensive review earlier and proposed to implement six administrative measures with effect from 1 August. One of these measures precisely targets the case mentioned by Mr CHIM just now by requiring that the maximum number of fund-raisers at each approved location/boundary on public streets be limited to eight. All fund-raising institutions are required to comply with these new measures in future. These institutions are expected to fully comply with these measures, otherwise, they would breach the conditions of the permit issued by the SWD.

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

MR CHIM PUI-CHUNG (in Cantonese): *My question is: If fund-raisers do not comply with those measures, which department will be responsible for handling these complaints?*

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): President, it depends on the type of permit or licence that the institution is issued with. For instance, flag-selling or the sale of badges is under the purview of the SWD. As also explained by Secretary Prof CHAN, the sale of lottery tickets is under the purview of the TELA; whereas the sale of goods in public places for raising funds is under the purview of the FEHD. Therefore, it depends on the type of permit/licence that the institution concerned is issued with. Disregarding which department is responsible for enforcement, there is always communication among us.

MR LEUNG YIU-CHUNG (in Cantonese): *President, in the main reply the Secretary said, "As regards the regulation of on-street fund-raising activities, it straddles several government departments, including the TELA, the FEHD and the SWD. These departments implement monitoring measures on the fund-raising activities under their respective purview to avoid and combat fraudulent fund-raising activities".*

May I ask the Secretary how these monitoring measures are implemented? What exactly are these monitoring measures? Have you assigned some staff to be exclusively responsible for carrying out such work? If so, how many staff members have been arranged for this purpose and what are their ranks?

PRESIDENT (in Cantonese): Which Secretary will reply? Secretary for Labour and Welfare, please.

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): President, perhaps let me reply to this question.

In fact, government departments have always maintained liaison with each other. For example, if certain applications have been rejected by the SWD, the relevant departments, including the Lands Department and the police, will be notified. As for all applications for on-street fund-raising activities approved by the SWD, we will definitely provide a copy of the letter of permission to the police, especially the police station divisional commander and beat patrol police officers, to draw their attention to these activities.

Second, as also explained by Secretary Prof CHAN in the main reply, if a fund-raising activity is licensed by the FEHD, the Hawker Control Teams of the FEHD will carry out inspection and follow-up work. Various government departments have carried out co-ordination work and as a matter of fact, fund-raising activities in public places are subject to stringent monitoring.

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

MR LEUNG YIU-CHUNG (in Cantonese): *The Secretary has not answered my question clearly. My question was what monitoring measures are implemented to avoid and combat fraudulent fund-raising activities, and also how many staff members have been deployed to take up such work and what their ranks are. The Secretary has not answered these questions at all.*

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): President, I will respond to them from the angle of the SWD. When we have issued a licence to a charitable organization or after a permit is issued, a breach of the conditions of the permit will constitute a criminal offence. As Members all know, since the SWD approves such applications under the Summary Offences Ordinance, the organizations concerned will bear criminal liabilities.

Besides, these organizations must also comply with the requirement that their audited reports must be submitted to the SWD within 90 days upon completion of their activities. This is very important, and their reports must clearly provide some figures, such as the amount of funds raised in the activities, for what purposes the funds raised are used, and so on.

As also mentioned in the main reply, six new administrative measures will be implemented with effect from 1 August. These measures seek to enhance accountability and transparency. Apart from requiring charities to submit audited reports to the Director of Social Welfare, we also require them to do more by publicizing such information through their websites or publications for public inspection.

With regard to flag-selling, according to the existing stipulations, charitable institutions are required to publish their audited reports at least in a Chinese newspaper and an English newspaper in Hong Kong within 90 days upon the completion of the flag-selling activity, in order to enhance transparency. In this respect, we have set out certain requirements for their compliance.

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

MR LEUNG YIU-CHUNG (in Cantonese): *The Secretary entirely did not give a reply on staffing and their ranks.*

PRESIDENT (in Cantonese): Secretary, please give a reply on staffing as well as their ranks.

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): President, we have not assigned specific colleagues to carry out inspections. We have now adopted two practices. First, as I said just now, we will forward a copy of the letter of permission to police officers in the district. When police officers run into these fund-raisers in the course of patrolling, they can conduct checks on them. Besides, the person-in-charge of the fund-raising activity is also required to bring along with him a copy of the permit and the fund-raisers are required to wear an identification tag printed with the information of the organization (including the name and telephone number of the organization), so that telephone calls can be made immediately to make enquiries.

Second, the public, if in doubt, can call the hotline of the SWD at 2343 2255 to make enquiries. The SWD website also carries information on the list of organizations issued with a licence and also the places and dates of open fund-raising activities organized by these organizations for public inspection. There is a very high degree of transparency.

MR LEE CHEUK-YAN (in Cantonese): *President, I wonder if the two Secretaries will admit that there is actually a loophole in section 88 of the IRO. From the Secretary's main reply, we can see that the tax exemption application submitted by charities are vetted by the authorities to ensure that the institutions are of a charitable nature, while the institutions are also required to submit the lists of activities carried out in the past year and to be carried out in the coming year. The problem is that these institutions will be given a free rein once their application is approved, and there will be no transparency to speak of once approval is granted.*

I would like to ask the Secretary whether charities applying for tax exemption under section 88 of the IRO will be required to maintain transparency, so that the public can know their financial position and that the funds are not only spent on the remuneration of the administrative staff, but are truly spent on activities organized to help the needy or in line with the objects of the charities. The financial position of the Hong Kong Alliance in Support of the Patriotic Democratic Movement in China is also published on its website for public information. However, the financial position of all the organizations which have applied for tax exemption under section 88 of the IRO may not be provided for public information on the Internet.

PRESIDENT (in Cantonese): Please let the Secretary reply.

MR LEE CHEUK-YAN (in Cantonese): *In this connection, what regulatory measures or proposals does the Secretary have?*

PRESIDENT (in Cantonese): Which Secretary will give a reply? Secretary for Financial Services and the Treasury, please.

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): *President, as regards the eligibility for tax exemption under section 88 of the IRO, the IRD will follow this up after granting approval. It is not the case that nothing will be done after approval is given. Those charitable institutions are required to submit the relevant documents to the IRD when applying for tax exemption. For the purpose of revenue protection, the IRD will*

regularly review the eligibility of these institutions for tax exemption. The IRD will examine their financial position and ascertain whether their activities are consistent with their objects. Moreover, the authorities will pay attention to press reports or complaints lodged against them and take follow-up actions. The authorities have taken actions in this respect.

As regards other broader aspects mentioned by the Member in his question, such as the question of transparency, they are not within the scope of regulation of the IRO. The LRC will soon publish a consultation paper on Charities. I believe Members can hold discussions through this channel and give input on enhancing the transparency of charitable organizations.

MR LEE CHEUK-YAN (in Cantonese): *On the question of transparency, I wonder if the Secretary for Labour and Welfare has anything to add, because Secretary Prof CHAN said that this is not something which the IRD is in a position to handle and that the main duty of the IRD is to process applications for tax exemption. In respect of transparency, has the LRC actually made any recommendation?*

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

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): President, perhaps let me add a couple of points. As I said earlier, charities are required to set out clearly in their audited reports submitted within 90 days upon completion of the fund-raising activities the amount of donations received and the expenses, and also the proportion of the expenses as administrative fees. Let me cite flag-selling as an example. It is stipulated that the administrative fees must be kept below one tenth, or 10% of the total funds raised, or else all of the

MR LEE CHEUK-YAN (in Cantonese): *President, I was not asking about flag-selling activities. My question was about the transparency of all charitable organizations.*

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

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): President, I have nothing to add. I only wish to make one point. The SWD issued in 2004 the Reference Guide on Best Practices for Charitable Fund-raising Activities which can be downloaded from the website of the SWD. We have also issued the Reference Guide to over 700 charitable institutions. The Reference Guide has given a clear account of issues covering governance, fiscal management and accountability. This informational guide can provide guidance for these institutions.

PRESIDENT (in Cantonese): We have spent almost 24 minutes on this question. Fifth question.

Stalling Incidents Involving LPG Taxis

5. **MR LEUNG YIU-CHUNG** (in Cantonese): *President, in 2010, following a large number of stalling incidents in Hong Kong involving liquefied petroleum gas (LPG) taxis and public light buses, the Electrical and Mechanical Services Department (EMSD) set up the Task Force on the LPG Vehicle Stalling Incident (Task Force) to follow up the incidents. It was pointed out in the Investigation Report of the Task Force that the quality of LPG at Sinopec filling stations was suitable for use by LPG vehicles and did not affect the performance of vehicles. Moreover, the Task Force did not have any evidence to ascertain that the maintenance of LPG vehicles was a direct cause of the stalling incidents concerned. However, the Task Force considered that the maintenance and proper functioning of LPG vehicles were interrelated to a certain extent. Yet, it has recently been reported that hundreds of LPG taxis again stalled one after another. In this connection, will the Government inform this Council:*

- (a) *whether the authorities have compiled statistics on the number of cases of sudden stalling of taxis while travelling on roads last year; if they have, of the number of cases in which sulfur powder was found inside catalysts of taxis; if they have not, whether the authorities will consider recording such statistics in the future;*

- (b) *as some members of the industry have reflected to me that a certain number of LPG taxis still have stalling problems after recent maintenance, whether the authorities can explain in detail the relation between the aforesaid investigation results of the Task Force and the stalling incidents of taxis which happened one after another recently; and*
- (c) *whether the authorities have considered taking any new measure to solve the problem of frequent stalling of LPG taxis; if they have, of the details; if not, the reasons for that?*

SECRETARY FOR THE ENVIRONMENT (in Cantonese): President, following the engine stalling incident of LPG vehicles (the incident) which took place at the beginning of 2010, the EMSD set up a Task Force on LPG Vehicle Stalling Incident (Task Force) to conduct thorough and in-depth investigation on the cause of the incident. Comprising experts, academics and trade representatives, the Task Force looked into the issue from different perspectives, including the LPG supply source, operation of LPG terminal and filling stations, as well as operation and maintenance of vehicles, and so on. The investigation report was published in March 2010, and the Task Force could not rule out the possibility that the incident was caused by more than one factor.

A Study Group on LPG Vehicle Testing Scheme (Study Group) was set up under the Task Force to oversee the LPG Vehicle Testing Scheme (the Testing Scheme). The Study Group was tasked to collect objective data for analysis and formulate appropriate improvement measures. The findings of the Testing Scheme were released in September 2010. The Study Group concluded that where LPG quality complies with the auto-LPG specification of Hong Kong, and with regular maintenance, the LPG vehicles should be able to operate normally.

On the number of cases of sudden stalling of LPG taxis on the road, the EMSD has been maintaining a 24-hour telephone hotline since early January 2010 to monitor and follow up the stalling of LPG vehicles. So far, the hotline has received a total of 195 reports of engine stalling incidents, the majority of which were received in early 2010. From January to February 2011, the hotline received four reports of vehicle breakdown. The EMSD subsequently carried out inspections on four LPG taxis provided by the trade. It was found that the

breakdowns were caused by ageing parts or incorrect adjustment of air-fuel mix ratio and were not related to LPG quality. The hotline has not received any report of stalling incidents since late February 2011.

Among the vehicle breakdown cases received by the EMSD, 23 callers mentioned that some powder was found in the fuel systems of the vehicles. As sulphur is a component of LPG, the presence of sulphur powder in the fuel system is normal. With regular maintenance, it will not affect the normal operation of LPG vehicles.

In light of the problems of LPG vehicles, the EMSD is actively following up the recommendations in the investigation report and the Testing Scheme report. Details are set out below.

As regards the quality of LPG, the EMSD will continue to review the independent testing reports submitted by LPG suppliers for each LPG shipment, to ensure that the quality of imported LPG complies with the specification. The EMSD is also taking forward the LPG Sample Testing Programme, under which LPG samples are taken from LPG filling stations and terminals for testing. Since early January 2010, a total of 206 LPG samples have been taken from 62 LPG filling stations and five LPG terminals. Tests on samples have been conducted by accredited laboratory against the auto-LPG specification. Except for a sample taken in April 2011, the overall testing results of all other samples met our requirement. For the sample in question, deviation has been identified in its composition. Although such deviation did not have any impact on gas safety or vehicle performance, we have been closely following up the issue, to ensure that the concerned LPG supplier would resume supply only upon confirmation that its LPG meets the specification. All test results of LPG samples have been uploaded onto the EMSD website for public information.

In respect of the Code of Practice for Servicing and Maintenance of LPG Vehicle Fuel System (the Code), key maintenance issues identified in the Testing Scheme, in particular the procedures that may easily be overlooked such as the maintenance of aging or wearing parts, have been incorporated into the Code. After consultation with the trade, the Code has been implemented since December 2010. The EMSD has also held briefing sessions for the trade to explain the requirements of the Code. The information has been uploaded onto the EMSD website for reference by relevant parties.

Coming to the maintenance of LPG vehicles, to enhance the technical know-how of vehicle mechanics in respect of LPG vehicle maintenance, the Vocational Training Council has agreed to incorporate key maintenance issues into the syllabus of relevant training courses. The EMSD has prepared leaflets for the trade to provide technical advice on key issues of LPG vehicle maintenance, and in collaboration with the local agent of LPG vehicles, organized briefing sessions for the trade to enhance their understanding of vehicle maintenance issues.

Relevant government departments will continue to maintain a dialogue with the taxi trade and related sectors, gauge views from the trade and experts, and closely follow up the LPG taxi engine stalling issue.

MR LEUNG YIU-CHUNG (in Cantonese): *President, the Secretary mentioned just now that the telephone hotline had received not many case reports, that is, 195 last year, and only a few this year. In fact, some people in the taxi trade told me that the main reason for their eventually not bothering to call the telephone hotline again is that often no one will answer the call. I do not know whether the authorities can make some improvement in this regard. This is the first point.*

Secondly, people in the trade also told us that the situation of stalling after filling did occur many times despite the fact that the vehicles were refilled after maintenance. The Secretary mentioned that stalling might be caused by the ageing or wearing parts, but some taxi drivers told me that such was not the cause. They thought that the quality of LPG was the principle cause for stalling. Therefore, we consider it imperative to monitor the quality. The taxi drivers also told us that the quality of LPG might vary from batch to batch, with one batch being possibly of better quality than another. Can the Government introduce more effective measures to monitor the quality of LPG so as to make it more stable, thus preventing vehicles from suddenly stalling in the street, which may cause serious accidents? I hope that the Secretary can put in more efforts on this, so that taxi drivers can feel at ease.

SECRETARY FOR THE ENVIRONMENT (in Cantonese): President, as regards the hotline, we eagerly look forward to receiving case reports from the

trade, so that we can follow up and identify the cause. Over the past three months, we have really not received any calls. Mr LEUNG mentioned some drivers' claim that they had called the hotline but no one answered. Had they called again immediately, I believe, they would have been able to contact us. We have indeed no record of receiving any case reports.

President, regarding the quality of LPG, under the last LPG Vehicle Testing Scheme, we tested more than 30 vehicles in a highly controlled environment, aiming at identifying the problem-hit parts of the vehicles. During the test, we found that the causes leading to taxi stalling were no more than three: first, the circuit; second, the ageing parts; and third, inappropriate adjustment of the air-fuel ratio. Our investigation has provided data for us to identify the causes of taxi stalling.

Mr LEUNG Yiu-chung mentioned earlier the monitoring of LPG quality. We agree with this point. We must step up monitoring. If any special circumstances are found, we will take appropriate follow-up actions. Therefore, when we found an inappropriate proportion in an oil company's products during our sample test in April, we monitored the LPG products from the three aspects. Firstly, we would proceed promptly to examine the independent reports submitted by third parties, and review the forms submitted in the import process; secondly, random checks would be conducted on the imported LPG that had already entered the terminal; and thirdly, random checks would be conducted again at the filling stations. We have had random checks of more than 200 samples in the past. We noticed that the only incident identified, namely the incident in April, saw the proportion being found, during the random check, to have been inappropriately adjusted. Nevertheless, we will continue to monitor the issue of LPG quality according to the three steps.

DR LAM TAI-FAI (in Cantonese): *President, with reference to the Government's reply today, I think that the Government has not at all answered part (c) of Mr LEUNG Yiu-chung's question. Mr LEUNG Yiu-chung asked whether the authorities have counter-measures, but the Government indicated that it would continue to follow up and maintain communication with the industry, and hear their views. These are not counter-measures indeed.*

President, the problem of stalling LPG taxis may have major or minor implications. On the minor side, it may affect the business of taxi drivers, or

make passengers unable to catch a plane. On the major side, it may cause an explosion at any time, resulting in casualties. This problem must be solved without delay. However, the Government indicated that it would continue to listen to views. This is indeed not a counter-measure. This issue is a bomb. What policy will the Government adopt to defuse this bomb? I think the Government has to keep us informed. I do not think it has responded at all in this regard. Will the authorities tell us the concrete counter-measures?

SECRETARY FOR THE ENVIRONMENT (in Cantonese): President, in fact, I have clearly mentioned the counter-measures in the main reply. We have counter-measures in two aspects. First, we will follow up the cases. As I mentioned earlier, we received only four reports from January to February this year. We have already followed up these four reports and looked into the problems possibly involved in these reports. Our follow-up investigation aims at identifying the cause. We have noted that both the LPG Vehicle Testing Scheme conducted earlier for more than 30 vehicles and the separately received reports referred to circumstances in several aspects. Firstly, the problems arising from the worn parts and circuit contacts can all be resolved by maintenance and replacement of parts. This is the first aspect.

We have already formulated the Code in connection with repairs and maintenance, and shared it with the industry, hoping that they We all know that LPG taxis have been operating in Hong Kong for more than a decade, so it is necessary to pay more attention to the ageing parts and maintenance. We think this is the appropriate approach.

Secondly, regarding the concern about the quality of LPG products, we will address the issue with the three steps just mentioned, including examining the third parties' inspection reports submitted in the import process and conducting random checks on terminals or filling stations. These are all effective measures to help improve the situation of vehicles breaking down.

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

DR LAM TAI-FAI (in Cantonese): *Regarding the counter-measures does the Government mean that the trade has to strengthen maintenance itself, and the authorities will step up random checks? Are these your counter-measures? I wish to hear*

PRESIDENT (in Cantonese): Mr LAM, we are not in a debate. You asked about the Government's counter-measures, and the Secretary has already answered accordingly.

DR LAM TAI-FAI (in Cantonese): *That means the two measures as I understand them.*

MR WONG SING-CHI (in Cantonese): *President, whenever the Government comes across difficult situations, it always passes the buck onto vehicle owners or drivers. This is the case with the first registration tax. It is also the case with the authorities' approach towards the existing problems of taxi stalling and LPG.*

President, in fact, I raised a written question on this last year, and the Government did respond. I would like to elicit further information from that obtained from the Government last year, which is also related to this question today. The Under Secretary mentioned the three steps just now. However, none of the laboratory work is overseen by the authorities. Instead, samples are sent to independent laboratories in Huizhou or German for testing. When I raised a relevant question last year, there were no independent testing laboratories in Hong Kong, so the authorities could only send the samples to laboratories abroad for testing, but it took time for transfer. When the testing results were returned, the oil products in question were already sold out even if there were problems, and there was no way to trace them.

I wish to ask the Under Secretary, when she replied to me last time no, it was Secretary Edward YAU who replied to me, he said that an internationally recognized independent testing institute was planning to set up a laboratory in Hong Kong. I raised the question in October last year. May I ask about the progress this year? Is it true that an institution is going to set up

an independent laboratory in Hong Kong? Has the Government encouraged the establishment of such independent laboratories in Hong Kong? If such laboratories are set up in Hong Kong, the drivers can send their vehicles there for testing of their own accord. This enables precise inspections to check whether the vehicles have problems. Otherwise, they have to rely on the Government as is the case now. It is necessary to collect samples, but it is not known where to collect them, nor do they know where to send them for testing. Finally, now that many taxi drivers have heard the Under Secretary's reply, they do not believe at all that the testing done by the Government can identify the cause. They would rather personally send the vehicles to an independent laboratory for testing

PRESIDENT (in Cantonese): Mr WONG, your supplementary question is already very clear.

MR WONG SING-CHI (in Cantonese): *I wish to ask whether the authorities have such information?*

SECRETARY FOR THE ENVIRONMENT (in Cantonese): President, with regard to the supplementary question raised by Mr WONG, we did commission the laboratories in Huizhou or German to do the tests in the past, particularly after the incident. In the circumstances, we needed meticulous data for analysis. a reliable and trustworthy laboratory.

Mr WONG Sing-chi asked just now whether there is any independent laboratory in Hong Kong. In fact, there is already an internationally recognized laboratory in trial operation. We hope that in the future it will provide such services for the trade.

PRESIDENT (in Cantonese): Last oral question.

Outlying Island Ferry Services

6. **MR WONG SING-CHI** (in Cantonese): *President, in March this year, the Transport Department (TD) announced that it had awarded new licences for six major outlying island ferry routes. The new licences have been/will be effective from 1 April and 1 July this year respectively, with an average fare increase rate of about 10%. Regarding the fares and operation of outlying island ferry services, will the Government inform this Council:*

- (a) *as some members of the public have relayed to me that outlying island ferry services are the only means of transport for some of the outlying islands, and the Government must ensure that the fares of ferry services are maintained at a level affordable by residents of the outlying islands, whether the Government will study the imposition of a restriction that the rates of increase proposed by outlying island ferry operators must not exceed the inflation rate; if it will, of the details; if not, the reasons for that;*
- (b) *as the Government has pledged to reduce the holiday fare differential of outlying island ferry services to a maximum of 20% to address the dissatisfaction of residents of the outlying islands with the holiday fare differential, of the holiday fare differentials of the aforesaid six outlying island ferry routes after the new licences come into effect; in case the holiday fare differentials of some of the routes exceed 20%, whether it has assessed if the Government has breached its pledge to residents of the outlying islands; whether the Government will negotiate with the ferry operators regarding the weekday and holiday fare differentials so as to narrow the difference between them; and*
- (c) *as the Government has adopted a series of measures to help improve the financial viability of outlying island ferry services, for example, providing a subsidy of about \$120 million to the aforesaid six outlying island ferry routes through reimbursing the ferry operators the vessel maintenance fee incurred and waiving the annual vessel survey fee and the private mooring fee of the vessels, and so on, whether the Government has put in place a mechanism to review the effectiveness of such measures; if it has, of the details; if not, the*

reasons for that; whether it has assessed the impact of such measures on the setting and adjustment of the fares of ferry services by the ferry operators; if it has, of the details?

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

- (a) To enhance the long-term financial viability of ferry services, the Government has been providing various measures to enable ferry operators to reduce operating costs and increase non-fare box revenue:
- (i) taking over the responsibility of pier maintenance;
 - (ii) waiving fuel duty;
 - (iii) reimbursing pier rentals and exempting vessel licence fees for ferry services under the Elderly Concessionary Fares Scheme;
 - (iv) allowing ferry operators to sublet ferry pier areas for commercial concession to generate non-fare box revenue to cross-subsidize the ferry operation; and
 - (v) streamlining the subletting approval procedures to help expedite generation of non-fare box revenue.

In May 2008, the Government indicated that it would conduct a review on ferry services for outlying islands with a view to enhancing the long-term financial viability of these services and maintaining fare stability. The review was completed in mid-2010 and consultations were conducted with the Legislative Council Panel on Transport, the Traffic and Transport Committee of the Islands District Council (DC), the relevant Rural Committees and members of the public in the course of the review.

The Government's basic principle for ferry services is to maintain the established policy of allowing the private sector to operate these services on commercial principles. Since ferry services are the only

external means of transport for some of these outlying islands, the Government proposed in the review to provide the six major outlying islands routes with further helping measures during the three-year new licensing period from 2011 to 2014 in order to ensure continuous provision of these essential services. The six major trunk outlying islands routes include "Central — Cheung Chau", "Peng Chau — Mui Wo — Chi Ma Wan — Cheung Chau" (Inter-islands), "Central — Mui Wo", "Central — Peng Chau", "Central — Yung Shue Wan" and "Central — Sok Kwu Wan" routes. These helping measures include:

- waiving annual vessel survey fee and private mooring fee;
- reimbursing pier cleansing, water and electricity charges;
- reimbursing the balance of revenue forgone due to provision of elderly fare concessions after netting off the amount of pier rental and vessel licence fee; and
- reimbursing the ferry operators of the six major routes the vessel maintenance and repair cost actually incurred in order to reduce the rate of fare increase.

In November 2010, the Finance Committee of the Legislative Council approved a commitment of about \$120 million for the implementation of the above-mentioned helping measures.

To select suitable operators to run the six major outlying islands ferry services upon expiry of the licences, the TD, after taking into account the views collected during the public consultations on the review on ferry services for outlying islands, consulted the Traffic and Transport Committee of the Islands DC and the relevant Rural Committees during September to October 2010 on the proposed arrangement for the tender exercise (including routes packages and service arrangements, and so on).

After consideration of the views collected, the tender exercise was launched in December 2010 and the tender results were announced on 25 March 2011. Representatives of the TD attended the meeting

of the Traffic and Transport Committee of the Islands DC on 28 March 2011 to brief the committee on the results of the tender, as well as the fares and service arrangements of the concerned ferry routes under the new licences.

The Government understands residents' concern on the fares of the outlying island ferry services. While the population of these outlying islands is not expected to increase substantially in the future to help enhance fare box revenue; the recent fuel price is at a high level. The statutory minimum wage which was effective from 1 May this year also has significant impact on the staff costs of ferry operators. These factors have led to a great pressure on fare increases.

After careful examination of the financial information and data submitted by the bidders, the need to ensure efficient and quality ferry services and to reduce the impact of fare increase on daily commuters of the concerned islands, when granting the new licences of the six major routes, the TD had made the best endeavour to reach agreement with the bidders to adjust the fare increase substantially downwards by providing a package of helping measures.

Comparing with the existing monthly tickets of the concerned routes, the rate of increase of monthly ticket was about 7% and the overall average rate of increase was about 10%. In fact, the cumulative inflation for the past three years is around 8%.

In order to alleviate the impact of fare increase on island residents who regularly use these ferry services, the Government has endeavoured to lower the rate of increase for monthly tickets. At present, the rate of increase of monthly ticket is about 7%, which is lower than the average rate of increase.

The TD will continue to select suitable operators to run the outlying islands ferry services through public tender in accordance with the relevant legal requirements. We believe that the long-term financial viability of the ferry services can be improved, while keeping fares at an affordable level to members of the public,

through market competition and providing helping measures to the operators. If we set up restrictions on fare in the tender, it may discourage potential and interested ferry operators to make submissions, and may lead to reduction in service level or even the risk of having that no operator willing to operate the ferry services.

- (b) In response to the views collected during the consultation period, the Government proposed narrowing the fare differential between holidays and weekdays to a maximum of 20% in the review on ferry services for outlying islands. With a view to evaluating the long-term financial viability of the concerned ferry routes and the impact on the weekday fare, the TD required bidders to submit in the tender document proposed fares for holidays and weekdays under various levels of fare differential, including those with fare differential be narrowed to not exceeding 20% and those with the existing fare differential be maintained.

However, in light of the upsurge of operating costs, it was shown in the tender submissions that if the fare differential between holidays and weekdays were narrowed, the fare increase for weekdays would far exceed the current approved level. To ensure efficient and quality ferry services and in order to alleviate the impact of fare increase on island residents who regularly use these services, we consider it a practical and balanced arrangement to maintain the existing holiday fare differential of about 38% to 48% taking into account the generally higher acceptability of holiday passengers.

The Government is actively considering the re-launch of the "visiting scheme to outlying islands" by providing fare subsidy to encourage institutions such as schools, non-governmental organizations, community and local groups to organize activities to outlying islands to boost the local economy.

- (c) In order to monitor the proper spending of public funds, the ferry operators of the six major outlying islands services are required to submit their quarterly management accounts during the new licence period for the TD to assess its financial position, and to provide its annual audited financial statements to the Government to certify its actual expenditure on vessel maintenance and repair. The

Government will reimburse the ferry operators such costs incurred subject to the cap as approved by the Finance Committee of the Legislative Council. In accordance with the outcome of the review on ferry services for outlying islands, the Government will conduct a mid-term review during the three-year licensing period to ensure that the fare level can be appropriately adjusted when there is a reduction in operating costs.

MR WONG SING-CHI (in Cantonese): *President, I hope the Secretary can respond to the following point. The last paragraph in part (a) of the main reply says that the Government will strive to use various means, such as tender and other measures, to avoid the situation of having no operator willing to operate the outlying island ferry services. However, the Secretary also knows that due to the failure of the Government to become actively involved or introduce certain measures, the operation of many ferry services has ceased as a result, one example being the Central — Hung Hom ferry service.*

The Secretary pointed out that she did not wish to see the risk of having no operator willing to operate the ferry services arise. May I know if, since she said she did not want such a risk to arise, that means the Government will take all possible measures to ensure that ferry services are guaranteed for outlying island residents, including the Government ultimately considering taking upon itself the operation of ferry services? Has it ever given this consideration?

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, we will make the relevant arrangements according to the existing policy. Under the existing policy, we hope that the private sector can operate the ferry services on commercial principles as far as possible. However, why did we conduct a review on the last occasion and decide to enhance the helping measures, and why did the Legislative Council also approve the relevant funding application? Precisely because ferry services are the only means of transport for outlying island residents. For this reason, we identified six major trunk routes and proposed the helping measures, in the hope of helping the residents.

I can also see that during this period, for example, in the past three years, the cumulative inflation was as high as 8%. Ferry licences are valid for three years and the fare increases this time around, for example, that in monthly tickets,

is only 7%, so this indicates that the helping measures have achieved some effect. Insofar as this tender exercise is concerned, the pressure on cost mainly comes from two areas, one being wages and the other being fuel cost.

Simply put, on wages, due to the introduction of the statutory minimum wage, it is necessary to reflect this in the cost. In addition, the fuel cost is actually very high. Compared with the time when the last tender exercise was carried out, fuel cost has increased by an average of 15%. Therefore, we can see that these helping measures are effective, in particular, with regard to weekdays, the increase in the fare of monthly tickets is actually lower than inflation. Therefore, at this stage, we think the existing arrangement is proven. However, if, as the Member suggested, the Government makes the commitment to providing ferry services, we have to consider a series of issues, for example, whether or not public funds are used appropriately. If commercial operation is viable and the Government is also going to introduce helping measures, is it still necessary for us to take such a step? We also have to understand that apart from ferries, there are also other forms of transport and the public also have various expectations for them. Therefore, we believe the present approach has already struck an appropriate balance.

DR PRISCILLA LEUNG (in Cantonese): *President, the Secretary said a number of times that in respect of the policy on outlying island ferry services, the Government had listened to the views of the Legislative Council Panel on Transport and the Islands DC. May I ask the Secretary further if in fact, the Legislative Council Panel on Transport and the Kowloon City DC have both exhorted until exhaustion that the Government carry out a third tender exercise for the two ferry routes between Hung Hom and Central and Hung Hom and Wan Chai, so as to avoid now, there is actually no overall policy on ferry services in Hong Kong, so ferry services in the harbour are on the brink of disappearing altogether. Just now, the Secretary only said that the ferry was the only external transport link for outlying island residents, so it can be seen that she totally lacks vision and has failed utterly to see that the harbour is a very valuable resource to us and that there ought to be ferry services in the harbour. The Government has not looked at how it can resolve the issue of maintaining ferry services in Hong Kong waters through a cross-bureau approach.*

I wish very much to ask the Secretary if, given that the Legislative Council Panel on Transport and the Kowloon City DC both believe that the Government should formulate a longer-term policy on ferry services, including putting out to tender for a third time the two ferry routes (Hung Hom — Central and Hung Hom — Wan Chai) which had to be cancelled, and give them one more chance meanwhile, the Government should study the policy on ferry services by elevating it to the cross-bureau level and provide in various areas, such as tourism

PRESIDENT (in Cantonese): Dr LEUNG, please be more concise.

DR PRISCILLA LEUNG (in Cantonese): *I have almost finished asking my question.*

PRESIDENT (in Cantonese): You have spoken for a long time.

DR PRISCILLA LEUNG (in Cantonese): *Yes.*

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

DR PRISCILLA LEUNG (in Cantonese): *Many Members also spoke for a long time just now. May I ask the Secretary if she will promise us that she will comply with the motion passed by the Kowloon City DC and the Legislative Council Panel on Transport by putting out to tender for a third time the ferry routes which had to be cancelled?*

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, I have explained in the main reply that

(Mr LEUNG Yiu-chung stood up)

MR LEUNG YIU-CHUNG (in Cantonese): *This question is about outlying island ferry routes.*

PRESIDENT (in Cantonese): Yes, Mr LEUNG, but since the Secretary mentioned in the main reply the consultations with the Panel on Transport and the DC concerned, Dr Priscilla LEUNG pointed out that the Panel on Transport and the Kowloon City DC both had some views. My understanding is that since the Secretary said that consultations were necessary, Dr Priscilla LEUNG asked the Secretary if the Secretary would listen to the views voiced by the relevant Panel and DC. According to our practice, so long as a question is about the contents of the main reply, it is allowed. Secretary, please answer this supplementary question.

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, as I said in the main reply, our transport policy is consistent and the premise is that, if possible, we will let the private sector operate services on commercial principles and ensure that the service standards meet public expectations. However, as regards outlying island ferry services, I have explained very clearly that ferries are the only external means of transport for the residents concerned but the operation of ferries are also subjected to constraints because the population in the district concerned have not seen any significant increase for a period of time and the patronage of many routes is on the decline rather than rise. For this reason, after weighing a number of factors, we have introduced a series of helping measures. At present, we will further strengthen these helping measures to help outlying island residents meet their needs in going to work and school, so that residents will not have to face too much pressure from the fares. Judging from the results of this tender exercise, these helping measures have achieved some effect.

As regards the other ferry services mentioned by the Honourable Member, if we choose certain transport services, be it ferry services or other transport services, and operate them in another mode, I am afraid this will conflict with the premise spelt out by me just now. However, we will certainly continue to observe the developments.

The cancellation of the Hung Hom — Central ferry route is certainly a great pity. However, we have explained to Dr Priscilla LEUNG a number of times that it is not necessary to carry out a third tender exercise because tenders were invited on two occasions, in particular, given that some conditions were relaxed in the second tender exercise and that now, the Commissioner for Transport has the power to if anyone is interested in the operation, be it purely as a means of transport or as a tourist attraction, we would be happy to discuss with him whether or not a licence can be issued direct. In fact, under the law, particularly given that the Commissioner has invited two rounds of tender, if there is any interested operator in the market, we can consider exercising greater flexibility through such an approach. As regards whether or not other options will be considered, I wish to point out that at present, we will strengthen the cross-harbour transport services for Hung Hom, for example, by increasing the frequencies of minibus and bus services. For this reason, at the present stage, we believe the services are adequate to meet the demand.

MR KAM NAI-WAI (in Cantonese): *President, the outlying ferry services are hanging by a thread and in order to maintain operation, it is necessary to keep increasing the fares. However, it is only recently that the Government subsidized the ferry routes with \$120 million. The Government also admitted that the ferry was the only external transport service for the residents concerned. Ferry services are also a form of mass transit service but the Government is practising discrimination. The MTRCL is building the West Island Line and the Government has given it \$12.7 billion. The construction cost of the South Island Line is \$12.4 billion, so the Government granted land to it as a form of subsidy. Although I am a Member of the Hong Kong Island constituency, I also have to speak up for residents of the Islands District. I do not quite understand why, since the Government can see clearly that this only form of external transport for the outlying islands is going on a decline, it does not consider taking upon itself to buy ferries for the operators to operate the fleet? In fact, a lot of such experience can also be found overseas. Since the present situation shows that commercial operation is getting more and more financially nonviable, may I ask the Government if it will give this matter consideration?*

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, of course, we will provide assistance in a number of areas, for example, at present, we plan to develop new sources of non-fare box revenue. We plan to increase the number of floors of outlying ferry piers Number 4, 5 and 6 to facilitate the generation of rental income. We will find various ways to help operators achieve financial viability in various areas.

The approach adopted currently offers flexibility and can also strike a balance, whereas the helping measures have also achieved some effect. Just now, I have already given an explanation. As regards the Member's question on whether or not it is feasible to assist the operators in buying ferries, I wish to point out that if the Government takes upon itself to buy new ferries, according to the information provided by boatyards in the market, insofar as these six major ferry routes are concerned, the capital cost involved in such a proposal is about \$1.7 billion. If the cost is met by the Government first, will this actually help ease the pressure on fare increases? In fact, the present pressure on fare increases does not come from the cost of ferries but mainly from fuel and wages. I also explained just now that the implementation of the minimum wage on 1 May this year is also reflected in the cost. Moreover, in the cost structure, fuel is actually the single most important factor. If we use 10 percentage points as an analogy, six points therein probably reflect the increase in fuel prices. Therefore, concerning the pressure from cost, in fact, the boats themselves do not constitute the major capital cost, rather, the general operating costs are the source of pressure. Therefore, the proposal put forward by the Member just now may not be helpful.

PRESIDENT (in Cantonese): Last supplementary question.

MR ALBERT HO (in Cantonese): *As far as I know, in the tender exercise this time around, there was again only one bid for each ferry route. There was actually no competition in the tender exercise and in the end, the Government also had little room for manoeuvre because it was afraid that the operators would cease their operation. Therefore, the fares were increased by 10%, 2% higher than inflation. The problem is, as far as I know — and the Secretary also has to give us a clear account of this again — that in the tender documents, there was*

one condition, or rather, the Government subsequently added to its agreements with the operators the condition that the fares can be reviewed in 18 months. That is to say, if fuel price continues to rise or inflation continues to soar, the public will face not just a fare increase of 10% but also a possible further fare increase and as a result, students will have no money to buy ferry tickets to go to school and the public will have no money to buy ferry tickets to go to work. Is there another agreement on fare adjustment within 18 months?

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, first, we have approved some helping measures to reduce the pressure on the fares as far as possible. Although the average increase is 10%, as I said in the main reply, in fact, we have done our utmost to reduce the fare increase for monthly tickets, so the increase in the fare of monthly tickets is about 7%. I have explained that this is lower than the cumulative inflation rate of 8% in the past three years, as the licence term is three years.

As regards the question raised by the Honourable Member just now, I wish to point out that generally speaking, ferry service licences provide for mid-term reviews but this can not be equated with an application for fare increase. The mid-term review is under the charge of the TD and the aim is to ensure the fare levels, frequencies and the quality of service of these six ferry routes.

MR ALBERT HO (in Cantonese): *Is there the possibility of further increases? Is the answer in the negative?*

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, in the licensing conditions, there is no specific provision on when to make fare increases or reductions and everything depends on the relevant figures. The reviews to be conducted 18 months later cannot be equated with an application for fare increases.

MR ALBERT HO (in Cantonese): *Is it the case that no fare increase can be made? She did not reply clearly. Is it that no fare increase will be allowed?*

PRESIDENT (in Cantonese): Secretary, can you reply in simple terms if it is actually possible to increase the fares.

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): Under the licensing conditions, of course, operators can make an application but the TD will do a good job in gate-keeping. For example, during the last three-year licence term, no fare increase was made.

PRESIDENT (in Cantonese): Oral questions end here.

WRITTEN ANSWERS TO QUESTIONS

Quality Migrant Admission Scheme

7. **MR IP KWOK-HIM** (in Chinese): *President, regarding the policies and measures to attract outstanding talents to develop their career in Hong Kong, will the Government inform this Council:*

- (a) *of the number of talents admitted by the Government through the Quality Migrant Admission Scheme (QMAS) in each of the past three years, broken down by the applicants' nationality, age, sex, profession, as well as by the number of family members they brought along, and whether they came to Hong Kong to take up employment or start their own business (list in table form);*
- (b) *whether the authorities have studied implementing any additional measures under QMAS (for example, preferential policies such as providing tax concessions to people who migrate to Hong Kong through QMAS, and awarding extra points under the existing point-based tests of QMAS to applicants engaged in the six industries with competitive edge, and so on) so as to enhance Hong Kong's appeal to foreign professionals as well as the quality and competitiveness of Hong Kong's working population; and*

- (c) *as it has been reported that after the serious earthquake and radiation leak incident in Japan, some senior echelons of multinational enterprises were evacuated, and that to attract such talents, the Hong Kong Immigration Department (ImmD) has made a special arrangement to expedite the vetting and approval of applications for entry visas to enter Hong Kong (that is, the vetting and approval time has been shortened from four to six weeks to two days), of the total number of entry visa applications submitted from Japan which have been vetted and approved by the ImmD since mid-March this year (list by type of visa), and among them, the number of those applicants who have been granted a visa and have already come to work or reside in Hong Kong; the percentage of such number in the total number of applications received; the respective numbers of applicants who are Japanese and those who are of other nationalities; whether it has planned to co-ordinate through QMAS to attract these talents to stay in Hong Kong to develop their career?*

SECRETARY FOR SECURITY (in Chinese): President,

- (a) and (b)

Since implementation in June 2006, the QMAS aims to attract talented persons of different sectors to settle in Hong Kong in order to enhance our competitiveness in the global market. We review the Scheme regularly to enhance its operation. For example, since January 2008, we have lifted the upper age limit of applicants, adjusted the marking scheme (to benefit younger applicants) and streamlined the application procedure for extension of stay. We will further improve the Scheme as necessary to contribute to the overall development of Hong Kong.

From 2008 to 2010, 564, 593 and 329 people were admitted to Hong Kong respectively under the Scheme. The statistical breakdown of these 1 486 successful applicants is as follows:

Sex

Male : 977

Female : 509

Age

18-24 : 51

25-29 : 381

30-34 : 371

35-39 : 350

40-44 : 187

45-50 : 111

Above 50 : 35

Nationality

Chinese : 1 136

American : 56

Australian : 47

Canadian : 46

Others : 201

Bringing dependants

Have not applied : 769

Applied : 717

(472 bringing spouse and children; 194 only bringing spouse; 51 only bringing children)

*Sectors*Financial and Accounting Services
and Commerce and Trade : 536Information Technology and
Telecommunications : 250Arts and Culture and Broadcasting
and Entertainment : 128Architecture, Surveying, Engineering
and Construction : 120

Manufacturing Industries : 101

Academic Research and Education : 71

Human Health Service : 37

Others : 243

Although the ImmD does not maintain the breakdown of the employment or investment of approved applicants, the above sector distribution of successful applicants shows that the Scheme has attracted talents from the six industries where Hong Kong enjoys clear advantages.

- (c) Since the Japan Earthquake on 11 March 2011, up to 27 May, the ImmD has received and approved 204 applications involving transfer of employees within multinational corporations from Japan to Hong Kong, among which 56 are Japanese nationals while the remaining 148 are of other nationalities. Besides, there are 38 spouses and 50 children approved as accompanying dependants. Approved applicants are free to exercise their entry to Hong Kong within a specified period of time from the date of issue of the employment or relevant visas. The specified period is normally three months.

School Dental Care Service

8. **MR TAM YIU-CHUNG** (in Chinese): *President, at present, the Government only provides dental care services to primary school students, but quite a number of members of the public have recently relayed to me that junior secondary school (Form One to Form Three) students also have strong demand for dental treatment services, and they thus request the Government to extend the dental care services to junior secondary school students. In this connection, will the Government inform this Council:*

- (a) *of the number of attendances for dental treatment under the School Dental Care Service in each of the past three years;*
- (b) *whether the Government has planned to extend the dental care services to junior secondary school students in order to enhance the dental and oral healthcare for them; if it has, of the details; if not, the reasons for that; and*
- (c) *whether the Government has planned to bring in private dental practitioners to join the School Dental Care Service so as to provide dental services to junior secondary school students; if it has, of the details; if not, the reasons for that?*

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

- (a) The numbers of participants of the School Dental Care Service over the past three years are as follows:

<i>Service Year</i>	<i>Number of participating students</i>	<i>Percentage against the total number of school students</i>
2007-2008	365 643	95%
2008-2009	346 672	94.3%
2009-2010	328 308	95%

Note:

Service year refers to the period from 1 November every year to 31 October of the following year.

- (b) and (c)

The Government's policy on dental services seeks to improve oral health and prevent dental diseases through promotion and education, thereby raising public awareness of oral health, and facilitating the development of proper oral health habits. The Oral Health Education Unit under the Department of Health (DH) has launched various educational and promotional programmes specifically for different age groups having regard to their dental care needs. To encourage primary school students to establish good oral healthcare habits to prevent dental diseases, we have launched the School Dental Care Service.

To help secondary school students pay constant attention to oral health, we have launched the "Teens Teeth" oral health promotion programme to train selected "peer leaders" to help organize oral health promotion activities to disseminate oral health messages to fellow students, and teach Form One students to develop good oral healthcare habits. Since 2003, the DH has launched the annual "Love Teeth Campaigns". Specific thematic messages are delivered through televisions, newspapers, radio programmes and

posters at the Mass Transit Railway to promote oral health and good oral care skills to the community.

In 2001, the DH conducted a territory-wide oral health survey in accordance with the criteria and recommendations of the World Health Organization. The targets of the survey were members of the key index age groups, including:

- (i) five-year-old children;
- (ii) 12-year-old children;
- (iii) 35 to 44-year-old adults;
- (iv) 65 and above non-institutionalized elderly people; and
- (v) 65 and above elderly people residing in residential care homes.

According to the survey, the oral health status of the Hong Kong population was found to be in the same ranking as many other developed countries. The level of tooth decay among the 12-year-old students was among the world's lowest but their gum condition needed more attention.

The DH is now conducting another territory-wide oral health survey to continuously monitor the oral health status of our population and assess their oral health behaviours and habits. The information collected could facilitate our planning of oral health programmes for different population groups (including secondary school students).

At present, we focus our efforts on providing emergency dental services for the public. The DH provides free emergency dental services, covering treatment of acute dental diseases, prescription for pain relief, treatment of oral abscess and teeth extraction through its 11 government dental clinics. The DH's dentists would also give professional advice with regard to the individual needs of patients.

Moreover, the Food and Health Bureau has formed the Task Force on Primary Dental Care and Oral Health under the Working Group of Primary Care since December 2010 to, among other things, provide advice on initiatives to promote and enhance primary dental care and oral health. It comprises members from the dental profession, academics, patient groups, the Hospital Authority and representatives from the Food and Health Bureau, the DH and the Social Welfare Department.

The Task Force has advised that priority should be given to improving oral health of and dental care for needy elderly. The Government has thus launched a pilot project in partnership with non-governmental organizations for a period of three years to provide elderly people residing in residential care homes or receiving services in day care centres with outreach primary dental care and oral healthcare services since April 2011. The Task Force will further consider the oral health status and dental care needs of the different population groups including secondary school students with a view to advising on feasible strategies to improve their oral health.

Installation and Replacement of Medical Equipment in Public Hospitals

9. **MR CHEUNG MAN-KWONG** (in Chinese): *President, regarding the installation and replacement of medical equipment in various hospitals within the Hospital Authority (HA)'s clusters and the relevant mechanism, will the Government inform this Council:*

- (a) *whether it knows an inventory of the commonly used and essential items of medical equipment (valued over \$5 million) which are important and sizable and must be installed in both acute and non-acute hospitals, and the names of those hospitals which have not installed all such equipment; the important and sizable medical equipment which had been installed or replaced in each hospital within a cluster in the past five years, the expenditure incurred, the number of additional staff thus employed, the utilization rates of*

such medical equipment and the numbers of patients who had used such equipment, with a breakdown of the above by hospital cluster;

- (b) *as some healthcare staff have pointed out that Magnetic Resonance Imaging (MRI) scanners are important items of equipment which are commonly used in hospitals and important to patients in acute hospitals in particular, but some acute hospitals still have not yet installed such equipment, whether it knows the reasons for that; the factors to be considered by various clusters in determining whether individual hospitals need to procure MRI scanners, and a breakdown by cluster of the names of the acute hospitals which have not installed MRI scanners, the names of the acute hospitals which have installed MRI scanners, as well as the number of scanners installed and the respective years of installation; the names of the acute hospitals which will replace old MRI scanners with new ones, or those acute hospitals which will install the scanners and the timetable concerned, the utilization rates of the MRI scanners in various hospitals, the numbers of acute patients in various acute hospitals who were referred to other public or private hospitals to receive MRI services in 2010-2011, and the median waiting time of patients for receiving MRI services;*
- (c) *whether it knows the factors to be considered by various clusters in determining whether individual hospitals need to procure Computerized Tomography (CT) scanners, and a breakdown by cluster of the names of the hospitals which have not installed CT scanners, the names of the hospitals which have installed CT scanners, the number of scanners installed and the respective years of installation, the names of the hospitals which will replace old CT scanners with new ones, or those hospitals which will install the scanners and the timetable concerned, the utilization rates of the CT scanners in various hospitals, the numbers of in-patients in various hospitals who were referred to other hospitals to receive CT scanning services in 2010-2011, and the median waiting time of patients for receiving CT scanning services; whether doctors in general out-patient clinics (GOPCs) can directly refer patients to receive CT scanning services; if not, the reasons for that; and*

- (d) *the mechanism through which various clusters discuss and decide on matters relating to the procurement or replacement of medical equipment in various hospitals within a cluster; given that the Hospital Chief Executive of the major acute hospital in a cluster will concurrently serve as the Cluster Chief Executive and controls the deployment of manpower, allocation of resources and development of services in all the hospitals within the cluster, what channels are available for other hospitals to participate in discussing and monitoring the allocation of resources within the cluster and to achieve checks and balances, how the HA monitors and ensures that the allocation of resources will not be tilted in favour of major acute hospitals and other hospitals are able to install and replace the medical equipment they need and develop their services in a timely manner?*

SECRETARY FOR FOOD AND HEALTH (in Chinese): President, the HA has medical equipment of a total value of more than \$8 billion. The equipment is allocated to individual hospitals according to their service scope and capacity. All hospitals therefore have medical equipment required for provision of their services, such as blood pressure monitors, defibrillators, ventilators, electrocardiographs, physiological monitors, ultrasonic devices, endoscopes, resuscitators and sterilizers. Medical laboratories, intensive care units, cardiac catheterization laboratories and operating theatres, which cater for specific services, are provided with the relevant medical equipment.

For effective utilization of healthcare resources, seven hospital clusters have been established under the HA to co-ordinate the services of hospitals within the respective clusters. This cluster service model enables the HA to provide quality and efficient public hospital services on a sustainable basis. The HA's healthcare services are categorized into primary, secondary, tertiary and quaternary services according to the prevailing conditions of the relevant diseases, the number of patients seeking treatment and the complexity of the services. The major considerations for provision of tertiary and quaternary healthcare services include: (i) technology centralization; (ii) availability of a sufficient number of patients seeking treatment for maintaining the relevant technology and capability; (iii) the economy of scale for provision of 24-hour service and manpower planning; and (iv) the greater need for monitoring and

ensuring the service quality of more complicated medical procedures. Thus, more complicated healthcare services such as organ transplant and cardiac surgery are conducted in a few designated hospitals. The medical equipment required for these complicated healthcare services is therefore only available in the designated hospitals. Nevertheless, individual hospitals in each cluster are equipped with basic medical equipment to cope with their needs. With regard to laboratory services, for instance, major acute hospitals in each cluster have set up advanced laboratories for provision of comprehensive laboratory services for the whole cluster while individual hospitals in the cluster are equipped with basic laboratories to cope with their operational needs.

Modern healthcare is heavily technology driven. Advancement in medical technology contributes to better patient care through faster and more accurate diagnosis. It also enables less invasive or more precise new treatments for better clinical outcome that benefits patients direct. The HA has attached great importance to modernization and upgrading of its medical equipment and have been continuously modernizing its medical equipment in order to provide quality services to patients. Regarding the four parts of the question, the reply is as follows:

(a) and (d)

The HA has maintained a central record to keep track of the relevant information of its medical equipment items such as their age profile, locations and maintenance records, which enables the HA to assess supply of equipment to hospitals and its service areas as well as to plan for equipment allocation and replacement. The allocation and supply of medical equipment is considered mainly based on the following factors:

- (i) The areas, nature and level of services of hospitals: that is whether the medical equipment concerned must be centrally installed to enable the centralization of technical staff and economy of scale to be achieved;
- (ii) The age profile and service conditions of the existing equipment;

- (iii) Whether alternative technologies are available for elimination of obsolete equipment and lowering of the risks;
- (iv) Whether new technologies can be adopted for provision of modernized medical services based on the principles of evidence-based medical practice: the HA has set up a clinical co-ordinating committee for each specialty, under which a technology committee is established and tasked to advise the HA on the current level and strategy of technology application as well as the merits, risk and maturity of the relevant technologies;
- (v) Medical equipment required to be allocated and acquired for new service plans adopted under the HA's annual work plan; and
- (vi) Interface issues such as deployment or recruitment of relevant professional and technical staff and capital works planning for sites where the equipment is to be located.

Requests for procurement of medical equipment items with a unit cost over \$150,000 are centrally co-ordinated by the HA and the expenditure is met by a block vote. Individual hospitals may lodge requests for allocation and replacement of medical equipment according to their needs. Requests from hospitals are considered by the HA mainly according to the priority of service needs and the following principles:

- (i) Risk level;
- (ii) Importance to clinical service outcome;
- (iii) Equipment safety and their regulation compliance;
- (iv) Service level;
- (v) Utilization rate;

- (vi) Reliability;
- (vii) Availability of backup equipment; and
- (viii) Occupational safety and health considerations.

Requests for procurement of other medical equipment items (with a unit cost less than \$150,000) are considered by individual hospitals and the expenditure is met by their own budget allocations. A technology advisory committee has been set up in each hospital cluster to monitor any need for medical equipment and advise the hospital management on the priority of replacement and procurement of medical equipment items. Hospitals also process donation of medical equipment from other organizations or individuals on the basis of the above principles.

In planning for procurement of additional equipment items, especially for the major equipment, the HA has taken into consideration the corresponding manpower deployment or recruitment plans to ensure that there will be adequate technicians, doctors, nurses and supporting staff to cope with the procurement plan and the operational needs. The relevant expenditure is met by the hospitals' own budget allocations.

A list of medical equipment procured with funding from the block vote from 2007-2008 to 2010-2011 is at Annex 1.

(b) and (c)

The HA provides CT and MRI scanning services based on the hospital cluster model. All acute hospitals with 24-hour accident and emergency services are provided with CT scanners while each cluster is equipped with MRI scanner. Up to 1 April 2011, the HA has a total of 26 CT scanners and 13 MRI scanners. The distribution of these scanners is at Annex 2. Besides, the HA plans to provide a number of additional CT and MRI scanners in various hospitals in the coming two years from 2011-2012 to 2012-2013, which includes provision of an additional CT scanner in Our Lady of

Maryknoll Hospital and provision of a total of three additional MRI scanners in Tseung Kwan O Hospital, Caritas Medical Centre and Ruttonjee Hospital. The number of people provided with CT and MRI scanning services in 2010-2011 and the median waiting time for the services are at Annexes 3 and 4 respectively.

Patients taken care of by GOPCs can be divided into two main categories, namely chronic disease patients with stable conditions (for example, patients with diabetes mellitus, hypertension, and so on) and episodic disease patients with relatively mild symptoms (for example, patients who suffer from influenza, cold, fever, gastroenteritis, and so on). These patients receive primary healthcare services in GOPCs and they are less likely to have a need for receiving CT or MRI scanning services when compared with patients of the specialist out-patient clinics (SOPCs). For this reason, doctors in GOPCs normally do not refer patients direct to receive CT or MRI scanning services. If such scanning is considered necessary, doctors of GOPCs will refer patients to family medicine clinics or SOPCs for follow-up and further treatment.

Annex 1

A list of medical equipment procured with funding from the block vote
from 2007-2008 to 2010-2011

<i>Equipment Group</i>	<i>2007-2008</i>			<i>2008-2009</i>			<i>2009-2010</i>			<i>2010-2011</i>		
	<i>Quantity</i>	<i>\$ m</i>	<i>%</i>	<i>Quantity</i>	<i>\$ m</i>	<i>%</i>	<i>Quantity</i>	<i>\$ m</i>	<i>%</i>	<i>Quantity</i>	<i>\$ m</i>	<i>%</i>
Anaesthetic Machine	53	27.9	6.5%	20	11.1	2.6%	8	4.3	1.0%	25	11.4	2.2%
Cardiology Equipment	4	1.8	0.4%				1	0.5	0.1%	4	3.1	0.6%
Endoscopic Equipment	31	7.6	1.8%	51	13.9	3.3%	27	8.0	1.9%	84	34.8	6.6%
Laboratory Analyser/ Pathology Equipment	18	23.2	5.4%	48	41.9	9.8%	18	18.2	4.2%	71	42.2	8.0%
Nuclear Medicine	3	10.7	2.5%	2	6.3	1.5%				3	10.5	2.0%
Operating Table	20	10.8	2.5%	30	10.1	2.4%	6	3.7	0.8%	16	6.9	1.3%
Ophthalmic Equipment	1	0.4	0.1%	13	6.1	1.4%	7	4.3	1.0%	23	8.3	1.6%
Physiologic Equipment	23	39.9	9.3%	18	26.4	6.2%	18	28.1	6.5%	73	40.0	7.6%

Equipment Group	2007-2008			2008-2009			2009-2010			2010-2011		
	Quantity	\$ m	%	Quantity	\$ m	%	Quantity	\$ m	%	Quantity	\$ m	%
Physiotherapy/ Occupational Therapy Equipment				12	6.0	1.4%	12	5.4	1.2%	18	8.2	1.6%
Radiological Equipment	45	172.8	40.3%	57	146.7	34.4%	44	198.0	45.8%	90	223.0	42.2%
Radiotherapy Equipment	2	21.9	5.1%	10	46.2	10.8%	9	67.7	15.7%	8	20.8	3.9%
Renal Equipment	3	2.8	0.7%	10	3.5	0.8%	9	5.4	1.3%	14	8.9	1.7%
Sterilizer	3	4.0	0.9%	21	9.5	2.2%	6	4.4	1.0%	8	4.4	0.8%
Surgical Equipment	10	10.0	2.3%	29	20.4	4.8%	23	23.9	5.5%	69	39.3	7.4%
Telephone System	5	19.6	4.6%	7	21.2	5.0%	9	18.5	4.3%	6	5.5	1.0%
Ventilator	162	31.3	7.3%	62	12.4	2.9%	11	2.6	0.6%	104	15.7	3.0%
Other Equipment	19	44.1	10.3%	66	45.2	10.6%	37	39.6	9.2%	87	45.8	8.7%
Sub-total	402	429.0	100.0%	456	427.0	100.0%	245	432.5	100.0%	703	529.0	100.0%
Works Projects		71.0			73.0			67.5			71.0	
Total		500.0			500.0			500.0			600.0	

Annex 2

Hospitals equipped with CT scanners and MRI scanners by cluster

Cluster	Hospital	Number of scanners as at 1 April 2011	
		CT scanner	MRI scanner
Hong Kong East	Pamela Youde Nethersole	1	1
	Eastern Hospital	1*	0
	Ruttonjee Hospital	1	0
Hong Kong West	Queen Mary Hospital	4	2
Kowloon Central	Queen Elizabeth Hospital	2	2
		1*	1*
Kowloon East	Tseung Kwan O Hospital	1*	0
	United Christian Hospital	1	1
		1*	0
Kowloon West	Caritas Medical Centre	1	0
	Kwong Wah Hospital	2	1
	Princess Margaret Hospital	2	1
	Yan Chai Hospital	1	0

<i>Cluster</i>	<i>Hospital</i>	<i>Number of scanners as at 1 April 2011</i>	
		<i>CT scanner</i>	<i>MRI scanner</i>
New Territories East	Alice Ho Miu Ling Nethersole Hospital	1	0
	North District Hospital	1	1
	Prince of Wales Hospital	2	1
		1*	0
New Territories West	Tuen Mun Hospital	1	1
		0	1*
	Pok Oi Hospital	1	0
Total		26	13

Note:

* Scanners installed in 2010-2011

Annex 3

Number of people provided with CT and MRI scanning services
between 1 April 2010 and 31 March 2011

<i>Cluster</i>	<i>Number of people served (between 1 April 2010 and 31 March 2011)</i>	
	<i>CT</i>	<i>MRI</i>
Hong Kong East	34 036	4 672
Hong Kong West	26 893	8 783
Kowloon Central	41 105	8 417
Kowloon East	28 418	2 864
Kowloon West	61 096	7 573
New Territories East	48 269	11 320
New Territories West	34 225	4 290
HA total	274 042	47 919

Median waiting time for CT and MRI scanning services

<i>Service</i>	<i>Median waiting time for patients to receive scanning service between 1 April 2010 and 31 March 2011</i>
CT	Within one day (Note: Around 64% of the CT cases are urgent ones)
MRI	86 days

Enforcement of Legislation on Seat Belt Wearing by Taxi and Public Light Bus Passengers

10. **MR ANDREW LEUNG** (in Chinese): *President, it is provided in legislation that passengers in the rear seats of taxis and public light buses (PLBs) registered respectively on or after 1 January 2001 and 1 August 2004 are required to wear seat belts. It has been learnt that since the commencement of such provision in legislation, the casualty rate in the traffic accidents concerned has actually dropped. However, my office has received complaints from members of the public alleging that the rear seats of some taxis are not fitted with any seat belt, and the seat belts of some taxis and PLBs are damaged. In this connection, will the Government inform this Council:*

- (a) whether the Transport Department (TD) checks during the annual examination of taxis and PLBs to ascertain if the seat belts are properly fitted and in good condition; if so, in case it is confirmed that there is problem in the fitting of or damage to the safety belts, whether it will refuse to renew the licence for the taxi or PLB concerned; if not, of the reasons for that;*
- (b) among the traffic accidents involving taxis in the past 10 years, of the number of taxi drivers and passengers injured or even killed because they did not wear seat belts, and whether any problem in the fitting of or damage to safety belts was involved;*
- (c) since the commencement of the provision in legislation that passengers in the rear seats of taxis and PLBs are required to wear*

seat belts, of the respective numbers of verbal warnings and summons issued so far by the authorities; and among such cases, of the number of repeated offenders involved; and

- (d) *given that it is stipulated in the existing legislation that passengers who fail to wear seat belts are liable to a fine of \$5,000 and imprisonment for three months, whether the authorities will consider raising the penalty for repeated offenders?*

SECRETARY FOR TRANSPORT AND HOUSING (in Chinese): President, my reply to the various parts of the question is as follows:

- (a) At present, all commercial vehicles, including taxis and PLBs, are required to undergo an annual vehicle examination conducted by the TD to ensure their compliance with the relevant vehicle construction and maintenance requirements before licence renewal. The fitting of seat belts is one of the items which must be inspected during the course of examination by the TD staff. The TD will inspect the seat belts required by law and check whether they conform with the prescribed specifications, whether they are damaged and can be buckled/unbuckled easily, and so on. If the fitting of seat belts on the taxi or PLB examined does not meet the standards, the vehicle fails the examination and its licence will not be renewed by the TD.
- (b) The casualties of traffic accidents involving taxi drivers and passengers not wearing seat belts in the past 10 years are set out at Annex 1. As no information is available on whether the seat belts of the vehicles involved in the accidents were properly fitted or damaged, it cannot be further distinguished whether the accidents involved vehicles with seat belts that were improperly fitted or damaged.
- (c) and (d)

Under the Road Traffic (Safety Equipment) Regulations (Cap. 374F), taxis registered on or after 1 January 2001 and PLBs

registered on or after 1 August 2004 shall be provided with a seat belt for each of their rear passenger seats. A passenger must buckle up if his seat is fitted with a seat belt. The driver or the passenger in the specified passenger seat who fails to wear a seat belt is liable to a fine of \$5,000 and imprisonment for three months. Also, the driver is liable to a fixed penalty of \$320 and \$230 for failing to wear seat belt himself and for his passenger failing to wear seat belt respectively.

The prosecution figures of the police in respect of failure to wear seat belts between January 2004 and April 2011 are set out at Annex 2. Normally, the police will prosecute offending drivers and passengers by way of issuing fixed penalty tickets and summonses respectively. The police do not have a breakdown of the number of verbal warnings issued against non-compliance with the seat belt requirement and the number of cases involving repeat offenders.

We consider the penalty for passengers failing to wear seat belts under the existing legislation (that is, a maximum fine of \$5,000 and imprisonment for three months) appropriate. We will review the relevant legislation when necessary.

Annex 1

Casualties of traffic accidents involving taxi drivers and passengers not wearing seat belts

<i>Year</i>	<i>Drivers not wearing seat belts</i>		<i>Passengers not wearing seat belts</i>		<i>Total</i>	
	<i>killed</i>	<i>injured</i>	<i>killed</i>	<i>injured</i>	<i>killed</i>	<i>injured</i>
2001	0	16	2	75	2	91
2002	0	20	0	53	0	73
2003	0	12	0	52	0	64
2004	0	6	1	43	1	49
2005	1	18	0	59	1	77

<i>Year</i>	<i>Drivers not wearing seat belts</i>		<i>Passengers not wearing seat belts</i>		<i>Total</i>	
	<i>killed</i>	<i>injured</i>	<i>killed</i>	<i>injured</i>	<i>killed</i>	<i>injured</i>
2006	0	14	1	33	1	47
2007	0	11	0	49	0	60
2008	0	5	1	35	1	40
2009	0	30	0	61	0	91
2010	0	35	0	70	0	105

Annex 2

Prosecution figures in respect of failure to wear seat belts

(I) Prosecutions involving taxi drivers or passengers

<i>Year</i>	<i>Fixed Penalty Tickets⁽¹⁾</i>	<i>Summonses⁽²⁾</i>	<i>Arrests⁽³⁾</i>	<i>Total</i>
2004	700	31	0	731
2005	951	56	0	1 007
2006	1 073	84	0	1 157
2007	1 124	43	0	1 167
2008	1 255	46	1	1 302
2009	1 236	28	0	1 264
2010	1 312	97	0	1 409
2011 (Jan to Apr)	418	96	0	514

(II) Prosecutions involving PLB drivers or passengers

<i>Year</i>	<i>Fixed Penalty Tickets⁽¹⁾</i>	<i>Summonses⁽²⁾</i>	<i>Arrests⁽³⁾</i>	<i>Total</i>
2004	550	4	0	554
2005	663	859	0	1 522
2006	595	1 483	0	2 078
2007	607	1 312	0	1 919
2008	578	1 633	0	2 211
2009	757	1 091	0	1 848

<i>Year</i>	<i>Fixed Penalty Tickets⁽¹⁾</i>	<i>Summonses⁽²⁾</i>	<i>Arrests⁽³⁾</i>	<i>Total</i>
2010	896	1 669	2	2 567
2011 (Jan to Apr)	255	326	0	581

Notes:

- (1) All fixed penalty tickets were issued to the drivers, either for failing to wear seat belts themselves or for their passengers failing to wear seat belts.
- (2) The passenger of the specified seat failing to wear a seat belt is not a scheduled offence under the Fixed Penalty (Criminal Proceedings) Ordinance. Most of the summonses were served on the passengers.
- (3) Drivers were arrested in relation to other serious traffic offences, for example, dangerous driving, in which seat belt offence was not the main offence.

Smoky Vehicle Control Programme

11. **MR JEFFREY LAM** (in Chinese): *President, regarding the Smoky Vehicle Control Programme, will the Government inform this Council:*

- (a) *given that despite the authorities' previous efforts to ameliorate the problem of smoky vehicles, the Environmental Protection Department (EPD) has projected that 9 000 smoky vehicle cases will be handled this year, which is similar to those in the past two years, of the reasons for the number of smoky vehicles to be handled not being reduced;*
- (b) *as the EPD has projected that out of the 9 000 smoky vehicles cases to be handled this year, the authorities will test the vehicles in 7 900 cases only, why the vehicles in the remaining 1 100 cases are not required to be tested;*
- (c) *among the smoky vehicles which had undergone smoke tests in the past three years, of the number of those which underwent the tests within the prescribed period of 14 working days; the number of those which did not undergo the tests within 14 working days, as well as the average number of working days and the maximum number of working days within which these vehicles underwent the tests;*

- (d) *among the smoky vehicles which had undergone the tests in the past three years, of the number of those with emissions exceeding the prescribed limits, as well as the exceedances involved;*
- (e) *whether it had studied in the past three years how far the emission levels of smoky vehicles which did not undergo the tests or repairs and improvement would exceed those of the vehicles in general when those smoky vehicles continued to travel on roads;*
- (f) *whether it will tighten the time limit for smoky vehicles to undergo the tests so as to ensure that vehicles travelling on roads will not pollute the air; and*
- (g) *what measures it has to further ameliorate the problem of smoky vehicles?*

SECRETARY FOR THE ENVIRONMENT (in Chinese): President,

- (a) and (b)

Since 1999, the Government has strengthened the control of smoky vehicles, including the introduction of an advanced smoke test, the increase of the fixed penalty fine for smoky vehicle to \$1,000 and the training of more accredited spotters. As a result, the number of Emission Test Notices (ETNs) issued dropped significantly by over 80% to about 6 500 in 2010 from its peak at about 39 000 in 2000. As for this year, we estimate that there would be about 9 000 smoky vehicle reports from accredited spotters, which is approximately the same as those in the past two years. However, based on past experience, we expect that some of the reports could not be followed up for the following reasons:

- (i) duplicate reporting (that is, a smoky vehicle has been reported smoky by more than one accredited smoky vehicle spotter);
- (ii) insufficient information in the report (such as failing to provide the type of the vehicle); or

- (iii) vehicle particulars in the report being inconsistent with those in the vehicle registration records of the Transport Department (TD) such that the alleged smoky vehicle could not be identified.

As such, we estimate that 6 500 ETNs would be issued in this year requiring the owner to conduct smoke tests in vehicle emission testing centres (VETCs) within a prescribed period of time. In addition, some smoky vehicles would undertake the smoke test more than once before they are thoroughly repaired and pass the test. Based on past data, we estimate that about 7 900 tests would be conducted in connection with the ETN.

- (c) Starting April 2008, we have required the owners of smoky vehicles to fix the smoke problem and pass the smoke test in a VETC within 12 working days, which is shorter than the previous requirement of "14 working days" by two days. Vehicles failing to comply with the requirement would have their vehicle licences cancelled unless they have reasonable grounds and have been approved by us. Past data showed that most of the spotted smoky vehicles complied with the requirements (Please see below the data).

<i>Year</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>
Total number of ETN issued	7 209	6 210	6 526
Number of cases approved to extend the prescribed period for passing the test (percentage of total number of ETN)	448 (6%)	392 (6%)	447 (7%)
Among the above approved cases, the averaged number of days taken to pass the test	23	23	23
For those approved cases, the maximum number of days to pass the test (number of case)	73 (1)	53 (1)	58 (1)

- (d) In the past three years, there were on average about 210 vehicles per year failing the smoke test. These smoky vehicles on average exceeded the smoke limit, that is, 50 Hartridge Smoke Unit, by about 50%. The EPD recommended the TD to cancel their vehicle licences.
- (e) Generally speaking, smoky vehicles would emit about twice the suspended particulates of normal vehicles. To prevent smoky vehicles that did not undergo the test and undertake repair from travelling on our roads and polluting the air, we would recommend the TD to cancel their licences.
- (f) In April 2008, we shortened the prescribed period for a smoky vehicle to pass the smoke test in a VETC from 14 working days to 12 working days. We will consider the need to further shorten the period based on the actual situation.
- (h) In addition to the measures mentioned in parts (a) and (b) above, to further ameliorate the problem of smoky vehicles, we organize seminars for the transport trades to promote better vehicle maintenance and eco-driving. The Vocational Training Council also offers training courses for vehicle mechanics on the maintenance of vehicle emission systems.

Local Students in Private Independent Schools

12. DR DAVID LI: *President, with regard to the school places for local students in Private Independent Schools (PISs), will the Government inform this Council:*

- (a) *given that in reply to a question raised at the meeting of this Council on 16 March this year, the Secretary for Education stated that local students studying at international schools include students who are Hong Kong permanent residents (with the right of abode in Hong Kong Special Administrative Region) and do not have any foreign passport (except British National (Overseas) Passport), while in response to my question at the meeting of this Council on 17 October*

2007, the Secretary for Education indicated that, "since PISs are intended to serve a more locally-based student body, we generally expect the 'local children' served by these schools to be permanent residents of Hong Kong.", why the Education Bureau has adopted different definitions for "local" students/children in such two contexts (that is, for international schools and for PISs);

- (b) for each PIS currently in operation, of the total amount of construction grant provided by the Government; for the 2010-2011 school year, the total number of applications received and the number of students admitted at each grade; as well as the total number of students enrolled, and among them, the number of local students (in terms of the definition of local students/children for PISs and that for international schools respectively);
- (c) in terms of the definition of local children for PISs, of the total number of local students enrolled at international schools in Hong Kong, with a breakdown by name of school and presented in the same table format as in the aforesaid reply to the question of 16 March this year;
- (d) whether the Government has made any estimation on the total number of primary one school places required for local children (who are children of permanent residents of Hong Kong and who hold a foreign passport) and the places available for them at both international schools and PISs in the coming three years; if it has, of the details; and
- (e) as it has been learnt that some parents and school administrators expressed concerns about the level of the annual government subsidies to the English Schools Foundation (ESF) and how many school places are available for students who are children of permanent residents of Hong Kong and who hold a foreign passport, whether the Government has acknowledged their concerns, and whether it has any policy to provide additional school places for these students at an affordable fee to address their concerns?

SECRETARY FOR EDUCATION: President, the establishment of PISs aims at facilitating the development of the private school sector. They inject more variety into the school system and give parents more choices.

My reply to each part of the question is as follows:

- (a) Since the policy objectives of international schools and PISs are different, their respective admission targets are thus not the same. According to the prevailing policy, PISs are required to admit primarily local children, which should constitute at least 70% of the overall student population. As PISs serve mainly local students, the basic requirement is for these students to have Hong Kong permanent resident status. Having taken into account the diversified curricula and unique circumstances of each PIS in terms of student admission, and addressed the demand from local children for diversified private school places, "local children" is defined in broad terms to facilitate PISs in formulating appropriate admission strategies.
- (b) The amounts of Government's capital grant provided to the eight PISs in operation for construction of school buildings are set out in Annex I. In the 2010-2011 school year, there are around 9 500 students enrolled in PISs. Of which, 87% are local students and 13% are other types of students. The enrolment figures and ratios of local to other types of students of individual PISs are listed in Annex II. The breakdown of students by grade and by school in the 2010-2011 school year varies as the scale of operation differs amongst schools. For the primary levels, schools enrolled from around 70 to 170 students at each grade, and for the secondary levels, schools enrolled from around 40 to 150 students at each grade. We have no relevant record on the number of applications for admission received by individual PISs.
- (c) As explained earlier, the policy objectives of international schools and PISs are different. Hence, their respective admission targets are not the same. As regards the number of students enrolled in international schools in the 2010-2011 school year, following the method of calculation adopted in our reply to the Legislative Council question of 16 March 2011, there are around 32 000 students enrolled in international schools. Of which, 13% are local students

and 87% are other types of students. The breakdown by individual schools is set out in the relevant reply.

- (d) We collect data on the provision of school places and the enrolment figures through our annual survey to closely monitor the supply and demand of school places in the international school and PIS sectors. In the coming three years, we estimate that the number of international school places will increase significantly from 36 000 to 38 500, while that of PISs will increase from 10 600 to 11 600.
- (e) We are reviewing the subvention arrangements for the ESF. The issue of whether or not the present mode of subvention should continue and other related matters would be examined, having regard to the provision of education services by the ESF under the present day circumstances. Specifically, the review will cover a number of areas including the ESF's role and positioning, its admission policy, financial arrangement and fee-related arrangements.

Annex I

Government's Capital Grant to PISs for Construction of School Buildings

<i>Name of School</i>	<i>Government's Capital Grant⁽¹⁾</i>
International Christian Quality Music Secondary and Primary School	\$172.5 million
Renaissance College	\$191.6 million
Victoria Shanghai Academy	\$216.9 million
The Independent Schools Foundation Academy	\$184.1 million
Yew Chung International School — Secondary	\$104.4 million
International Christian School	\$98.1 million
Discovery College	\$137 million
Po Leung Kuk Choi Kai Yau School	\$228.6 million

Note:

- (1) In money-of-the-day prices

Annex II

Enrolment Situation and Percentages of Local Students
and Other Types of Students in PISs (2010-2011 school year)

<i>Name of School</i>	<i>District</i>	<i>Total number of students</i>	<i>Number of local students⁽¹⁾ (Percentage)</i>	<i>Number of other types of students (Percentage)</i>
International Christian Quality Music Secondary and Primary School	Wong Tai Sin	1 221	1 221 (100%)	0 (0%)
Renaissance College	Sha Tin	1 860	1 418 (76.2%)	442 (23.8%)
Victoria Shanghai Academy	Southern	1 504	1 436 (95.5%)	68 (4.5%)
The Independent Schools Foundation Academy	Southern	935	732 (78.3%)	203 (21.7%)
Yew Chung International School — Secondary	Kowloon City	791	709 (89.6%)	82 (10.4%)
International Christian School	Sha Tin	959	830 (86.5%)	129 (13.5%)
Discovery College	Islands	896	574 (64.1%)	322 (35.9%)
Po Leung Kuk Choi Kai Yau School	Sham Shui Po	1 314	1 314 (100%)	0 (0%)
Total		9 480	8 234 (86.9%)	1 246 (13.1%)

Note:

- (1) Local students refer to students having Hong Kong permanent resident status

Redevelopment of Industrial Area in Wong Chuk Hang

13. **DR PAN PEY-CHYOU** (in Chinese): *President, according to recent media reports, the MTR South Island Line project has commenced, coupled with the launch of the revitalization of industrial buildings scheme by the Government, a number of private developers have abandoned their original hotel development plans in the Wong Chuk Hang Business Area (WCHBA). In this connection, will the Government inform this Council:*

- (a) whether the authorities have conducted any consultation on the development plan for WCHBA; if they have, of the details, including the respective numbers of consultation activities conducted and participants in each activity;*
- (b) of the number of applications for planning permission in respect of hotel developments on the sites in WCHBA approved by the authorities so far; the total area of the sites concerned, and the percentage of the total area of such sites in the total land area of WCHBA; whether it knows, among these sites, the respective areas of the sites on which hotels have been built and the sites on which hotels will be built within this year, as well as the developers who will convert the land use from hotel purpose to commercial building purpose instead; whether such conversion of land use requires approval from the authorities; if so, of the criteria adopted by the authorities in considering whether to grant approval for such conversion; if not, the reasons for that; and*
- (c) whether the authorities were inclined to convert the land use of WCHBA to hotel purpose when it initially implemented the revitalization of industrial buildings scheme in WCHBA; if they were, whether they will review afresh the development direction for WCHBA and consult the public again in this regard as the progress of such revitalization scheme has been unsatisfactory so far; if they will, of the details; if not, the reasons for that?*

SECRETARY FOR DEVELOPMENT (in Chinese): President,

- (a) In the process of rezoning the industrial land in Wong Chuk Hang to "Other Specified Uses" annotated "Business" (OU(B)) in 2001, the Town Planning Board (TPB) did conduct consultation in accordance with the statutory and administrative procedures, including displaying relevant amendments to the Aberdeen and Ap Lei Chau Outline Zoning Plan (the OZP) for inspection by the public and objection by affected persons, as required by the Town Planning Ordinance (TPO). The Community Building, Culture, Leisure and Tourism Committee of the Southern District Council was also consulted.

Subsequently, in determining building height restrictions for the WCHBA, the TPB agreed that the Planning Department (PlanD) should conduct public consultation. The PlanD then launched a two-month public consultation, including public forum, lasting from September to November 2005. During the consultation period, views were also sought from the Southern District Council, the Wong Chuk Hang and Stanley Area Committee, and the Planning Sub-Committee of the Land and Building Advisory Committee. Apart from members of the aforesaid committees, participants of the consultation activities included members of the public who attended the open meetings and public forum. The PlanD has not kept statistics on the number of participants. Having considered the views collected, the TPB incorporated the amendments to the building height restrictions into the OZP which was exhibited for public inspection and for representations in accordance with the TPO in 2006. The Planning, Works and Housing Committee of the Southern District Council was also consulted on the amendments.

- (b) In 2001, the TPB rezoned the industrial land in Wong Chuk Hang (about 8.3 hectares) from "Industrial" to "OU(B)", with a view to encouraging the conversion or redevelopment of existing industrial buildings and sites into commercial and non-polluting industrial use. Since then, a total of 14 sites (about 1.6 hectares) have been approved by the TPB for hotel development, representing about

19.3% of the land in the WCHBA. Among these 14 sites, seven have had their planning permission lapsed while one had a hotel completed last year. Of the remaining six sites, two have been given consent by the Government for lease modification for hotel development while four have had their lease modified for non-industrial or non-residential uses (excluding hotel). As such, hotels have been built or would be built on three sites with an aggregate area of some 0.37 hectare, representing about 4.5% of the land in the WCHBA. As mentioned above, there were indeed applicants forsaking their hotel development plans after planning permission was granted. It should however be noted that for "OU(B)" zone, TPB approval is required for hotel development, which is a "Column II" use, but not for the construction of commercial buildings for office use. Whether the sites in an "OU(B)" zone will eventually be developed for office building or hotel purpose is a commercial decision up to the developers. As a matter of fact, out of the seven sites which were first approved for hotel development but then had their planning permission lapsed, four have completed procedures for lease modification for non-industrial or non-residential uses (excluding hotel), and have either proceeded with office development or have submitted general building plans (GBP) for office. For information about the 14 sites, please refer to Annex.

- (c) The planning intention of zoning the WCHBA as "OU(B)" is for general business use, such as non-polluting industrial, office or other commercial uses, so as to provide greater flexibility in the utilization of existing industrial and industrial-office buildings in the area, and in the development of new buildings for commercial and non-polluting industrial uses. After rezoning, the industrial area is gradually transforming with the completion of new business buildings and hotels, which is in line with the planning intention. The MTR South Island Line (East) to be completed in 2015 will also promote the redevelopment of industrial buildings in the Wong Chuk Hang area for business use.

Annex

Current status of the hotel schemes in WCHBA
with planning approval from the TPB
(as at May 2011)

Number	Location	Lots Number	Planning Application Number	Approval Date	Supplementary Information		
					PlanD	Lands Department	Buildings Department
1.	55-57 Wong Chuk Hang Road	Aberdeen Inland Lot Number 283	A/H15/190 A/H15/211 A/H15/220	17.1.2003 24.6.2005 2.2.2007		Lease modification for non-industrial use (including hotel) completed in July 2004	Hotel building completed
2.	19-21 Wong Chuk Hang Road	Aberdeen Inland Lot Number 453	A/H15/191 A/H15/201 A/H15/201-1 A/H15/201-2 (Extension of Time) A/H15/201-3 (Extension of Time)	16.5.2003 5.12.2003 2.5.2006 5.12.2007 5.12.2007	Planning permission extended by four years to 5.12.2011	Lease modification for non-industrial use (excluding hotel) completed in October 2010	<ol style="list-style-type: none"> 1. GBP submission for industrial building approved on 19.2.2009 2. Another GBP submission for office approved on 13.4.2011 3. First consent for foundation and excavation and lateral support works granted on 14.1.2011 4. Notice of commencement of the consented works submitted on 20.1.2011
3.	4 Yip Fat Street and 8 Heung Yip Road	Aberdeen Inland Lot Number 360	A/H15/196	29.8.2003	Planning permission lapsed on 29.8.2007	Lease modification for non-residential use (excluding hotel) completed in April 2007	GBP submission for office received on 30.3.2011 still under processing
4.	50 Wong Chuk Hang Road	Aberdeen Inland Lot Number 298	A/H15/197	29.8.2003	Planning permission lapsed on 29.8.2007	Lease modification for non-residential use (excluding hotel) completed in December 2007	GBP submission for office received on 30.3.2011 still under processing

Number	Location	Lots Number	Planning Application Number	Approval Date	Supplementary Information		
					PlanD	Lands Department	Buildings Department
5.	33-35 Wong Chuk Hang Road	Aberdeen Inland Lot Number 155	A/H15/199	7.11.2003	Planning permission lapsed on 7.11.2007	No lease modification submitted. The existing lease is for industrial use and hotel is not permitted.	No GBP for new hotel/office received
6.	23 Yip Kan Street	Aberdeen Inland Lot Number 399	A/H15/200 A/H15/200-1 (Extension of Time)	7.11.2003 23.10.2007	Planning permission lapsed on 7.11.2010	No lease modification submitted. The existing lease is for industrial/godown use and hotel is not permitted.	No GBP for new hotel/office received
7.	41 Heung Yip Road	Aberdeen Inland Lot Number 354	A/H15/202 A/H15/202-1 (Extension of Time) A/H15/234	16.4.2004 4.9.2009	1. Planning permission A/H15/202 lapsed on 16.4.2008 2. Planning permission A/H15/202-1 rejected on 11.4.2008 3. Planning permission A/H15/234 valid until 4.9.2013	Lease modification for non-residential use (excluding hotel) completed in June 2010	GBP for office submitted on 25.3.2011 still under processing
8.	43 Heung Yip Road	Aberdeen Inland Lot Number 353	A/H15/204 A/H15/210	10.9.2004 15.4.2005	As the corresponding lease modification has been made, the planning permission remains valid. The developer has recently submitted a planning application to modify the development design, which is expected to be examined by the TPB in July 2011.	Lease modification for non-residential use (including hotel) executed in August 2007	GBP submission for hotel disapproved on 14.2.2011

Number	Location	Lots Number	Planning Application Number	Approval Date	Supplementary Information		
					PlanD	Lands Department	Buildings Department
9.	8-10 Wong Chuk Hang Road	Aberdeen Inland Lot Number 338	A/H15/205	21.10.2005	Planning permission lapsed on 21.10.2009	No lease modification submitted. The existing lease is for industrial/godown use and hotel is not permitted.	No GBP for new hotel/office received
10.	2 Heung Yip Road	Aberdeen Inland Lot Number 374	A/H15/207	17.12.2004	Planning permission lapsed on 17.12.2008	Lease modification for non-industrial use (excluding hotel) completed in April 2010	Office building completed
11.	34 Wong Chuk Hang Road	Aberdeen Inland Lot Number 350	A/H15/216 A/H15/216-1 (Extension of Time)	2.2.2007 6.1.2011	Planning permission extended by three years to 2.2.2014	Lease modification for non-industrial use (excluding hotel) completed in May 2010	GBP amendment for office approved on 25.3.2011
12.	1 Yip Fat Street	Aberdeen Inland Lot Number 309	A/H15/217 A/H15/217-1 (Extension of Time)	2.2.2007 6.1.2011	Planning permission extended by three years to 2.2.2014	Lease modification for non-industrial use (excluding hotel) completed in April 2010	GBP amendment for office approved on 25.3.2011
13.	38 Wong Chuk Hang Road	Aberdeen Inland Lot Number 352	A/H15/222	2.2.2007	Planning permission lapsed on 2.2.2011	Lease modification for non-residential use (excluding hotel) completed in October 2010	GBP amendment for office submitted on 13.5.2011 still under processing
14.	39-43 Wong Chuk Hang Road	Aberdeen Inland Lot Number 152RP, sARP and sAss1	A/H15/235	27.3.2009	As the corresponding lease modification has been made and GBP has been approved, the planning permission remains valid.	Lease modification for non-industrial use (including hotel) approved by Hong Kong District Lands Conference in February 2011	GBP for hotel approved on 18.2.2011

Measures to Reduce Traffic Accidents Involving Light Rail Trains

14. **MR CHEUNG HOK-MING** (in Chinese): *President, recently, there was a serious incident in which a Light Rail train collided with a vehicle on the road and was derailed, resulting in over 20 people being injured. Regarding traffic safety of the Light Rail, will the Government inform this Council:*

- (a) *of the number of traffic incidents involving Light Rail trains and the casualties involved in each of the past three years, as well as the respective major causes of the above accidents;*
- (b) *of the improvement measures to enhance traffic safety of the Light Rail, in the light of the above accidents; and*
- (c) *whether it will review the current Light Rail network and improve the design of traffic light signals at the relevant roads, and whether it will consider studying the alternatives of running the Light Rail on viaducts or tunnels in the future?*

SECRETARY FOR TRANSPORT AND HOUSING (in Chinese): *President, for the various parts of the question, our reply is set out below:*

- (a) According to the statistics of the Transport Department (TD), the number of traffic accidents and the related number of deaths and injuries involving the Light Rail over the past three years are tabulated below:

Years	Number of traffic accidents ^{Note}	Number of deaths and injuries			
		Deaths	Serious injuries	Minor injuries	Total
2008	9	0	2	29	31
2009	8	2	3	8	13
2010	14	1	7	11	19

Note:

Personal injury accidents reported to the police and do not include those involving damage to vehicles or/and property only.

The major causes of the traffic accidents mentioned above include non-compliance with traffic signals by Light Rail captains and drivers of other vehicles, pedestrians crossing the road without paying attention to the traffic situation, and pedestrians walking onto the Light Rail tracks unintentionally.

(b) and (c)

The Light Rail system is designed, built and operated according to international safety standards. After years of good operation, drivers and pedestrians in general are accustomed to the design of the traffic lights at road junctions in the Light Rail system. Safety will be ensured if drivers and pedestrians follow traffic lights, road signs and traffic regulations.

Safety facilities at road junctions in the Light Rail system include:

- traffic lights;
- road signs on Light Rail reserved area;
- road signs on vehicle height restrictions;
- yellow box marking to remind drivers not to stay within the yellow box; and
- before entering a road junction, Light Rail vehicles will sound a "Ding Ding" bell, and when there is an emergency, the train captain will sound the horn to alert other drivers.

Safety facilities at Light Rail pedestrian crossings include:

- signs of "Stop, Look Around" and "Attention to Light Rail";
- words of "Look Left" and "Look Right" painted on the ground to remind pedestrians to pay attention to traffic before stepping beyond the yellow line; and

- before entering a pedestrian crossing, Light Rail vehicles will sound a "Ding Ding" bell to alert pedestrians.

When they are first recruited, all Light Rail captains need to undergo a 10-week intensive training. Apart from the theory part of the course on the operation of the Light Rail system, defensive driving, Road Users' Code, and so on, they also need to undergo practical training in driving Light Rail vehicles. They are only allowed to drive Light Rail vehicles after passing the assessments by instructors.

In addition, Light Rail captains need to take refresher courses every year, which cover reviews of incidents and lessons learned from experience. They are also required to undergo re-assessments to determine whether they can continue to be deployed as captains. MTR Corporation Limited (MTRCL) would assess and monitor the performance of the captains continuously.

Currently, the TD has installed red light cameras at a number of road junctions in the Light Rail system, with the aim to deter against red light jumping by road vehicles.

The MTRCL exerts continuous efforts in the promotion of Light Rail safety messages, with different kinds of publicity and education activities being rolled out every year to raise safety awareness of road users. In 2010-2011, related publicity and education activities organized by the MTRCL include: the Light Rail Road Safety Campaign with the slogan "Don't cross when you hear 'Ding Ding'. Let's make it a safe journey!"; deploying safety ambassadors to Light Rail pedestrian crossings to remind pedestrians to cross the road safely and to distribute leaflets containing safety tips to pedestrians and passengers; arranging visits to elderly centres in the community where staff and volunteers can help promote passenger safety; organizing Light Rail safety talks at schools in Yuen Long, Tin Shui Wai and Tuen Mun Districts; and organizing a safety quiz competition among secondary school students in Tuen Mun and Yuen Long Districts to further raise safety awareness when using Light Rail service in the younger generation.

Electricity Consumption in Hong Kong

15. **MR LEE WING-TAT** (in Chinese): *President, regarding the electricity consumption in Hong Kong, will the Government inform this Council:*

- (a) *of the respective electricity generation costs incurred, electricity output produced and volume of electricity sold by the power companies in Hong Kong in each of the past five years; whether it knows how the power companies handle surplus electricity (broken down by power company);*
- (b) *whether it knows the respective electricity consumption of various types of customers and the respective percentages of such volumes in the total electricity production volume and total proceeds from electricity sales of the power companies in each of the past five years, broken down by year and by power company, and set out in table form as follows;*

<i>CLP Power Hong Kong Limited</i>		<i>Year:</i>		
	<i>Residential customers</i>	<i>General Service Tariff customers</i>	<i>Bulk Tariff customers</i>	<i>Large Power Tariff customers</i>
<i>Electricity consumption (percentage in total electricity consumption)</i>				
<i>Proceeds from electricity sales (percentage in total proceeds from electricity sales)</i>				

<i>Hongkong Electric Company Limited</i>		<i>Year:</i>	
	<i>Domestic Tariff customers</i>	<i>Commercial, Industrial and Miscellaneous Tariff customers</i>	<i>Maximum Demand Tariff customers</i>
<i>Electricity consumption (percentage in total electricity consumption)</i>			
<i>Proceeds from electricity sales (percentage in total proceeds from electricity sales)</i>			

- (c) *whether it knows the respective number of customers to whom CLP Power Hong Kong (CLP Power) Limited offered regressive and progressive rates in each of the past five years; and the percentage of the volumes of electricity involved in the annual electricity sales volume;*
- (d) *given that an interim review will be carried out every five years according to the mechanism under the Scheme of Control Agreements (SCAs) signed between the Government and the power companies in Hong Kong, whether the Government will add new terms and requirements on energy conservation to SCAs in the next or future interim reviews;*
- (e) *whether the Government had promoted energy conservation on the basis of "Demand Side Management" (DSM) in the past three years; if so, of the details and its effectiveness; if not, the reasons for that; whether it had conducted respective assessments on the emission reduction benefits achieved by methods such as DSM energy conservation approach, energy efficiency enhancement and nuclear energy development, and so on; if so, of the details; if not, the reasons for that; and*
- (f) *whether it has studied, with the adoption of the DSM energy conservation approach to reduce energy consumption in residential and commercial buildings, how much energy will need to be saved in Hong Kong in order to offset the amount of energy supplied by increasing the proportion of nuclear power and thereby obviating the need to substantially increase the proportion of nuclear power?*

SECRETARY FOR THE ENVIRONMENT (in Chinese): President,

- (a) According to the Annual Report on Hong Kong Energy Statistics compiled by the Census and Statistics Department, information on the two power companies' annual generation and sale of electricity in the past five years is set out as follows:

<i>Year</i>	<i>Electricity generated for local consumption (including imports of nuclear energy) (billion kWh)</i>	<i>Local electricity sales (billion kWh)</i>
2006	44.98	40.33
2007	45.87	40.85
2008	45.73	40.93
2009	46.59	41.49
2010	46.73	41.86

The difference between electricity generated and sold is normally energy losses in electricity generation, transmission and distribution. Besides, CLP Power is allowed to supply electricity to the Mainland from its standby generation capacity. Nevertheless, it is required that at any time should there be the event of power shortage, supply of electricity to Hong Kong consumers should take precedence; and 80% of the net profits arising from the related sales should be returned to CLP Power's customers. As regards the cost of electricity generation, the two power companies indicated that it is commercially sensitive and could not be disclosed.

- (b) The annual electricity consumption and net tariff revenue of various consumer groups in the past five years are set out below:

CLP Power

	<i>Year</i>	<i>Domestic customers</i>	<i>Non-domestic customers*</i>
Total electricity consumption (billion kWh) (Share of total)	2006	7.47 (25%)	22.09 (75%)
	2007	7.72 (26%)	22.24 (74%)
	2008	7.89 (26%)	22.18 (74%)
	2009	8.33 (27%)	22.24 (73%)
	2010	8.46 (27%)	22.47 (73%)
Net tariff revenue (HK\$billion) (Share of total)	2006	6.72 (26%)	19.02 (74%)
	2007	6.96 (27%)	19.16 (73%)
	2008	7.36 (27%)	19.86 (73%)
	2009	7.65 (28%)	19.58 (72%)
	2010	7.96 (28%)	20.37 (72%)

Hongkong Electric Company Limited (HEC)

	<i>Year</i>	<i>Domestic customers</i>	<i>Non-domestic customers*</i>
Total electricity consumption (billion kWh) (Share of total)	2006	2.37 (22%)	8.40 (78%)
	2007	2.39 (22%)	8.50 (78%)
	2008	2.42 (22%)	8.45 (78%)
	2009	2.50 (23%)	8.43 (77%)
	2010	2.47 (23%)	8.46 (77%)
Net tariff revenue (HK\$billion) (Share of total)	2006	2.56 (20%)	10.08 (80%)
	2007	2.64 (20%)	10.45 (80%)
	2008	2.83 (20%)	11.01 (80%)
	2009	2.75 (21%)	10.35 (79%)
	2010	2.71 (21%)	10.39 (79%)

Note:

* Due to commercial sensitivity, the two power companies could only provide the total consumption and net tariff revenue statistics for domestic and non-domestic customers.

- (c) CLP Power indicated that it has made reference to the cost of supplying electricity to different customer groups, in working out the tariff structure and avoiding cross-subsidization among different customer groups (for example, enterprises of different sizes, public utilities and residential customers).

CLP Power indicated that the tariff structure adopted for non-domestic customers primarily reflects the cost effectiveness of electricity supply as the cost of supplying electricity to commercial and industrial customers with high electricity consumption is in general lower. CLP Power explained that commercial and industrial customers with high electricity demand may obtain direct electricity from high voltage power system, which could reduce the extra cost of transforming high voltage power to low voltage power for supplying to customers. Moreover, commercial and industrial customers with high electricity consumption usually draw high volume of electricity at centralized locations, which would require less complementary cabling facilities and thereby involve lower cost of supply. It should be noted that CLP Power charges customers

with high electricity demand a "demand charge" on top of electricity consumption charge. The "demand charge" is charged based on the maximum demand of customers, that is, the higher the demand, the higher the "demand charge" would be. This would incentivize customers to reduce its power demand.

- (d) The current SCAs provides financial incentives for energy saving performance of power companies, with regard to the number of energy audits conducted by power companies for their customers and relevant energy saving achieved as indicators. Moreover, the power companies have each set up a loan fund over a five-year period (amounting up to \$125 million and \$62.5 million respectively), to provide loans to non-government customers to implement energy saving initiatives identified in energy audits to promote energy efficiency. They have also set up an education fund for energy efficiency and promotion activities. The Government will review with the two power companies, at an appropriate time, the energy saving terms and requirements in the SCAs.
- (e) The Government is committed to promoting energy conservation and improving energy efficiency, with a view to reducing greenhouse gas emissions. We expect that mandatory compliance with the Building Energy Codes, backed by the Buildings Energy Efficiency Ordinance enacted in late 2010, will result in energy saving of 2.8 billion kWh in new buildings in the first decade, contributing to a reduction in carbon dioxide emission of around 1.96 million tonnes. As at mid May 2011, the Buildings Energy Efficiency Funding Schemes have approved more than 720 applications benefiting over 4 700 buildings. These projects will contribute to an electricity saving of 131 million kWh per annum, equivalent to a reduction of carbon dioxide emissions by 92 000 tonnes.

We are setting up the District Cooling System at the Kai Tak Development, which may achieve a maximum annual saving of 85 million kWh, with a corresponding reduction of 59 500 tonnes of carbon dioxide emission per annum upon full implementation. The initial phase of the Mandatory Energy Efficiency Labelling Scheme has been fully implemented since November 2009, with the second

phase to be fully implemented from September 2011. The two phases of the Scheme will together bring about an energy saving of about 175 million kWh per year, equivalent to a reduction of carbon dioxide emissions by 122 500 tonnes.

The Environmental Protection Department commissioned a consultancy study in 2008 to assess the impact of climate change on Hong Kong. In the mitigation assessment conducted under the consultancy study, apart from a "business-as-usual" scenario (that is, assuming no additional mitigation measures are to be introduced), the Consultants had developed other technically feasible scenarios and assessed their mitigation potential in 2020. The findings indicated that by implementing mitigation measures focusing only on reducing energy demand and improving energy efficiency and without making a major revamp to the fuel mix for local electricity generation, by 2020, Hong Kong's carbon intensity (that is, carbon emission per unit of GDP) would be reduced up to about 39% as compared with 2005 level. If however there is a revamp in the fuel mix, including substantially suppressing coal-fired power and increasing the proportion of electricity from non-fossil fuel, we could as a result achieve a carbon intensity reduction target of 50% to 60%.

- (f) In 2009, coal accounted for about 54% of the fuel mix for electricity generation in Hong Kong, followed by natural gas and nuclear electricity imported from the Mainland (each for about 23%). The majority of local coal-fired power plants have come into operation since the 1980s, and will start to retire in phases in the run-up to 2020. The rest will also be completely retired by early 2030s. As starting from 1997, power companies in Hong Kong had not been allowed, for environmental reasons, to build new coal-fired power plants. Alternative sources of cleaner, low carbon fuels (including the possibility of using more natural gas, renewable energy and imported nuclear electricity) will have to be identified in time to replace coal with a view to meeting local demand for electricity, while at the same time reducing greenhouse gas emissions so as to combat climate change.

In the consultation document on Hong Kong's Climate Change Strategy and Action Agenda issued last year, the Government put forward a multi-pronged proposal to reduce Hong Kong's greenhouse gas emissions, which covers enhancing energy efficiency, promoting green building, advocating electricity saving, facilitating low-carbon transport and developing facilities to turn waste into energy. In addition, we have to improve our fuel mix in order to achieve substantive reduction in greenhouse gas emissions. In pursuing improvement to the fuel mix, we will strike a balance between various considerations, including safety, reliability, environmental protection and economic efficiency.

Promoting Use of Renewable Energy

16. **MR FREDERICK FUNG** (in Chinese): *President, regarding the application of renewable energy (RE), will the Government inform this Council:*

- (a) *of the percentage of electricity from RE sources in the total electricity consumption of government bureaux and departments in the past five years; among the government office buildings, of the number and the percentage of building blocks at which RE power generation facilities have been installed at present; whether the Government will set a target percentage of electricity from RE sources in its total electricity consumption, and install RE power generation facilities at all of its buildings wherever this is technically feasible, so as to take the lead and set an example in this respect; if it will not, of the reasons for that;*
- (b) *as I have received views that there are great difficulties in installing RE facilities at present, including the cumbersome requirements and procedures for approval of the Buildings Department and the high cost for connection to electricity grids, and so on, thus discouraging quite a number of interested parties, of the number of buildings (apart from those buildings of the Government) at which RE power generation facilities are installed at present; of the general procedures for installing RE facilities at private residential buildings and organizations at present; whether the authorities have looked*

into the difficulties that might be encountered during the process; whether they know the number of applications received by the authorities as well as power companies for installing RE facilities and connecting to electricity grids for private residential buildings and organizations in the past three years; among such applications, of the number and percentage of those approved, and the average cost for connecting to electricity grids; whether the authorities have conducted analysis on the various installation costs of RE facilities at present; if they have, of the outcome of analysis; and

- (c) *whether the authorities will study the following issues: simplifying the procedures required for using RE facilities, lowering the installation costs (including lowering the cost for connecting to electricity grids), facilitating the public to use the latest RE technology, developing reference prototypes on the infrastructure required for installing RE facilities, providing typical examples for reference by the industry and public on the installation of power generating facilities using solar and wind energy on the rooftops of common buildings and detached houses, and conducting analysis on the installation procedures and costs, and so on; whether the authorities will consider providing financial and other incentives to attract more private buildings and organizations to use RE, studying the introduction of requirements for all new buildings to install RE power generation facilities, setting an indicator on the percentage of using RE, and requiring the power companies to set a target percentage of their total generating capacity to be met by RE sources?*

SECRETARY FOR THE ENVIRONMENT (in Chinese): President,

- (a) Constrained by geographical conditions, the extent to which RE can be put to use in Hong Kong is not significant. This notwithstanding, the Government is committed to promoting the adoption and development of RE, by taking the lead where technically feasible and cost-effective. In 2005, the Government issued a technical circular on "Adoption of Energy Efficient Features and Renewable Energy Technologies in Government Projects and

Installations", requiring government departments to consider the adoption of RE technologies in all new government buildings and major retrofitting projects in existing government buildings. The technical circular also provides guidance on the standards for adopting solar water heating, photovoltaic, wind turbine and biogas technologies in government projects and installations. Besides, the Development Bureau and the Environment Bureau promulgated a comprehensive target-based green performance framework for new and existing government buildings in April 2009, which sets targets in various green building aspects. On RE, all new schools and educational buildings without air-conditioning should aim to have at least 0.5% of their electricity consumption to be provided by RE, where technically and financially viable. Other government buildings should also incorporate RE technologies as far as reasonably practicable.

With regard to actual site conditions, the Government has been installing RE systems in various public facilities and venues including government offices, departmental headquarters, fire stations, prisons, museums, art and cultural venues, parks, playgrounds, town halls, recreational centres, holiday villages, theaters, government quarters, hospitals, schools, sewage treatment plants, landfills, and so on. According to our estimation, the total energy generated by Government RE facilities (including solar energy, wind energy and waste-to-energy) in 2009-2010 is around 2.15% of the Government's total electricity consumption (in terms of energy equivalent) of that year.

- (b) To simplify the procedures for carrying out minor building works to the convenience of the public, the Buildings Department has implemented the Minor Works Control System since 31 December 2010. Any person who wishes to carry out minor works shall appoint prescribed building professionals and/or prescribed registered contractors. These building professionals and contractors shall notify the Building Authority and submit records and certificates in accordance with the simplified requirements under the Building (Minor Works) Regulation, and the works can commence without having to obtain prior approval of plans and

consent from the Building Authority. Minor works items that are related to RE facilities include the erection or alteration of supporting structures for solar water heating systems or photovoltaic systems.

Any person who wishes to carry out any building works relating to RE facilities (other than minor works) shall appoint, in accordance with section 14(1) of the Buildings Ordinance (Cap. 123), an Authorized Person to prepare plans and obtain prior approval of plans and consent from the Building Authority before commencement of works.

To facilitate the public to better understand the application procedures and technical issues relating to grid connection of RE power systems, Electrical and Mechanical Services Department (EMSD) in collaboration with the trade has drawn up technical guidelines on grid connection of RE power systems since 2005. For reference by the trade and the general public, the guidelines set out the technical requirements of RE systems for grid connection (including connection to electrical distribution system, power quality and safety requirements, and so on) and the information required for applications to power companies. The guidelines can be downloaded from the EMSD's website. Under the existing Scheme of Control Agreements (SCAs), the power companies have provided a set of standard arrangements, in respect of application procedures, for grid connection of RE power systems.

On the cost of grid connection, CLP Power assists applicants in conducting technical assessment to ensure that any RE systems connected to the grid will not cause potential harm to property or people, or compromise the stability of the electricity grid. The average cost for assessment is about \$300 to \$400 per kilowatt (kW). This charge is waived in many cases. For Hongkong Electric, the average cost for grid connection is \$400 per kW. The service charge is waived for RE installations with rated capacity not exceeding 30 kW installed by schools and charitable organizations.

In the past three years, the two power companies received a total of 55 applications from private residential buildings and organizations

for grid connection of RE systems. All applications have been approved. There are no statistics of non grid-connected RE facilities (for example, solar water heating systems).

- (c) To promote wider adoption of RE, the EMSD launched a thematic website "HK RE Net" <<http://re.emsd.gov.hk>> in 2007 to provide technical details and information on RE. In addition, to facilitate the public in better understanding the application of RE technologies, the EMSD has published on its website relevant information, guidance notes and guidelines on RE, including "Know more about Renewable Energy", "Know more about Solar Water Heating System", "Know more about Photovoltaic System", "Solar Thermal Collectors for Water Heating", "Guidance Notes for Household-scale Solar Water Heating System at Village House" and "Technical Guidelines on Grid Connection of Renewable Energy Power Systems", and so on.

To promote the development of RE, the Government has provided economic incentives to the power companies under the SCAs, in terms of a higher rate of return for their investment in RE facilities (11%), and a bonus in the range of 0.01 to 0.05 percentage point in permitted return depending on the extent to which RE is used in electricity generation.

To encourage wider adoption of RE in private buildings and organizations, the Government has been providing tax incentives since 2008 on the capital expenditure incurred in relation to installation of RE power systems in private premises. The capital expenditure of the private organization's RE power system in building can be deducted over a five-year period starting from the year of purchase.

In addition, the Environment and Conservation Fund provides funding support to schools and non-governmental organizations (NGOs) to set up RE facilities such as solar panels, wind turbines and solar water heaters since early 2008. As at mid-May 2011, a total of 216 projects have been approved for the installation of these facilities, including 199 projects at schools, five at camp sites for public use, and 12 at service units of NGOs (such as elderly homes).

The Government aims to further promote the use of RE through demonstration of these cases and encourage more residential estates and commercial and industrial buildings to follow suit.

Regulation of Unauthorized Building Works

17. **MR LEUNG KWOK-HUNG** (in Chinese): *President, recently, various media have successively uncovered that there are quite a number of unauthorized building works (UBW) in various districts throughout the territory. Furthermore, many village houses in the New Territories had additional storeys illegally built, and some even involve unauthorized occupation of government land. At the same time, the media have uncovered quite a number of cases in which District Council members (DC members), Legislative Council Members and accountable officials are suspected of erecting UBW, illegally building additional storeys in their properties and occupying Government land without authorization. Some members of the public criticize that the Government knowingly ignore the issues of UBW and building safety. In this connection, will the Government inform this Council of each of the following:*

- (a) *of the respective numbers of government staff dedicated to handle cases of UBW, additional storeys built illegally and unauthorized occupation of Government land on Hong Kong Island, in Kowloon and the New Territories at present (to be listed in the following table):*

<i>Government department</i>	<i>Number of staff for Hong Kong Island</i>	<i>Number of staff for Kowloon</i>	<i>Number of staff for the New Territories</i>

- (b) *of the numbers of prosecutions instituted by the Government regarding cases of UBW, additional storeys built illegally and unauthorized occupation of Government land on Hong Kong Island, in Kowloon and the New Territories over the past five years (to be listed in the following table):*

Year	Number of prosecutions		
	Hong Kong Island	Kowloon	New Territories
2010			
2009			
2008			
2007			
2006			

- (c) *of the numbers of cases in which the Government was required to deploy manpower to take clearing action on UBW, additional storeys built illegally and unauthorized occupation of Government land in each of the past five years; and the aggregate amount of public money incurred in these clearing actions; and*
- (d) *whether it has estimated the manpower to be mobilized and the amount of public money to be used in the event that the Government is required to take clearing action on the aforesaid cases of UBW, additional storeys built illegally and unauthorized occupation of government land involving the properties of DC members, Legislative Council Members and accountable officials; whether the expenses incurred are to be borne by the public?*

SECRETARY FOR DEVELOPMENT (in Chinese): President, the Buildings Department (BD) and the Lands Department (LandsD) have respectively been taking appropriate enforcement actions against UBW and unlawful occupation of unleased land (commonly known as "Government land"). For some UBW on leased land (commonly known as "private land") which also constitute a contravention of the lease conditions, the LandsD would take appropriate lease enforcement action.

In enforcing the provisions of the Buildings Ordinance (Cap. 123), the BD adopts an enforcement policy which takes into account relevant factors such as building safety and availability of resources. In the decade since 2001, the BD had focused its enforcement actions (*viz.*, issue of statutory orders for removal of the UBW and prosecution for failure to comply with the statutory orders) on high priority targets. These high priority targets included UBW which presents obvious hazard or imminent danger to life or property, newly built UBW or those

targeted in large-scale operations, such as large canopies, large supporting frames for air-conditioners, UBW on rooftops of single-staircase buildings and UBW on canopies or cantilevered slab balconies. Since 1 April 2011, the BD has broadened the scope for UBW clearances and will implement new multi-pronged measures to foster building safety in Hong Kong.

Upon receiving enquiry or complaint cases, the LandsD will arrange for staff to conduct inspections. If unlawful occupation of Government land is confirmed, the LandsD will post a notice pursuant to the Land (Miscellaneous Provisions) Ordinance (Cap. 28) to require the ceasing of occupation of the land concerned before a specified date. If the occupation of land persists, the LandsD will take further land control action which may include the clearance of the structures on the land concerned, and so on. If the identity of the offender is confirmed and sufficient evidence is available, the LandsD will consider instituting prosecution.

Where there is breach of land lease involving UBW, and so on, the LandsD will consider taking appropriate lease enforcement action, including issuing a warning letter to the lot owner concerned requesting rectification of the lease breaches. If the lot owner does not rectify the lease breaches by the deadline, the LandsD will generally register the warning letter at the Land Registry (commonly known as "imposing an encumbrance") and send a copy to the property mortgagee (if applicable).

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

- (a) There are 477 professional and technical staff in the Existing Buildings Division of the BD, who are responsible for enforcement duties relating to private building safety and maintenance, including *inter alia* following up on reports of building dilapidation, handling complaints against UBW and carrying out various large-scale UBW clearance operations. Their distribution by geographical regions is as follows:

<i>Number of staff for Hong Kong Island</i>	<i>Number of staff for Kowloon</i>	<i>Number of staff for the New Territories</i>
153	202	122

In addition, the BD will employ an additional 124 professional and technical staff in 2011-2012 to launch various large-scale operations and new initiatives for enhancing building safety. Since the handling of UBW is only part of the duties of the Existing Buildings Division, the BD does not have statistics on the number of staff specifically dedicated for the handling of UBW.

At present, the numbers of staff in the LandsD responsible for taking lease enforcement actions on private land and combating unlawful occupation of Government land, broken down by geographical region, are listed below:

<i>Number of staff for Hong Kong Island</i>	<i>Number of staff for Kowloon</i>	<i>Number of staff for the New Territories</i>
25	27	198

We have to point out that land control and lease enforcement actions are only part of the spectrum of duties of the aforesaid staff. The LandsD does not have a breakdown for the number of staff for land control and lease enforcement work.

- (b) In regard to UBW and illegal erection of additional storeys, the BD may issue an order under section 24(1) of the Buildings Ordinance requiring the demolition or rectification of the UBW by the owner. The numbers of prosecutions instituted by the BD against non-compliance with such statutory orders in the five-year period from 2006 to 2010 are listed by geographical regions below:

<i>Year</i>	<i>Number of prosecutions</i>		
	<i>Hong Kong Island</i>	<i>Kowloon</i>	<i>New Territories</i>
2010	865	1 276	468
2009	833	1 566	664
2008	794	1 708	589
2007	603	1 664	754
2006	600	1 899	543

In the majority of cases involving unlawful occupation of Government land, the irregularities are rectified upon receipt of

notice from the LandsD. The numbers of prosecutions instituted by the LandsD against unlawful occupation of Government land in the five-year period from 2006 to 2010, broken down by geographical regions, are listed below:

<i>Year</i>	<i>Number of prosecutions</i>		
	<i>Hong Kong Island</i>	<i>Kowloon</i>	<i>New Territories</i>
2010	2	0	5
2009	0	0	9
2008	0	0	13
2007	0	0	9
2006	0	0	17

As for private land, the LandsD acts in the private landlord capacity and takes lease enforcement action in accordance with the lease conditions. This does not involve prosecution.

- (c) Prior to the implementation in April 2011 of the new initiatives for enhancing building safety, the BD took different actions against UBW depending on the level of risks posed the UBW concerned and in accordance with the prevailing enforcement policy. In regard to UBW which had not been accorded high priority for enforcement (cf the high priority targets mentioned earlier), the BD would normally issue advisory letters or warning notices requesting the owners to remove the UBW themselves. If the owner failed to comply with the warning notice by the deadline, the BD would normally register the warning notice at the Land Registry (commonly known as "imposing an encumbrance"). The BD normally would not take follow-up action on those UBW for which advisory letters had been issued.

In regard to the more serious cases or cases that had been accorded high priority for enforcement, the BD might issue an order under section 24(1) of the Buildings Ordinance requiring the demolition or rectification of the UBW by the owner. Where the owner failed to comply with the order by the specified date, the BD would normally institute prosecution action under section 40(1BA) of the Buildings Ordinance, except for UBW which constituted obvious hazards,

which would be removed by government contractors. In the past, this approach had produced results.

In the light of the past practice, there had not been many cases for demolition by government contractors. The BD does not maintain statistics for them. Where demolition works had been carried out by BD's contractors, BD would recover the full costs of the works, including supervision charges, from the owners.

The numbers of cases of unlawful occupation of Government land in which clearance action was taken by the LandsD in each of the five years from 2006 to 2010 are as follows:

<i>Year</i>	<i>Number of cases of unlawful occupation of Government land in which clearance action was taken</i>
2010	2 584
2009	3 132
2008	2 422
2007	1 649
2006	1 712

Such clearance actions were carried out by staff responsible for land control actions. The LandsD does not keep a separate account for the expenses so incurred.

- (d) In taking law enforcement and lease enforcement actions, the BD and the LandsD treat all the people involved equally, regardless of their status or identity. Therefore, separate estimations on manpower and resources required for handling cases involving different categories of people cannot be made.

In regard to UBW cleared by BD contractors, the cost of works, including supervisory charges, would be recovered in full from the persons concerned. As explained in part (c) above, the LandsD does not keep a separate account for expenses incurred in clearance actions involving the illegal occupation of Government land.

Handling of Incidents of Fresh Water Mains Burst

18. **MR KAM NAI-WAI** (in Chinese): *President, in recent months, there were a number of incidents of fresh water mains burst in Hong Kong which affected the supply of fresh water. In particular, the areas affected by the incident of the sudden burst of an underground fresh water mains at Wong Nai Chung Road in Happy Valley which occurred in the early morning of 1 March 2011 were the most extensive, covering Wong Nai Chung Road, Blue Pool Road, Leighton Road, Leighton Hill and the Causeway Bay area, and included Ruttonjee Hospital as well as a number of hotels and eateries in Causeway Bay. In this connection, will the Government inform this Council:*

- (a) *of the particulars of the detailed contingency plan of the Water Supplies Department (WSD) in response to an incident of fresh water mains burst;*
- (b) *of the time the WSD needs to make deployment for the provision of temporary water supply following an incident of fresh water mains burst;*
- (c) *of the total number of fresh water mains burst incidents handled by the WSD in each of the past three years, together with a breakdown by the 18 District Council districts; among such cases each year, of the information of the 10 cases with the longest duration of water supply suspension, including the date and time of the incident, time taken to isolate burst mains upon receipt of report, duration of suspension of water supply, whether temporary water supply was provided, and the time taken by the WSD to start to provide temporary water supply after the burst;*
- (d) *among the cases of fresh water mains burst reported in the past three years, of the number of those in which the performance target regarding the time taken to isolate burst mains was not met, and the reasons for failing to do so;*
- (e) *among the cases of fresh water mains burst reported in the past three years, of the number of those in which the performance target*

regarding the duration of water supply suspension was not met, and the reasons for failing to do so;

- (f) of the respective numbers of water tanks and water wagons used for providing temporary water supply in each of the four operational regions of the WSD, and the location for storing these tanks and wagons; and*
- (g) given that the Government has indicated that it might be necessary to increase the number of water wagons for providing temporary water supply to meet the need in emergency situations, of the details and the amount of funding required?*

SECRETARY FOR DEVELOPMENT (in Chinese): President, the water distribution network of Hong Kong has developed in line with growing water demand. It is massive and complex measuring 7 800 km in total length. Given the hilly terrain of Hong Kong, the water supply pressure is relatively high. Service reservoirs are usually situated at high level for optimal use of scarce land resources. Together with ground movements and external disturbances, bursts and leaks are inevitable in our aged water distribution network. We fully understand that water supply suspension and, in some cases, the associated traffic disruption would cause inconvenience to the public. To tackle the problem, the WSD is taking a multi-pronged approach, including proactive burst prevention by leakage detection, replacement/rehabilitation of aged water mains under the Water Mains Replacement and Rehabilitation (R&R) Programme and implementation of pressure management. With these measures being put in place, the number of water mains burst incidents has dropped from a peak of about 2 500 in 2000-2001 to 609 in 2010-2011. The water mains leakage rate has also declined from 25% in 2001 to 20% in 2010. We anticipate that the leakage rate will further decrease to 15% upon completion of the R & R Programme.

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

- (a) The WSD has established procedures for handling water mains burst incidents. Upon receipt of reports on mains burst incidents, the WSD's designated teams will be mobilized to the sites immediately to identify and isolate the water mains concerned. The contractors

will also be called to the sites to undertake repair work. Should the incident affect existing traffic, the WSD will liaise with the concerned parties, including the police, the Transport Department and the Highways Department for necessary traffic diversion arrangement to facilitate the carrying out of the repair work. The WSD will also liaise with other utility undertakers for protection of their existing utility services, which may be affected by the repair work.

After isolation of the burst main, the emergency repair work may affect water supply to consumers. The WSD will take the following steps to mitigate the impact on consumers:

- (i) Whenever possible, the WSD will maintain uninterrupted water supply for the affected areas by arrangement of alternative water supply from other water supply zones wherever possible.
- (ii) If it is not possible to arrange alternative water supply from other supply zones, the WSD will provide temporary emergency fresh water supply to meet the basic need of the affected consumers in the following descending order of preference:
 - (1) installation of standpipes at fire hydrants at convenient locations; and
 - (2) deployment of water wagons and placing of water tanks within the affected areas.

The public can obtain the latest information about mains burst incidents through the WSD's Customer and Telephone Enquiry Centre (CTEC) hotline. For incidents affecting water supply to large numbers of consumers, the WSD will upload notifications on to the department's webpage. For serious incidents, there will be radio announcement and press releases. The CTEC staff will also maintain close co-ordination with the staff on site to keep abreast of the latest development of the incidents.

- (b) If it is not possible to arrange alternative water supply from other supply zones, the WSD will provide temporary emergency fresh water supply to meet the basic need of the affected consumers.

According to the WSD's plan, arrangement of alternative water supply from other supply zones, installation of standpipes or deployment of water wagons and water tanks should be initialized at the target time for isolation of burst mains (that is, one hour and 15 minutes for pipes up to 300 mm diameter or two hours for pipes above 300 mm diameter or complete isolation of the burst mains, whichever is the earlier).

- (c) The following table shows a breakdown of the number of fresh water mains burst cases by 18 District Council districts in 2008-2009, 2009-2010 and 2010-2011:

<i>District Council district</i>	<i>2008-2009</i>	<i>2009-2010</i>	<i>2010-2011</i>
Kowloon City	43	32	22
Tai Po	17	9	19
Central and Western	38	31	11
Yuen Long	36	38	21
Tuen Mun	16	13	15
North	21	21	11
Sai Kung	87	23	11
Sha Tin	52	40	34
Eastern	17	12	12
Yau Tsim Mong	51	49	37
Southern	29	30	30
Tsuen Wan	3	3	2
Sham Shui Po	56	45	24
Wong Tai Sin	30	12	5
Kwai Tsing	43	23	18
Islands	19	12	0
Wan Chai	29	21	12
Kwun Tong	64	33	39
Total	651	447	323

For the past three years, the average time required for isolation of burst mains upon receipt of report was about 0.95 hour and the average duration of water supply suspension was about 4.26 hours. Provision of temporary water supply was required in 637 cases. The average lead time required for provision of temporary water supply in the past three years was as follows:

<i>Year</i>	<i>Average duration from isolation of burst mains to provision of temporary water supply</i>
2008-2009	0.64 hour
2009-2010	0.51 hour
2010-2011	0.37 hour

Details of the 10 cases with the longest duration of water supply suspension are shown in Annex 1.

- (d) The following table shows the performance pledges and achievements of the WSD in respect of handling mains bursts in the past three years:

- (i) Performance pledges of 2008-2009 and 2009-2010

<i>Performance Pledge</i>		<i>Achievement</i>	
<i>Service</i>	<i>Target</i>	<i>2008-2009</i>	<i>2009-2010</i>
Time for isolation of burst mains upon receipt of report			
(a) for pipe diameter up to 300 mm	92% within 1.5 hours	97%	98%
(b) for pipe diameter above 300 mm to 600 mm	92% within 2.5 hours	97%	100%

(ii) Performance pledge of 2010-2011

<i>Performance Pledge</i>		<i>Achievement</i>
<i>Service</i>	<i>Target</i>	<i>2010-2011</i>
Time for isolation of burst mains upon receipt of report		
(a) for pipe diameter up to 300 mm	(i) 94% within 1.5 hours (ii) 75% within 1.25 hours	(i) 99% (ii) 89%
(b) for pipe diameter above 300 mm to 600 mm	(i) 94% within 2.5 hours (ii) 75% within two hours	(i) 94% (ii) 90%

Among the total 1 421 incidents of fresh water mains bursting in the past three years, 71 of them have taken a longer time to isolate the burst mains. The main reasons are as follows:

- (i) defective valves required shutting down other valves;
 - (ii) the emergency gang concerned was already engaged in dealing with other mains burst incidents; and
 - (iii) the remote location of burst mains required longer travelling time for the emergency gang to reach the site.
- (e) The following table shows the performance pledges and achievements of the WSD in respect of suspension of water supply in the past three years:

(i) Performance Pledge of 2008-2009

<i>Performance Pledge</i>		<i>Achievement</i>
<i>Service</i>	<i>Target</i>	<i>2008-2009</i>
Maximum duration of suspension of supply due to fresh water mains burst	(i) 85% within eight hours	87%
	(ii) 95% within 12 hours	95%

(ii) Performance Pledges of 2009-2010 and 2010-2011

<i>Performance Pledge</i>		<i>Achievement</i>	
<i>Service</i>	<i>Target</i>	<i>2009-2010</i>	<i>2010-2011</i>
Maximum duration of suspension of supply due to fresh water mains burst	(i) 85% within eight hours	91%	92%
	(ii) 70% within seven hours	83%	89%

Among the 1 421 incidents of fresh water mains bursting over the past three years, 187 of them have taken a longer time to resume water supply. The main reasons are as follows:

- (i) only light duty machinery could be deployed in order to protect the congested utility services and installations adjacent to the burst water mains;
 - (ii) it was necessary to remove the concrete surround that encased the burst water mains; and
 - (iii) water supply could only be resumed after setting of the new concrete blocks for stabilizing the water mains.
- (f) At present, the WSD has five water wagons, with capacities ranging from 6 cu m to 8 cu m each. The WSD also has 104 water tanks, most of which have a capacity of 1 cu m. There are also a small number of 1.5 cu m tanks. The distribution and locations of these water wagons and water tanks are shown at Annex 2. When the situation warrants, these water wagons and water tanks may be mobilized across regions.
- (g) With cross-region deployment, the current stock of 104 water tanks is adequate for our needs. In order to cope with the demand for the initial round of water supply and subsequent refilling of depleted water tanks in emergency situations, we are actively considering increasing the number of water wagons in individual WSD operational regions. This is to ensure that a total of 10 water

wagons can be mobilized, when necessary, by cross regional deployment to deal with individual burst incidents. The estimated cost of the five additional water wagons is about \$6.75 million.

Annex 1

- (i) Details of the 10 cases with the longest duration of water supply suspension in 2008-2009:

<i>Date and Time</i>	<i>District</i>	<i>Pipe size (mm)</i>	<i>Time taken to isolate burst mains upon receipt of report (Hour)</i>	<i>Duration of suspension of water supply (Hour)</i>	<i>Provision of temporary water supply</i>	<i>Time taken to start providing temporary water supply after isolation (Hour)</i>
2008/4/14 03:54	Wan Chai	300	1.10	26.00	Yes	2.00
2008/4/26 06:32	Yau Tsim Mong	300	0.72	18.08	Yes	2.57
2008/7/6 22:41	Eastern	150	0.82	30.25	Yes	0.33
2008/7/29 16:39	Kwun Tong	200	0.35	17.50	Yes	0
2008/8/16 02:27	Kwun Tong	150	1.05	26.83	Yes	-0.05 ⁽¹⁾
2008/8/31 03:54	Sham Shui Po	200	0.52	18.33	Yes	0.48
2008/9/3 11:09	Southern	150	0.68	18.50	Yes	2.67
2008/9/9 05:17	Wan Chai	150	1.22	17.75	Yes	2.50
2008/10/30 05:00	Eastern	150	1.50	19.25	Yes	0
2008/12/23 03:15	Wan Chai	150	1.17	21.50	Yes	0.67

- (ii) Details of the 10 cases with the longest duration of water supply suspension in 2009-2010:

<i>Date and Time</i>	<i>District</i>	<i>Pipe size (mm)</i>	<i>Time taken to isolate burst mains upon receipt of report (Hour)</i>	<i>Duration of suspension of water supply (Hour)</i>	<i>Provision of temporary water supply</i>	<i>Time taken to start providing temporary water supply after isolation (Hour)</i>
2009/7/5 04:56	Tsuen Wan	450	2.32	15.25	Yes	1.17
2009/8/20 23:42	Yau Tsim Mong	400	1.30	21.68	Yes	1.70
2009/8/29 15:07	Kwun Tong	250	1.30	13.58	Yes	1.70
2009/9/28 11:51	Tuen Mun	200	0.90	20.25	Yes	0.25

<i>Date and Time</i>	<i>District</i>	<i>Pipe size (mm)</i>	<i>Time taken to isolate burst mains upon receipt of report (Hour)</i>	<i>Duration of suspension of water supply (Hour)</i>	<i>Provision of temporary water supply</i>	<i>Time taken to start providing temporary water supply after isolation (Hour)</i>
2009/10/17 03:38	Kwun Tong	400	1.53	14.67	Yes	-0.53 ⁽¹⁾
2009/11/13 01:20	Kwun Tong	300	1.42	14.25	Yes	-0.42 ⁽¹⁾
2009/12/13 01:49	Yau Tsim Mong	200	0.68	16.33	Yes	1.32
2010/1/8 01:03	Sham Shui Po	150	1.28	26.67	Yes	0
2010/1/13 05:23	Sham Shui Po	150	0.78	16.08	Yes	1.72
2010/2/8 09:45	Southern	600	1.25	44.17	Yes	10.00 ⁽²⁾

(iii) Details of the 10 cases with the longest duration of water supply suspension in 2010-2011:

<i>Date and Time</i>	<i>District</i>	<i>Pipe size (mm)</i>	<i>Time taken to isolate burst mains upon receipt of report (Hour)</i>	<i>Duration of suspension of water supply (Hour)</i>	<i>Provision of temporary water supply</i>	<i>Time taken to start providing temporary water supply after isolation (Hour)</i>
2010/4/28 23:26	Southern	150	1.40	16.25	Yes	0
2010/5/13 02:12	Central and Western	150	0.55	14.82	Yes	2.25
2010/7/12 18:16	Wong Tai Sin	450	0.73	16.17	Yes	1.85
2010/7/17 02:49	Eastern	300	1.43	23.25	Yes	0
2010/7/22 20:51	Tuen Mun	150	1.48	14.92	Yes	0.38
2010/9/8 21:30	Sham Shui Po	300	1.25	20.92	Yes	0
2010/9/17 01:34	Kwai Tsing	200	1.43	15.50	Yes	4.72
2010/10/29 03:17	Sai Kung	250	2.22	17.25	Yes	1.05
2011/2/26 02:17	Yuen Long	200	0.88	17.75	Yes	0.08
2011/3/12 01:34	Sham Shui Po	300	0.93	15.00	Yes	-0.13 ⁽¹⁾

Notes:

- (1) Temporary water supply was provided before isolation of burst main.
- (2) The burst main was a pipe supplying water to a service reservoir which had adequate reserve for maintaining normal water supply during the initial stage of repair work. But the repair work proved to be more difficult and could not be completed before the reserve ran out. Hence, temporary water supply was required.

Annex 2

Distribution and locations of water wagons and water tanks

		<i>Water wagon</i>	<i>Water tank</i>
Hong Kong Region	North Point Regional Office	1	24
	Silver Mine Bay Water Treatment Works	0	8
	Siu Ho Wan Water Treatment Works	0	4
	Total	1	36

		<i>Water wagon</i>	<i>Water tank</i>
Kowloon Region	Cheung Sha Wan Office	1	6
	Kowloon Bay Maintenance Depot	0	0
	Total	1	6*

		<i>Water wagon</i>	<i>Water tank</i>
New Territories East Region	Kowloon Bay Office	1	6
	Sha Tin Water Treatment Works	0	10
	Fan Ling Depot	0	6
	Sheung Shui Water Treatment Works	0	4
	Tseung Kwan O Maintenance Depot	0	4
	Pak Kong Water Treatment Works	0	4
	Ma On Shan Water Treatment Works	0	2
	Total	1	36

		<i>Water wagon</i>	<i>Water tank</i>
New Territories West Region	Mong Kok Office	1	2
	Kwai Chung Depot	0	10
	Tuen Mun Depot	0	6
	Yuen Long Depot	0	4
	Tuen Mun Water Treatment Works	1	2
	Au Tau Water Treatment Works	0	2
	Total	2	26

Note:

- * There are fewer water tanks in Kowloon where supply zones are better inter-connected. Provision of alternative water supply to an affected area by other supply zones can be readily arranged at times of emergency.

Quality Tourism Services Scheme

19. **MR PAUL TSE** (in Chinese): *President, the Hong Kong Tourism Board (HKTB) outsourced the daily operation of the Quality Tourism Services (QTS) Scheme in December 2010, and all mediation work regarding complaints involving QTS-certified merchants is passed to the Consumer Council (CC) for central handling since February this year. A merchant who participated in QTS Scheme has complained to me that the quality of QTS Scheme has been deteriorating since the HKTB outsourced the operation of the Scheme, and that the HKTB has turned a blind eye to the suspected "unauthorized use" of the QTS decals by some merchants for a long time. The merchant who lodged the complaint eventually decided to withdraw from the Scheme. In this connection, will the Government inform this Council:*

- (a) *whether it knows the reasons for the HKTB to outsource QTS Scheme; the amount of expenditure so reduced; the monitoring policy on QTS Scheme after outsourcing; whether QTS-certified merchants were consulted before and after the outsourcing of QTS Scheme;*
- (b) *given that according to the aforesaid complaint, some merchants have made "unauthorized use" of the QTS decals for as long as six months but the HKTB still turns a blind eye to it, whether it knows the reasons for that and the number of similar complaint cases received;*
- (c) *whether it knows if the arrangement for the CC to centrally handle all mediation work regarding complaints involving QTS-certified merchants was made on the basis of the consideration to enhance efficiency in resolving complaints; and what data are available to reflect the effectiveness of this measure; and*
- (d) *whether it knows if the CC needs to set aside additional funding and manpower resources to deal with the increased number of complaint cases arising from the aforesaid "outsourcing" arrangement?*

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Chinese): President, launched in 1999, the QTS Scheme currently covers sectors like retail and dining, visitor accommodation and hair-dressing, with a total of over 7 300 accredited merchant outlets. The QTS Scheme has a stringent accreditation, assessment and monitoring mechanism to ensure that accredited merchants will provide and maintain quality services.

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

- (a) Being a statutory subvented organization responsible for marketing and promoting Hong Kong globally as a preferred travel destination, the HKTB regularly reviews its operation for better resource deployment and operational efficiency in carrying out its tasks under its terms of reference.

In December 2010, the HKTB appointed a contractor to take up the daily operation of the QTS Scheme so that it can focus resources on the promotion of the QTS Scheme. Annual savings expected to be achieved from the outsourcing is about \$2 million, which is deployed to step up promotion of the QTS Scheme. Details of the promotional activities being launched are as follows:

- In April and May 2011, the HKTB, in collaboration with the Quality Tourism Services Association, organized large scale road shows with 21 QTS-accredited merchants in major cities such as Shanghai, Chongqing, Changsha and Guangzhou, to promote the QTS Scheme to the Mainland consumers;
- in partnership with the Mainland media, the HKTB invited QTS-accredited merchants to take part in the "Most Popular QTS Merchant Awards" activity in May 2011, in which Mainland consumers would vote for the most popular merchants on the Internet. The awards, which serve to increase the exposure of these merchants in the Mainland, will be presented to the top 10 merchants in June 2011; and
- in June 2011, the HKTB will present the "Outstanding QTS Merchant Awards" and "10-year QTS Merchant Recognition"

to all qualified QTS-accredited merchants, so as to increase their media coverage and enhance their brand image.

The HKTB, which maintains close contact with the QTS-accredited merchants, has notified the merchants of the outsourcing arrangement to ensure that the new arrangement will not affect the quality of the QTS Scheme and the support to be rendered to the merchants.

- (b) The HKTB closely monitors the overall operation of the QTS Scheme and the service quality of the QTS-accredited merchants, and endeavours to prevent unauthorized use of the QTS decal. Where non-accredited merchants have been found to be displaying the QTS decal, the HKTB will issue warning letters to demand immediate removal of the sign. If the merchants concerned do not comply, the HKTB will take legal actions against them. Since December 2010, two unauthorized use of the QTS decal cases have been detected by the HKTB during inspection. The merchants concerned have already removed the decal after receiving warning letters from the HKTB.

Recently, the media reported about a case of unauthorized use of the QTS decal for six months. Upon receiving the complaint, the HKTB immediately issued a warning letter to the merchant concerned who had subsequently removed the decal. During this year, apart from the aforesaid case, the HKTB received another complaint about unauthorized use of the QTS decal. For the latter case, the HKTB's investigation after inspection was that the merchant concerned had not displayed the QTS decal.

- (c) In the past, with the exception of those cases related to the QTS-accredited merchants, the HKTB referred visitors' complaints on their consumption in Hong Kong to the CC for handling. Starting from February 2011, with the consent of the CC, the HKTB referred all visitors' complaints about their consumption in Hong Kong, including those involving the QTS-accredited merchants, to the CC for handling.

The above arrangement enables the HKTB to focus its resources on analysing the complaint cases and providing assistance to the QTS-accredited merchants in a more targeted manner to enhance service quality. The HKTB also conducts surprise visits to the QTS-accredited merchants. If there are any service areas that are identified for improvement, the HKTB will approach the merchant concerned direct to advise them on improvement measures.

- (d) The CC carries out the work mentioned in part (c) above, including handling of complaints related to QTS-accredited merchants, with its existing resources. No additional expenditure is incurred.

Development of Frontier Closed Area

20. **DR LAM TAI-FAI** (in Chinese): *President, regarding the reply given by the Secretary for Security to my question on the development of the Frontier Closed Area (FCA) asked at the meeting of this Council on 18 May this year, will the Government inform this Council:*

- (a) *given that the Study on the Enhancement of the Sha Tau Kok Rural Township and Surrounding Areas (the Study), which the Planning Department commenced in April 2009, was originally scheduled to be completed in 20 months, of the reasons for the Government's delay in publishing the results of the Study; of the scheduled time to publish the results; whether the areas of the Study covered ways to promote industrial and commercial development as well as increase employment opportunities;*
- (b) *whether it will set a timetable for implementing the aforesaid results of the Study; if it will, of the details; if not, the reasons for that;*
- (c) *given that according to the Secretary for Security's aforesaid reply, to ensure effective management of FCA, any person entering or leaving FCA must possess a valid Closed Area Permit (CAP), of the reasons why smuggling and illegal immigration activities in Sha Tau Kok still persist; of a breakdown by year of the number of smuggling and illegal immigration activities in Sha Tau Kok since Hong Kong's*

reunification with China (the reunification) and how such numbers compare with the relevant territory-wide numbers;

- (d) of the number of applications from students or members of uniformed groups to the police for CAP since the reunification, together with a breakdown by year, type of the group concerned, number of people involved and result of the application, and of the reasons for not approving some of the applications;*
- (e) whether the Government has any plan to set up a proper boundary control point at Chung Ying Street, taking into consideration its unique physical setting, so as to facilitate the public to enter and leave the area; if it has, of the details; if not, the reasons for that;*
- (f) when the Sha Tau Kok pier was formally completed and commissioned for service, as well as its usage rate; of the reasons for the Government completing the construction of the pier first but not opening it up for tourists' access to the outer islands in northeastern New Territories;*
- (g) whether the Government has assessed how the opening up of Sha Tau Kok Town and the Sha Tau Kok pier will affect the police in continuing to maintain effective boundary management; and of a detailed list of the problems anticipated;*
- (h) of the total number of Closed Road Permits (CRP) for access to the Sha Tau Kok FCA issued by the Hong Kong Police Force since the reunification, with a breakdown by year and the average validity period of the permits issued; and whether it has set an upper limit on the number of permits granted each year;*
- (i) as some villagers have pointed out that the Sha Tau Kok Government Offices Building (STKGOB) is actually non-existent and the Building is merely a post office, whether the Government can provide the operational details of STKGOB, including the government services provided, the manpower and operational expenditure involved and whether the services concerned include those of the Home Affairs Department; and*

- (j) *whether the Government has assessed the demand of the residents of Sha Tau Kok for a community hall; whether it has any plan to build a community complex in Sha Tau Kok; if it has, of the details; if not, the reasons for that?*

SECRETARY FOR SECURITY (in Chinese): President, the consolidated reply of the Security Bureau, Development Bureau, Transport and Housing Bureau and the Home Affairs Bureau to the question is as follows:

- (a) Given the latest progress, the Planning Department expects that the Study will be completed within this year. As Sha Tau Kok Town will continue to remain within the FCA, careful consideration should be given to the security angle and the need to balance the interests of various parties when considering improvement to the development of Sha Tau Kok Town. As such, more time is required for the Study. The Study aims to formulate an Integrated Area Improvement Plan to enhance the physical environment of Sha Tau Kok Town and its surrounding area. The Study will also assess the tourism potential of the area, taking into account the FCA status of Sha Tau Kok Town, and examine the possibility of enhancing the connection of Sha Tau Kok Town with other possible tourist attractions in the North East New Territories.
- (b) Upon the completion of the Study, the relevant bureaux and departments will examine the proposals in the Study report, and will consider drawing up an implementation timetable for taking forward the proposals.
- (c) As stated in the written reply of 18 May 2011, the effective management of the FCA helps combat illegal immigrants and other cross-boundary criminal activities. The implementation of CAP in the FCA, including Sha Tau Kok Town and its surrounding area, restricts unnecessary presence of people and activities in the FCA. From the perspective of the existing physical setting, the Starling Inlet provides no physical barrier to delineate the boundary between Hong Kong and the Mainland. The situation with Chung Ying Street in Sha Tau Kok Town is particularly unique. It is the only

place within the territory with no established boundary control measures but people and goods are still allowed to cross the boundary. These inherent security risks have pointed to the need for Sha Tau Kok Town and the Starling Inlet to remain within the FCA and subject to relevant restrictions. Regarding the figures on the number of smuggling cases and the number of illegal immigrants arrested in Sha Tau Kok, only those from 2002 to 2010 are available, which are provided below:

Illegal Immigrants Arrested

<i>Year</i>	<i>Sha Tau Kok</i>	<i>Hong Kong (excluding Sha Tau Kok)</i>
2002	575	4 787
2003	631	3 178
2004	484	2 415
2005	235	1 956
2006	263	3 785
2007	129	4 919
2008	73	3 912
2009	190	3 511
2010	149	2 943

Number of Smuggling Cases

<i>Year</i>	<i>Sha Tau Kok</i>	<i>Hong Kong (excluding Sha Tau Kok)</i>
2002	32	241
2003	41	279
2004	42	326
2005	23	282
2006	16	213
2007	24	162
2008	22	198
2009	13	218
2010	10	262

- (d) The police do not maintain records of CAP applications submitted specifically by uniform groups or their members for access to the Sha Tau Kok FCA.

- (e) The proposal to establish a proper boundary control point at Chung Ying Street in Sha Tau Kok Town involves various complicated considerations. We need to take into account the unique physical setting and historical background of Chung Ying Street, the long-standing practice of Sha Tau Kok locals to have free access to and mobility within Chung Ying Street, the impact of the additional boundary control point on the local residents, and the reaction of the Sha Tau Kok community at large. At present, we have no plan to establish a boundary control point at Chung Ying Street.
- (f) The Sha Tau Kok Public Pier currently provides services to the residents of the local villages and nearby islands. It also serves as the only disembarking facility for fishermen and mariculturists operating nearby. The pier was built in the 1960s and has been maintained by the Civil Engineering and Development Department (CEDD). During an inspection in 1996, the CEDD found that the pier was in poor condition, suffering from significant corrosion that could not be repaired. As the pier is an indispensable transport facility for Sha Tau Kok residents and other operators, the CEDD reconstructed the pier in 2004 in the interest of public safety. The new pier was completed in 2006 and was commissioned for service in the same year.

According to a utilization survey conducted by the Transport Department in 2010, the average pier usage is as follows:

	<i>Number of vessels trips</i>	<i>Number of passengers</i>
Weekday	18	104
Weekend/public holiday	23	279

- (g) Prior to the announcement of the reduction of FCA in January 2008, the Administration had given serious consideration to various factors such as the security needs of the FCA, the topography of the area along the boundary, technical feasibility, and so on. As stated above, Chung Ying Street and the Starling Inlet involve unique geographical constraints and historical background. To maintain effective management of the FCA, Sha Tau Kok Town and the Starling Inlet will need to remain within the FCA. That

notwithstanding, the police have conducted security assessment of the proposal to open up Sha Tau Kok Town to facilitate tourism on a limited scale, especially the Sha Tau Kok Public Pier, with a view to striking a balance between the need for ensuring the associated security measures are acceptable to the local residents while maintaining effective boundary control.

- (h) In accordance with regulation 49 of the Road Traffic (Registration and Licensing of Vehicles) Regulations (Cap. 374E), the police may only issue CRP of validity of not more than 12 months. The police have not set any upper limit on the number of CRP to be issued annually.

The number of CRP issued for access to the Sha Tau Kok FCA is as follows:

<i>Year⁽¹⁾</i>	<i>Number of CRP issued</i>
2007	11 771
2008	10 519
2009	11 470
2010	12 585
2011 (up to 30 April)	5 047

Note:

(1) Figures on the number of CRP issued available since 2007 only.

- (i) According to the Government Property Agency, the STKGOB is currently occupied by four government departments, including the Hongkong Post, the Food and Environmental Hygiene Department (FEHD), the Trade and Industry Department and the Registration and Electoral Office. The Home Affairs Department has not set up any offices in the Building. The monthly operating expense of the STKGOB is about \$38,000, which mainly covers property management fees and electricity charges.

The Hongkong Post and the FEHD respectively have established the Sha Tau Kok Post Office and the North District Cleansing Section (Sha Tau Kok) in the STKGOB. A total of about 70 staff (mostly frontline staff of the FEHD's Cleansing Section) provides postal and cleansing services for the local residents. The Trade and Industry Department and the Registration and Electoral Office use the Government Offices Building for temporary storage.

- (j) In preparing the Sha Tau Kok Area — Layout Plan, the Planning Department has reserved sufficient land in Sha Tau Kok for community facilities, taking into account the Hong Kong Planning Standards and Guidelines and local requirements. Currently, there is a community hall in Sha Tau Kok Town with a seating capacity of 80. The utilization of the community hall is not high. In the past three years, there was no incident where more than one organization applied for the use of the community hall at the same session. The Administration does not consider it necessary to provide a new community in Sha Tau Kok at present.

BILLS

First Reading of Bills

PRESIDENT (in Cantonese): Bill: First Reading.

PYRAMID SCHEMES PROHIBITION BILL

CLERK (in Cantonese): Pyramid Schemes Prohibition Bill.

Bill read the First time and ordered to be set down for Second Reading pursuant to Rule 53(3) of the Rules of Procedure.

Second Reading of Bills

PRESIDENT (in Cantonese): Bill: Second Reading.

PYRAMID SCHEMES PROHIBITION BILL

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT (in Cantonese): President, I move the Second Reading of the Pyramid Schemes Prohibition Bill (the Bill).

The Bill seeks to improve the existing Pyramid Selling Prohibition Ordinance (the Ordinance) with a view to combating more effectively objectionable schemes which adopt a pyramid structure.

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

Pyramid schemes refer to those schemes where the only or primary incentive for participants to pay to join such schemes is to make money by recruiting new participants. By encouraging the introduction of new participants from which participation fees are extracted, these schemes would eventually become unsustainable when recruitment runs out, resulting in a loss down the line. Pyramid schemes are totally different from legitimate multi-level marketing schemes or direct selling schemes. The latter has genuine economic activities and income of participants comes mainly from these economic activities rather than recruitment. The Ordinance currently prohibits pyramid selling schemes but effectiveness has been eroded by new tactics that have emerged, in particular, the definition of "pyramid selling scheme" is not comprehensive enough. Therefore, we propose to rewrite the Ordinance, with a view to combating objectionable pyramid schemes more effectively.

Now, I will present the major proposals in the Bill.

Our most important proposal is to give a new definition to "pyramid scheme". We propose that a pyramid scheme should be defined as a scheme in which new participants must make a payment or other consideration to other participants or promoters and such a payment or consideration is entirely or substantially induced by the prospect held out to the new participants that they will be entitled to receiving a benefit which is derived entirely or substantially from the introduction of further new participants.

Pyramid schemes are sustained mainly by participants introducing new participants, thus achieving a snowball effect. In order to enhance the deterrent

effect, we propose that knowing participants should assume criminal liabilities. Specifically, we propose that any participants who induce or attempt to induce other persons to participate in a pyramid scheme, with the knowledge that the benefits they may get from joining the scheme are entirely or substantially derived from the introduction of further new participants, should be held criminally liable.

At present, the Ordinance prescribes as the maximum penalty a fine of \$100,000 and imprisonment for three years. We consider the penalty too light. The Bill proposes to increase the maximum penalty to a fine of \$1 million and imprisonment for seven years.

Deputy President, we have consulted the public on the foregoing proposals. The great majority of respondents supported the proposals. We also briefed the Panel on Economic Development of this Council on the outcome of the public consultation on 28 March 2011. Panel members supported our proposals and urged their early introduction into this Council.

With these remarks, Deputy President, I hope Members will support the Bill. Thank you, Deputy President.

DEPUTY PRESIDENT (in Cantonese): I now propose the question to you and that is: That the Pyramid Schemes Prohibition Bill be read the Second time.

In accordance with the Rules of Procedure, the debate is now adjourned and the Bill is referred to the House Committee.

MOTIONS

DEPUTY PRESIDENT (in Cantonese): Motion. Proposed resolution under the Disability Discrimination Ordinance to amend the Revised Code of Practice on Employment under the Disability Discrimination Ordinance.

I now call upon the Secretary for Labour and Welfare to speak and move the motion.

PROPOSED RESOLUTION UNDER THE DISABILITY DISCRIMINATION ORDINANCE

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): Deputy President, I move that the Revised Code of Practice on Employment under the Disability Discrimination Ordinance (Cap. 487) (the Revised Code), which was introduced into the Legislative Council on 13 April 2011, be amended as set out in the proposed Resolution.

The Disability Discrimination Ordinance (DDO) empowers the Equal Opportunities Commission (EOC) to issue codes of practice to provide practical guidance for the purpose of elimination of discrimination, harassment and vilification; and the promotion of equality of opportunities between persons with a disability and persons without a disability. The current Code of Practice on Employment was issued in January 1997, providing general guidance to employers and employees in Hong Kong on implementing equality of opportunities between persons with disabilities and those without. Following the implementation of the DDO, the public has over the years gained better and wider knowledge of the law. In the light of social developments and accumulated enforcement experience, the EOC has reviewed the current Code to ensure that it continues to serve as a useful reference tool for employers, employees and human resources practitioners. The EOC conducted a wide public consultation on the draft Revised Code from 8 April to 8 July 2010. Having regard to the views collected, the EOC finalized the Revised Code, which was gazetted on 8 April 2011.

The EOC has made further amendments to the Revised Code in response to comments during the scrutiny by the Subcommittee on Revised Code of Practice on Employment under the Disability Discrimination Ordinance (the Subcommittee) which was formed by the Legislative Council to examine the Revised Code. These amendments have the support of the Subcommittee.

I am grateful for the valuable suggestions made by the Subcommittee. The amendments to the Revised Code that I move today mainly cover further elaboration on a few sections for improved clarity, and a number of textual refinements and corrections.

If the proposed resolution is approved, the Revised Code will come into operation on the date the resolution is published in the Gazette, that is, 3 June

2011. The EOC will also embark on extensive publicity and educational efforts on the Revised Code including publicity through the media, electronic means and the EOC publications, as well as publication of booklets on the Revised Code and provision of talks and training to employers, employees and other stakeholder groups and organizations.

Last but not the least, I would like to take this opportunity to thank the Chairman, Ms Cyd HO and other members of the Subcommittee for their efforts and contribution in scrutinizing the Revised Code.

Deputy President, I beg to move.

The Secretary for Labour and Welfare moved the following motion:

"RESOLVED that the Revised Code of Practice on Employment under the Disability Discrimination Ordinance, published in the Gazette as Government Notice No. 2159 of 2011 and laid on the table of the Legislative Council on 13 April 2011, be amended:

- (1) in the title, by deleting "**Revised**" and adding "**(2011)**" after "Ordinance"; and in the Chinese text, by deleting "修訂本" and substituting "**(2011)**";
- (2) in the Table of Contents, in the Chinese text, in subtitle "●直接歧視 4.12-4.23", by deleting "4.23" and substituting "4.22";
- (3) in the Table of Contents, in the Chinese text, in subtitle "●測驗", by deleting "驗" and substituting "試";
- (4) in the Table of Contents, in subtitle "**Chapter 7: Managing Disability Related Work Absence**", by deleting "**Work**" and substituting "**Workplace**";
- (5) in the Table of Contents, in subtitle "●Avoid stereotypical assumptions about persons with disability", by deleting "disability" and substituting "disabilities";

- (6) in the Table of Contents, in subtitle "●Seek better communications with employees with disability", by deleting "disability" and substituting "disabilities";
- (7) in the Table of Contents, in subtitle "●Roles and functions", by deleting "Roles" and substituting "Role";
- (8) in paragraph 1.4, in the Chinese text, after "但" where it secondly appears, by deleting "法庭在處理根據《殘疾歧視條例》提出的訴訟時，將適當地參考本守則的建議" and substituting "本守則可作呈堂證據，當法庭處理根據《殘疾歧視條例》提出的法律程序的問題時，須考慮守則的相關部份";
- (9) in paragraph 1.9, by deleting "both locally and overseas have been modified to demonstrate how the DDO may be applied" and substituting ", complaints and enquiries have been modified to demonstrate to readers how the DDO may be applied under particular circumstances. Readers should be mindful that each case bears its own uniqueness and refrain from sole and direct application of any example to a particular situation. Where readers intend to rely on the decided cases cited in this Code, they should refer to the respective court judgments"; and in the Chinese text, in the first sentence, by deleting "本地及外國案例引申" and substituting "案例、投訴和查詢改寫而成", and in the second sentence, by deleting "在真實的法庭審訊中，法庭會" and substituting "由於每宗個案皆有其獨特性，讀者在考慮其個別情況時，不應完全及直接套用本守則之例子。讀者如欲引用守則闡述之法庭個案，須參考有關法庭判案書。在正式的審訊中，法庭才有權";
- (10) In the margin of paragraph 2.8, by deleting "S 14(4)";
- (11) in the margin of paragraph 3.3.1, by deleting "(a)";
- (12) in the margin of paragraph 3.3.2, by deleting "(b)";

- (13) in the margin of paragraph 3.3.3, by deleting "(c) & (d)";
- (14) in the margin of paragraph 3.3.4, by deleting "(e)";
- (15) in the margin of paragraph 3.3.5, by deleting "(f)";
- (16) in the margin of paragraph 3.3.6, by deleting "(g)";
- (17) in the subtitle above paragraph 3.4, in the Chinese text, by adding "士" after "人";
- (18) in the margin of paragraph 3.4.1, by deleting "(ii)";
- (19) in paragraph 3.4.2, by deleting "might develop" and substituting "may exist"; and in the Chinese text, by deleting "現在雖未出現，但在將來可能演變成" and substituting "在將來可能存在";
- (20) in the margin of paragraph 3.4.2, by deleting "(iii)";
- (21) in the case illustration under paragraph 3.4.2, by deleting "is a Hepatitis B carrier" and substituting "had recovered from psychiatric disorder", by deleting "she" and substituting "her disability", and by deleting "develop liver cancer" and substituting "relapse"; and in the Chinese text, by deleting "是乙型肝炎帶菌者" and substituting "曾患精神病", and by deleting "將來會變成肝癌" and substituting "的精神病將來會復發";
- (22) in the margin of paragraph 3.4.3, by deleting "(iv)";
- (23) in the case illustration under paragraph 3.4.3, in the Chinese text, by deleting "帶菌" and substituting "感染";
- (24) in the margin of paragraph 3.5.1, by deleting "(a)";
- (25) in the margin of paragraph 3.5.2, by deleting "(b)";

- (26) in the margin of paragraph 3.5.3, by deleting "(c)";
- (27) in the margin of paragraph 3.5.4, by deleting "(d)";
- (28) in the margin of paragraph 3.5.5, by deleting "(e)";
- (29) in the case illustration under paragraph 3.5.5, by deleting "AIDS patients" wherever it appears and substituting "persons living with HIV"; and in the Chinese text, by deleting "患" wherever it appears and substituting "毒感染";
- (30) in paragraph 4.6, in the Chinese text, by adding "「" before "使" and "」" after "害";
- (31) in the margin of paragraph 4.13, by deleting "paragraphs 10.6-10.10" and substituting "paragraph 10.7"; and in the Chinese text, by adding "例" after "條", and by deleting "10.6-10.10" and substituting "10.7";
- (32) in paragraph 4.21, in the Chinese text, by deleting "情感創傷" and substituting "感情損害";
- (33) in paragraph 4.24, in the Chinese text, by deleting "少" and substituting "小";
- (34) in the margin of paragraph 4.24, in the Chinese text, by adding "6" before "(b)" where it thirdly appears;
- (35) in the margin of the case illustration under paragraph 4.24, by deleting "6" and substituting "7"; and in the Chinese text, by deleting "6" and substituting "7", and by adding "「" before "施" and "」" after "性";
- (36) in the case illustration under paragraph 4.28, by deleting "and outside the remit of contract law" from the last sentence;
- (37) in the margin of paragraph 5.4.1, by deleting "5.6-5.8" and substituting "5.5-5.7";

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- (38) in the margin of paragraph 5.4.2, by deleting "5.9-5.15 and 5.19-5.20" and substituting "5.8-5.14 and 5.18-5.21";
- (39) in the margin of paragraph 5.4.3, by deleting "5.16-5.18" and substituting "5.15-5.17";
- (40) in the margin of paragraph 5.6.1, in the Chinese text, by deleting "S";
- (41) in the margin of paragraph 5.6.2, in the Chinese text, by deleting "S";
- (42) in the margin of paragraph 5.6.3, in the Chinese text, by deleting "S";
- (43) in the margin of paragraph 5.8, in the Chinese text, by deleting "S";
- (44) at the end of paragraph 5.11, by adding "Nevertheless, the standard for good communication varies among different positions; employers should not apply a uniform standard in assessing employees' performance.";
- (45) in the case illustration under paragraph 5.12, by deleting "S 12(2)(i)" and substituting "S 12(2)(c)(i)";
- (46) in the case illustration under paragraph 5.13, in the case citation, by deleting "**FCA 640**" and substituting "**FCAFC 425**";
- (47) in the margin of paragraph 5.15, by deleting "(a)";
- (48) in the margin of paragraph 5.15.1, by adding "S 4(a)";
- (49) in the margin of paragraph 5.15.2, by adding "S 4(b)";
- (50) in the margin of paragraph 5.15.3, by adding "S 4(c)";

- (51) in the margin of paragraph 5.15.4, by adding "S 4(d)";
- (52) in the margin of paragraph 5.18, in the Chinese text, by deleting "S";
- (53) in the margin of paragraph 6.6.1, in the Chinese text, by deleting "S";
- (54) in the margin of paragraph 6.6.2, in the Chinese text, by deleting "S";
- (55) in paragraph 6.20, in the first sentence, by deleting "more", by deleting "to be encouraged" and substituting "admissible", and

in the last sentence, by deleting "However, it is important to make sure that this information is not used to screen out certain applicants" and substituting "Irrespective of the inclusion or not of such a question in the application form, it remains an applicant's right to choose not to disclose his/her disability. Nevertheless, in the absence of such information, the employer cannot be expected to provide reasonable accommodation even when there is the need during the interview. Employers should make sure that information about an applicant's disability is not used to screen out the applicant"; and

in the Chinese text, in the last sentence, by deleting "不過" and substituting "無論申請表內有否列出上述問題，求職者有全權選擇不披露其殘疾情況，然而在缺乏相關資料下，則就算求職者有此需要，亦不能期望僱主能夠在面試時提供合理的遷就。僱主應謹記"， and by deleting "這些" and substituting "有關申請者的殘疾的";

- (56) in paragraph 6.37, by deleting "AIDS or are HIV positive" and substituting "HIV"; and in the Chinese text, by deleting "愛滋病患者和愛滋病毒帶菌者" by substituting "愛滋病毒感染者";

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- (57) in the margin of paragraph 7.3, in the Chinese text, by deleting "勞工法例" and substituting "僱傭條例";
- (58) in paragraph 7.6, by deleting "However, due care should be exercised when dealing with work injury situations. Employers should refrain from premature termination of employment that deprives an employee of his/her entitlements under the Employment Ordinance and/or the Employees' Compensation Ordinance." and substituting "However, due care should be exercised when dealing with work injury situations to ensure that an employee is not deprived of his/her entitlements under the Employment Ordinance and/or the Employees' Compensation Ordinance.";
- (59) in the margin of paragraph 7.6, in the Chinese text, by deleting "僱傭" where it secondly appears and substituting "僱員";
- (60) in paragraph 7.32, in the margin, by deleting "6.36-6.37" and substituting "6.37-6.38"; and in the Chinese text, by deleting "6.36及 6.37" and substituting "6.37-6.38";
- (61) in the margin of paragraph 8.4, in the Chinese text, by deleting "4.16-20" and substituting "4.28";
- (62) in the subtitle above paragraph 8.5, by adding "(EPEW)" after "**work**" where it first appears; by adding "(EPEV)" after "**value**";
- (63) in paragraph 8.5, in the beginning of the paragraph, by adding "Pay should be determined on the basis of established job value. Employers should apply consistent criteria when developing and implementing good practices on EPEW and EPEV.", in the last sentence, by deleting "equal pay for equal work (EPEW) and equal pay for work of equal value (EPEV)" and substituting "EPEW and EPEV", and by deleting ", and should determine the pay level of each job according to its job size and value to the organisation", and

at the end of the paragraph, by adding "Nevertheless, the salary of individual employees may still be differentiated by objective factors, such as capability, performance, experiences, etc. In accordance with Schedule 2 of the Minimum Wage Ordinance (CAP. 608), persons with disabilities whose productivity may be impaired by their disabilities will have the right to choose to have their productivity assessed to determine whether they should be remunerated at not lower than the statutory minimum wage level or at a rate commensurate with their productivity."; and

in the Chinese text, in the beginning of the paragraph, by adding "釐定員工薪酬應基於已確立的工作價值。僱主應以劃一的準則訂立及執行同工同酬及同值同酬的良好訂薪措施。", and in the last sentence, by deleting "，並按每個職位的工作範疇及對機構的價值而決定各個職位的薪酬水平", and

at the end of the paragraph, by adding"然而，僱主仍可以客觀準則，按個別僱員之能力、表現、經驗等，調整個別僱員之實際薪酬。按《最低工資條例》(第608章)的附表2，因殘疾以致生產能力可能受損的殘疾人士，有權選擇進行生產能力評估，從而釐定他們應獲得的工資不低於法定的最低工資，或收取按生產能力釐定的法定最低工資。";

- (64) in the margin of paragraph 8.5, by deleting "For further exceptions to the DDO, see S 24 of the Minimum Wage Ordinance (CAP. 608). Also" and substituting "For details,"; and in the Chinese text, by deleting "有關《殘疾歧視條例》下的進一步例外情況，請參閱《最低工資條例》(第608章) 的第24條。又" and substituting "詳情";
- (65) in paragraph 8.10, in the Chinese text, by deleting "情感創傷" and substituting "感情損害";
- (66) in the case illustration under paragraph 9.10, by deleting "patients with AIDS and those who are HIV positive" and substituting "persons living with HIV", and by deleting

"AIDS patients" and substituting "persons living with HIV"; in the Chinese text, by deleting "愛滋病患者和帶菌者" and substituting "愛滋病毒感染者", and by deleting "愛滋病病人" and substituting "愛滋病毒感染者";

- (67) in the margin of paragraph 9.15, in the Chinese text, by deleting "第11.23至11.24" and substituting "11.23-11.25", and by deleting "第12.3至12.11" and substituting "12.3-12.11";
- (68) in the margin of paragraph 10.1, by deleting "paragraph 2.13-2.14" and substituting "paragraphs 2.10-2.12";
- (69) in the margin of paragraph 10.7, by deleting "S 14(4)"; and in the Chinese text, by deleting "第14(4)條" and by deleting "2.11" and substituting "2.8";
- (70) in the subtitle above paragraph 11.3, by deleting "**disability**" and substituting "**disabilities**";
- (71) in paragraph 11.4.8, by deleting "people" and substituting "persons"; and in the Chinese text, by deleting "愛滋病患者" and substituting "愛滋病毒感染者";
- (72) in paragraph 11.10, in the margin, after "See", by adding "paragraphs 7.19-7.25 in";
- (73) in paragraph 12.1, in the first sentence, by deleting "a" and substituting "an independent", by deleting "and regulation", and

in the second sentence, by deleting "is an independent body, publicly funded by the Government" and substituting "regulates public and private organisations, including the Government, to ensure that they comply with the requirements under the anti-discrimination legislation"; and

in the Chinese text, in the first sentence, by deleting "一個由政府全資的", by deleting "及監管", and by adding ";並監

管包括政府在內的公、私營機構，確保它們符合反歧視法例的要求" after "《殘疾歧視條例》";

- (74) in footnote 1, by deleting "*Teval (HK)*" and substituting "*Teva (UK)*", and by deleting "0490 08 2704" and substituting "0490_08_2704"; and in the Chinese text, by deleting "*Teval (HK)*" and substituting "見 *Teva (UK)*", and by deleting "UK EAT" and substituting "UKEAT 0490_08_2704";
- (75) in footnote 2, in the Chinese text, by adding "見" before "*Saggar*";
- (76) in footnote 3, in the Chinese text, by adding "見" before "*Carver*";
- (77) in footnote 7, by deleting "See *K and Others v Secretary for Justice* [2000] 3 HKC 796" and substituting "In *K & Others v Secretary for Justice* [2000] 3 HKC 796, the court held that future disability means "...a future disability predicated by a past disability and the risk it refers to is the possibility of recurrence of the past disability, not the risk of acquiring any disability." In addition, the EOC takes the view that the relevant provision may, in appropriate cases, be applicable to situations other than recurrence of past disability, e.g. a person with high blood glucose level is taken as someone who will acquire diabetes in the future."; and in the Chinese text, by deleting "*K及其他人 訴 律政司司長* [2000] 3 HKC 96" and substituting "在*K及其他人 訴 律政司司長* [2000] 3 HKC 796一案中法庭認為將來的殘疾是"...建基於一個過往的殘疾，意指舊病復發的風險，而不是罹患任何殘疾的風險"。除此以外，平機會認為在合適的個案中，相關條文也可能引用於其他非舊病復發的情況，例如：某人因為有高血糖而被認定在將來會患上糖尿病。";
- (78) in footnote 10, in the Chinese text, by adding "見" before "楊忠偉";

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- (79) in footnote 11, in the Chinese text, by adding "見" before "陳華";
- (80) in footnote 12, in the Chinese text, by adding "見" before "R";
- (81) in footnote 13, in the Chinese text, by adding "見" before "James";
- (82) in footnote 15, in the Chinese text, by adding "見" before "Allonby";
- (83) in footnote 16, in the Chinese text, by adding "見" before "Waters";
- (84) in footnote 18, in the Chinese text, by adding "見" before "M";
- (85) in footnote 23, by adding "See" before "Commonwealth"; and in the Chinese text, by adding "見" before "Commonwealth";
- (86) in footnote 24, in the Chinese text, by adding "見" before "Commonwealth";
- (87) in footnote 25, in the Chinese text, by adding "見" before "M";
- (88) in footnote 26, by adding "See" before "K"; and in the Chinese text, by adding "見" before "K";
- (89) in footnote 27, in the Chinese text, by adding "見" before "M";
- (90) in footnote 32, by adding "See" before "Canniffe"; and in the Chinese text, by adding "見" before "Canniffe";
- (91) in footnote 33, by adding "See" before "L"; and in the Chinese text, by adding "見" before "L".

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

MS CYD HO (in Cantonese): Deputy President, in my capacity as Chairman of the Subcommittee on Revised Code of Practice on Employment under the Disability Discrimination Ordinance (Subcommittee), I will now report on the deliberations of the Subcommittee.

The Subcommittee has held four meetings and received views from six organizations/individuals. Members are concerned whether thorough public consultation has been conducted by the Equal Opportunities Commission (EOC) in the course of drawing up the Revised Code of Practice on Employment under the Disability Discrimination Ordinance (the Revised Code). They have noted that public consultation was conducted on the draft Revised Code from 8 April to 8 July 2010, during which 23 consultation sessions were held. According to the EOC, the draft Revised Code has been revised taking into account the views collected during the public consultation exercise.

Concerns have been raised over the possible impact of the Revised Code on the administrative cost of enterprises, especially small and medium enterprises. According to the EOC, as the Revised Code has not introduced any new requirement, it should not result in any material increase in cost on the part of employers.

Members noted and welcomed that a number of case illustrations demonstrating the application of the Revised Code under different circumstances have been incorporated into the Revised Code. But they are also concerned that precedents may be read out of context. At the request of members, the EOC agreed to amend the Revised Code so as to remind readers that they should refrain from sole and direct application of any example to a particular situation.

Some members have suggested that a link between the Revised Code and the latest case law be established by providing, for instance, a relevant link on the website of the EOC. The EOC has agreed that consideration will be given to establishing some form of link on its website if allowed under the Disability Discrimination Ordinance (DDO).

Paragraph 5.11 of the Revised Code provides that if an employee, having performed all the assigned tasks, is unable to maintain a smooth working relationship with fellow workers or the general public, he would be considered to be unable to carry out an inherent requirement of his job. Members have expressed concern that some employers may terminate the employment of an employee with disabilities on the ground of poor communication. At the request of members, the EOC has agreed to highlight in the Revised Code the varying standard for good communication among different positions.

Paragraph 8.5 of the Revised Code explains the concept of equal pay for equal work and equal pay for work of equal value. Members consider it necessary to make suitable reference in the paragraph to the productivity assessment for persons with disabilities under the Minimum Wage Ordinance. The EOC has agreed that the paragraph will be amended accordingly.

Paragraph 12.1 of the original draft Revised Code states that the EOC is an independent body publicly funded by the Government. While considering that there is no need to highlight in the paragraph that the EOC is publicly funded by the Government, members have suggested that the emphasis of the paragraph should be put on the independent nature of the EOC and the fact that the EOC regulates both public and private organizations, including the Government. The EOC has agreed to make relevant amendments.

Members have noted that between September 1996 and March 2011, the EOC has received a total of 5 793 DDO-related complaints. Among these cases, some were successfully conciliated and 733 could not be settled by conciliation. Among the cases which could not be settled by conciliation, the EOC received 326 applications for legal assistance, among which 126 were granted. Among the 126 cases where legal assistance was granted, only 43 were brought to Court. Members are concerned about the relatively small number of cases to which legal assistance was granted and which were brought to Court.

The EOC has advised that whether legal assistance is to be granted in a case is determined by its Legal and Complaints Committee, having regard to factors such as whether the case concerned raises a question of principle and whether there is sufficient evidence for bringing the case to Court. The EOC has also pointed out that it does not have the power to adjudicate claims of discrimination, harassment or vilification. If a case could not be successfully

conciliated, the complainant could only resort to civil proceedings, which are lengthy and complicated. This has deterred people from seeking the EOC's assistance. In the light of this, the EOC has suggested to the Government the establishment of an equal opportunities tribunal similar to the Labour Tribunal to speed up and simplify the process of adjudication of discrimination claims.

Members are concerned that among 5 793 DDO-related complaints received, 1 140 cases or around 20% are related to the Government, among which only three have been brought to Court. Queries have been raised as to whether the EOC, which is funded by the Government, is reluctant to bring cases related to the Government to Court. The EOC has stressed that although it is funded by the Government, it is an independent statutory body. There is no question of reluctance to bring a case to Court because of its "Government-related" nature.

With regard to financial funding, members have noted that the EOC has set aside \$1.5 million in each year for the provision of legal assistance to members of the public. Members consider that the amount is far from adequate for meeting the expenses of more complicated litigation cases. The Subcommittee has agreed to request the Constitutional and Mainland Affairs Bureau to establish for the EOC a litigation fund similar to the Consumer Legal Action Fund.

Apart from the amendments mentioned, the EOC has, after consideration of the views expressed by members and the legal adviser to the Subcommittee, further agreed to make other amendments to the Revised Code. The Subcommittee supports the motion to be moved by the Secretary for Labour and Welfare for the amendment of the Revised Code.

Deputy President, I will now express my personal opinions as follows.

In fact, the public are keenly concerned about the independence of several statutory bodies which are responsible for monitoring the Government, including the EOC, the Independent Commission Against Corruption, the Office of the Privacy Commissioner for Personal Data and the Commissioner on Interception of Communications and Surveillance who is responsible for monitoring bugging operations by the Government. So members were very careful in scrutinizing the Revised Code. Paragraph 12.1 of the original draft Revised Code states that the EOC is a body publicly funded by the Government. Members of the public are worried because they can see that all funding of the EOC comes from the

Government and query whether it will be biased in favour of or afraid of the Government. Thus, members of the public are scared. If the one against which they wish to lodge a complaint is related to the Government, they may not have confidence in the EOC. So, members are very insistent about the wordings of the paragraph. They consider that the original wordings are not appropriate and should be amended so as to specify that the EOC is an independent body whose responsibilities include monitoring the Government.

Although both points concerning that the EOC is publicly funded by the Government and that the EOC is capable of monitoring the Government are merely an objective description of facts, yet it will lead to unnecessary speculation by the public as to whether the EOC works for the Government or a body responsible for monitoring the Government given the specific stipulation that the EOC is publicly funded by the Government instead of indicating its function as an independent regulatory body. Consequently, it may lead to very different results, thus undermining the credibility of the EOC. So, the Subcommittee is quite insistent on its request for amendment. We also thank the EOC for proposing the amendment to the final version by deleting the wordings "publicly funded by the Government" and adding the wordings such as "independent" and "regulates".

For any watchdog over the Government to be independent, it has to meet certain prerequisites. It cannot be an independent body simply because it claims to be. The first prerequisite is the candidacy. The second is resources. The third is the statutory powers conferred on it. They are indispensable. The absence of any one of these prerequisites will undermine the public confidence in the independence of statutory bodies. Let me begin with the candidacy. When Mr LAM Woon-kwong was appointed as the Chairperson of EOC, we initially questioned the appointment because he had seldom participated in the work relevant to the notion of equal opportunities. Mr LAM's performance, however, has to be affirmed. As soon as he took office, Mr LAM liaised directly with various non-government organizations while taking the initiative to conduct a survey on barrier-free access facilities, pressuring the Government into handling the issue of barrier-free access facilities.

Deputy President, the work style follows the people. Since the EOC was founded in 1995, we have seen some good Chairpersons, as well as some others who have degenerated to a laughing stock. The EOC, an organization which has

been greatly trusted by the people and society, has once become a laughing stock of society. And the people who have come across any problems do not even bother to lodge any complaint to it. Only now, with Mr LAM Woon-kwong having assumed the office of the Chairperson, we will pin high hopes on him certainly, hoping that he could rebuild the credibility of the EOC. However, this is not a problem of man. The right people have been found in some appointments but the wrong ones may have been found in others. How can we prevent mistakes in future appointments?

Regarding the appointment procedures, I suggest that reference be made to the process of judicial appointment. Instead of being appointed by the Chief Executive, the candidates should be recommended by a committee and required to answer questions posed by Members in this Council so that the public will know them better through such open meetings. People's attitude and response as reflected by public opinion should also be taken into account before deciding the best candidate. I hope such a system can be put in place before the Chief Executive is elected by universal suffrage so that the candidates to be appointed to take the helm of these statutory bodies can command the trust of society.

Second, the problem of resources. Dr Fanny CHEUNG, the first EOC Chairperson, was engaged mainly in gender studies and conversant with promoting equal opportunities in respect of family status and gender discrimination. When she was in office, she focused mainly on promoting social awareness of the relevant legislation. The second Chairperson, Ms Anna WU, was even more aggressive. By way of litigation, she handled the incident concerning the use of an access of Richland Gardens by HIV-infected individuals to a health centre, as well as the discriminatory arrangements in respect of male and female students in the Secondary School Places Allocation (SSPA) System of the Education and Manpower Bureau. Under a two-pronged approach involving education and litigation, the awareness of equal opportunities in society has been enhanced.

Sometimes one has to resort to litigation, especially when the counterpart is the Government. The EOC had in fact tendered a lot of advice to the Government concerning discrimination in respect of boys and girls in the SSPA System. But the Government was so stubborn that the allocation mechanism was changed only when the EOC had won its case in Court. Even though the Government had lost the lawsuit, officials felt aggrieved and tried to seek

vindication in the Legislative Council Panel on Education in an attempt to continue to secure the support of this Council so as to oppose the views of the EOC. If the EOC did not have sufficient resources to initiate a lawsuit and merely relied on the pressure of public opinion or this Council in pushing the executive authorities into promoting equal opportunities, it will be certainly hopeless.

We are not saying that litigations should be frequently initiated because only education can call on the people to uphold equal opportunities in the most sincere way. However, if the annual funding for the EOC in this area is only \$1.5 million, which is barely enough to meet the costs of legal advice, and funds for initiating litigation have to be accumulated over a number of years, the public may think that the EOC is evidently a "toothless tiger", meaning that it does not have any power to compel the party under complaint to sit down for conciliation. Therefore, the Subcommittee is very concerned about this and we have proposed that a litigation fund be set up for the EOC. While claiming its commitment to promoting equal opportunities, the Administration should provide funds and formulate measures for this end instead of paying lip-service only. It should also allocate resources for genuine implementation of this policy.

The third is statutory powers conferred on the EOC. The EOC needs to be vested with appropriate powers by the law even though manpower and resources have been provided. For instance, concerning the implementation of productivity assessment for persons with disabilities under the Minimum Wage Ordinance mentioned in the Code this time, the EOC can only act within the framework of the law regardless of whether it opposes or supports the provision. Also, as the subsidiary legislation was passed not long ago or even at the time when the Code was under deliberation, the provision carried little mention of this when the first draft of the Code was being written, thus it failed to facilitate employees or employers in getting a fuller understanding of the productivity assessment for persons with disabilities. This point is now written in clearer terms after concern was raised by the Subcommittee. However, given that there is a lack of case law or experience in implementation in this aspect, the Subcommittee has urged the EOC to closely monitor the implementation of the productivity assessment and expeditiously review the relevant part of the Code within a year.

Lastly, Deputy President, I have to comment on the work style of the EOC. We understand that there is a very significant difference between evidence for conciliation and evidence for litigation. If it is unable to arrange the party under complaint to sit down for conciliation, litigation may be in order. However, the evidence available may not be sufficient to support the initiation of proceedings. However, I hope that under such circumstances, the EOC would clearly explain to the complainants the restrictions imposed by the powers or legal proceedings that not every case can certainly be brought to Court. I hope that the EOC will not apathetically send a reply in officialese to the complainants as this will make them feel that even the EOC cannot render assistance to them, thereby greatly undermining the credibility of the EOC.

Thank you, Deputy President.

MS EMILY LAU (in Cantonese): Deputy President, I speak in support of the Secretary's resolution.

The Revised Code of Practice on Employment under the Disability Discrimination Ordinance (the Revised Code) is in fact long overdue. When was the Code formulated? It was formulated in January 1997. How many years since then? Deputy President, it had been a long time before a review was conducted. Speaking of the rights of people with disabilities, Deputy President, as you know, Hong Kong and our country are signatories to the relevant convention and a report has also been written. I believe many organizations are now conducting studies and we are also looking forward to the hearings to be held by the relevant committees of the United Nations as soon as practicable. I believe the Administration will then incorporate the Revised Code into it, claiming that the Government has been doing its best to implement the relevant convention. Of course, we hope that this is the case. However, Deputy President, are people with disabilities receiving equal treatment at workplaces? I think the answer — no opinion poll is needed — we do not think that it is the case. The Secretary may later tell us the updated number of people with disabilities employed by the Administration.

I understand that some people have requested or expressed their wish for the introduction of an employment quota. Although an employment quota will not be set, I still hope that the Administration and the EOC could make more efforts in encouraging employers to hire more people with disabilities as far as

practicable so that they, irrespective of the nature of their disabilities, will not feel that they are being discriminated against. As for large corporations and enterprises, such as The Walt Disney Company or others, we have always encouraged them to hire more people with disabilities as far as practicable. I very much hope that the publication of the Revised Code will make the people understand their responsibilities better, such that a lot of disputes can be avoided.

Ms Cyd HO, Chairman of the Subcommittee, said earlier that a three-month consultation exercise on the Code had been conducted by the Administration or the EOC. It sounds nothing special indeed. The Government is now drafting a bill on which no consultation has been conducted. Do Members know that? That is a proposal concerning the filling of vacancies arising from the resignations of Legislative Council Members, and no consultation has been conducted. Deputy President, the EOC has conducted a three-month consultation on a code of practice without legal effect and held 23 consultation sessions which were attended by hundreds of people. What explanation can the Administration offer for that? It is really outrageous.

Deputy President, as the Code does not have any legal effect, some Honourable colleagues may query the purpose of our meetings, bearing in mind the small significance of the Code. Nonetheless, we have made substantial changes to the Revised Code. I am very grateful to our legal adviser and the relevant organizations. I am not sure whether the EOC — probably because it does not have enough funding to employ more staff or really need more hands to share the work — as we can see, a lot of changes have been made to some major items, words in small print, minor details of relevant legislation, and so on. Of course, I have to thank Mr LAM Woon-kwong, who is listening to our speeches on the public gallery, Deputy President. He has attached great importance to the Legislative Council. I should also thank him for accepting all those changes. We have indeed made lots of substantial changes. So, we are very concerned about the Code.

Deputy President, I raised a question at the Council meeting on 25 May which was replied by Secretary Stephen LAM instead of the Secretary for Labour and Welfare. It was about ethnic minorities and his reply was about the measures to be implemented by the Administration. Part of my question is: "formulating a code of practice on education in accordance with the Ordinance (that is, the Race Discrimination Ordinance) by drawing reference to that of the Disability Discrimination Ordinance (Cap. 487), so as to explain the legislation

and provide a practical guidance for school sponsoring bodies on how to comply with the Ordinance". Of course, the Administration's reply was in the negative, while the EOC stated that the issue would be gradually dealt with depending on the circumstances in the future.

So, we can see that even though it is a code without any legal effect, people are very concerned about it, especially those who think that they are being discriminated against, and pay close attention to every detail. Of course, the Administration has also told us that, although the Code does not have any legal effect, it will be presented to the Judge in Court should a lawsuit be initiated. I really hope that these guidelines will be useful in the future so that all parties concerned will abide by the law.

The most important thing is how to implement anti-discrimination. Deputy President, in the course of deliberations, some Honourable colleagues also mentioned the implementation of the minimum wage. Of course, this is a new piece of legislation. But we are particularly concerned about the impact on people with disabilities. The Administration and the EOC have agreed to conduct a review in two years so as to study the impact. I hope we do not have to wait for two years. Deputy President, you will also remember that when the bill was passed, some people also requested that a review be conducted at an earlier date, particularly on those parts which would seriously affect people with disabilities.

Deputy President, in paragraph 8.5 of the Code, the concept of equal pay for equal work (EPEW) and equal pay for work of equal value (EPEV) was mentioned. I also welcome that the EOC has accepted our views and rewritten the paragraph as follows: "Pay should be determined on the basis of established job value. Employers should apply consistent criteria when developing and implementing good practices on EPEW and EPEV." However, the following sentence is also added: "the salary of individual employees may still be differentiated by objective factors, such as capability, performance, experiences, etc. In accordance with section 24 of the Minimum Wage Ordinance (Cap. 680), persons with disabilities whose productivity may be impaired by their disabilities will have the right to choose to have their productivity assessed to determine whether they should be remunerated at not lower than the statutory minimum wage level or at a rate commensurate with their productivity."

Deputy President, I believe some people may not quite understand what it means after listening to what I have read out, or some employees and even employers may be perplexed. So, I think the EOC and the Administration have a great responsibility to explain it to all relevant organizations so that they really understand what it means. The most important thing is fairness and to ensure that people with disabilities will not be unfairly treated. This is very important. And the Secretary and the EOC Chairperson, Mr LAM, are well aware that this is the great concern of many Legislative Council Members and the public. Some people do not know how to interpret the law and as a result, they suffer losses. I do not want to see more and more outbreaks of incidents in the next few months or even in the long-term future, rendering the Secretary's continuous efforts in explaining the legislation futile. We really do not want to see this happen. So, I hope the Administration will pay close attention to this.

Separately, Deputy President, Ms Cyd HO has also mentioned some relevant figures just now. The Administration has provided figures for the period between 1996 to 2011. According to these figures, just more than 5 000 complaints have been received since the enactment of the relevant legislation, among which, conciliation was conducted in 1 972 cases. However, only 1 239 were successfully conciliated and 733 could not be settled by conciliation. Among these 700-odd cases, 326 applied for legal assistance, among which 126 were granted. Eventually, only 43 of these were brought to Court. We can see that the relevant figures are decreasing.

In addition, there are also some data telling us that there were 37 cases in which conciliation was sought when legal proceedings were about to commence or when the door to litigation was about to open, Deputy President. Things sometimes happen in such a way. Conciliation was sought in the last minute. However, will the counterpart agree to conciliation if legal proceedings are far from possible? Therefore, we are very concerned that legal proceedings for some cases cannot be commenced due to inadequate funding on the part of the EOC or other thorny issues in respect of policies.

We are not blindly encouraging people to resort to litigation. But if the Administration Deputy President, the Secretary just now also mentioned the necessity of education. I believe the educational value brought out by a prominent lawsuit is most significant. Just now Ms HO also referred to the lawsuit initiated by the previous EOC Chairperson concerning the SSPA System.

It was really a bombshell. As a result, the Government told the EOC, "What are you doing? Why do you bite the hand, the hand that feeds you? You bite the hand even though it feeds you?" Deputy President, these are the words said in such a blatant manner.

So, why did Ms HO say that everyone is worried about the independence of the EOC. So, I asked the EOC at a meeting, "Among the 5 700-odd complaints, how many are related to the Government?" The EOC could not provide any figure right away. But I have to thank it for finding out the relevant figure after the meeting, which is 1 140, or less than 20% of the total.

I hope the EOC will set out these figures clearly, telling the people clearly the number of cases which are related to the Government and the number of cases which are not, so that they can know the EOC's way of doing things. The EOC should be like the blindfolded statue outside the Legislative Council Building, treating all people equal regardless of whether they are the Chief Executive, Legislative Council Members or high-ranking officials, who will be subject to investigation if there is any contravention of the law such as the current incidents involving illegal structures. Deputy President, this is the public's expectations. Therefore, the EOC should demonstrate such determination and courage.

A former EOC Chairperson told me on one occasion — as we said that we did not like the post of EOC Chairperson being filled by a former high-ranking official and queried the rationale of doing so — that he had defeated more than 90 competitors. In response, I said that in view of his ability to defeat more than 90 competitors, he should be even more capable than Mrs Carrie LAM. We are not saying that we will enact legislation to prevent senior officials from taking up such positions. However, Deputy President, the United Nations, in reply to our enquiry, asked, "Why did you not set up a human rights commission?" The Government said in response, "Why should such a commission be set up? We have the EOC, as well as The Ombudsman and the Privacy Commissioner for Personal Data, who can perform the relevant duties." However, Deputy President, all these three positions are held by former senior officials and we find it hard to explain it to the United Nations.

Mr LAM Woon-kwong, the incumbent EOC Chairperson, was commended by Ms Cyd HO just now and urged to continue to be brave in discharging his duties. Deputy President, he is not being targeted deliberately and no one is targeting anyone deliberately either. But he must be fearless. Deputy

President, among the 1 140 cases related to the Government mentioned just now, only three were brought to Court. So, although the EOC considers that litigation should be initiated whenever it is warranted, I wonder how the EOC can do so given its annual funding of \$1.5 million only.

Deputy President, it is even more ridiculous that while the annual funding for the EOC is only \$1.5 million, how much did it spend in 2008? It spent \$520,000. While the amount it spent in 2009 was \$860,000, it is even more surprising that only \$660,000 was spent in 2010. Those who have been engaged in litigation would know that one should have spent \$660,000 well before the case comes to a close. I do not understand why the EOC has spent only \$660,000 in the whole year. So, even though we are not lawyers, we are also worried about inadequate resources for the EOC. Moreover, I hope that the EOC will be armed with enough "bite" so that a situation where some officials who attended our hearings said that they were toothless will never occur to it. Some people have also said that it is much too outrageous, stating that those who are toothless should not have assumed such positions. They should be taken up by those who are armed with "bite".

Finally, I would like to talk about publicity. The Secretary also mentioned the provision of talks or seminars earlier. I do not think there is any problem about this. However, Deputy President, the electronic media are very important. I told the Administration that it would be most desirable to enlist the help of Radio Television Hong Kong, and my advice has been taken heed of. I hope more programmes will be produced, such as television publicities and documentaries, through which, in particular, some cases can be broadcast on television, telling the people that it is against the law to practice discrimination. The best method should be adopted to encourage the people to abide by the law and point out the irregularities whenever they arise.

In view of the high audience ratings of free television stations, I also look forward to co-operation with them. It is hoped that through the media, especially electronic media, the message can be struck home. Regardless of our discussion of the Revised Code, or the passage of the legislation, or the convention applicable to Hong Kong, I believe many people with disabilities remain of the view that they are being discriminated against by society and they still face a lot of difficulties in finding employment.

So, I hope that the Administration, large corporations and even Members' offices should do their utmost to set an example by themselves. Nonetheless, the EOC and the Administration should tell the people how to make amends should there be any irregularities.

I so submit.

MS AUDREY EU (in Cantonese): Deputy President, on behalf of the Civic Party, I support the resolution on the Revised Code of Practice on Employment under the Disability Discrimination Ordinance (the Revised Code).

In his speech, the Secretary expressed gratitude to Ms Cyd HO and the relevant Subcommittee. I am in fact also a member of the Subcommittee. Because of the time constraint, as meetings were arranged one after another on a very tight schedule, it was most often very difficult for us to sit through all meetings although we were members of the Subcommittee. It is because we, more often than not, have to attend different meetings at the same time. However, as a member of the Subcommittee, I would like to express my gratitude to those deputations who have made valuable suggestions to the Subcommittee. I really hold their enthusiasm in high esteem. Some Honourable colleagues have also mentioned in their speeches that they had attended a total of 23 consultation sessions during which various deputations had expressed their views on the Revised Code. In spite of these many consultation sessions, there are still some deputations who keep coming to the meetings at the Legislative Council to give their views, which are always very meticulous.

Why do I say all these? It is because deputations usually only have three minutes to state their points and very often their views are either comparatively general or policy-related. However, their written submissions, on the contrary, are quite minute, pointing out all discrepancies in both Chinese and English wordings, and even in terms of punctuation marks and grammatical errors. They further indicated that they had already expressed their views on different hearings and occasions. But I do not know whether the omissions of the EOC were due to insufficiency of manpower or heavy workload. All I know is that the final version submitted to Legislative Council is still full of errors and omissions.

Upon some careful counting, I found that there are altogether 91 inadequacies in the Revised Code, which require different level of polishing. Most of these shortcomings, however, only involve an addition of single words, an alteration of punctuation marks, or a slight correction of grammar. The suggestions made by these deputations are obviously very pragmatic. We are also very grateful to them.

There is another point that I would like to talk about. I have read many different codes of practice. During the recent meetings, reference was also made to some codes of practice under the competition law or Competition Bill. These codes of practice are generally accused of being too confusing to be intelligible. Contrastingly, the Revised Code of Practice on Employment under the Disability Discrimination Ordinance is very intelligibly written. I think it can be described as a "user friendly" version with a comfortable flowing style of writing, rendering it enjoyable to read. It has also quoted numerous cases or examples enabling readers to easily understand what it is driving at. I think the Administration or various organizations should learn this style of writing, because it enables the Code to be presented in a way more readily comprehensible for those who seldom do reading.

Undeniably, there is not any passage or style of writing which is absolutely perfect. Convoluted language renders incomprehension. Simple language may improve comprehension, but it may easily create a lot of misunderstandings. Therefore, I requested some admonitory wordings be added to the Revised Code. In other words, if there is a need to cite any case, it is subject to the nature of the case. It is inappropriate to refer to the Revised Code solely or just some general introductions in it. Anyway, I think this kind of orientation and style of writing is worthy of recommendation.

Deputy President, since the EOC Chairperson, Mr LAM Woon-kwong, is present, I would like to stress that this kind of code of practice should be constantly updated, especially after the Minimum Wage Ordinance has been passed. I believe there will be a lot of disputes over the ambiguities and misunderstandings arising from the implementation of the Ordinance. Therefore, this kind of code has to be updated on a regular basis while necessary amendments should also be made to the examples accordingly. I hope the EOC can keep an eye on the developments and make the Code a loose-leaf affair so that relevant cases or incidents can be added to it. Even if a newly revised

version is not available, it can also be updated constantly. Uploading onto the Internet in the form of "noter-up" will keep us posted of the latest developments. I think we will find these constantly updated services helpful.

Besides, Ms Cyd HO and Ms Emily LAU mentioned in their speeches earlier that one of the focal points of the Subcommittee was on the proper implementation of the Code or the Ordinance, notwithstanding how perfect they are written. In the course of enforcement, we need not only the will but also the "bite" and "ammunition". Mr LAM Woon-kwong, the EOC Chairperson, explained to this Council that they had set aside \$1.5 million annually to finance legal assistance. The relevant figure, however, worries us. Ms Emily LAU and Ms Cyd HO have mentioned the complaints received by the EOC. Whenever a complaint is established, conciliation will commence. Even though the conciliation is futile, it still means that the complaint somehow is established and taken over for follow-up. But the number of cases in which conciliation was not successful was disproportionate to the number of cases that were finally granted legal assistance for court proceedings. It was merely a very small percentage. Ms Emily LAU already mentioned this just now, so I am not going to repeat it.

Whenever we asked Mr LAM Woon-kwong whether there was sufficient money to finance the legal assistance, he would always say tactfully that money was not the single issue and that the EOC would try its best to help the public on a case by case basis if legal assistance was required. He has never formally indicated that they are insufficiently funded. Nor has he formally indicated that they have enough money. If the annual funding is only \$1.5 million, you can image the constraints experienced by a responsible member. Convincing complaints and cases that justify follow-up work or even carry strong and favourable evidence may not be brought to Court due to unavailability of proper legal assistance.

Unlike Ms Emily LAU, I will not say that one lawsuit can use up all \$660,000. I think the situation is not like that. For a body that entertains complaints like the EOC, the complaints it receives are not confined to issues concerning persons with disabilities; it accepts all sorts of complaints. If the legal expenses of such a statutory body were restricted to only \$1.5 million annually, it would be very difficult for them to discharge their duties. I, therefore, propose to consider setting up a litigation fund similar to that for the

Consumer Council. I remember that when I was in the Consumer Council, Hong Kong had not yet been returned to China. When the then Chief Secretary, Sir David Robert FORD, visited the Consumer Council, we proposed to him the setting up of a litigation fund, which would be operated on a self-financing basis later on.

Another approach to be adopted is like legal aid, which should be more desirable. If a member or relevant legal professional of the Legal Aid Department considers that the granting of legal aid to a case is justified, that is, both the means test and merits test concerning the sufficiency of evidence for legal proceedings are passed, then legal aid will be granted. Moreover, there will be no specific funding ceiling or specific limit for each year. Instead, government funding will be granted when necessary. This will certainly be the best approach.

Let us consider the second best approach. If the funding for the EOC's legal assistance for a particular year is not exhausted, the remaining amount can at least be carried forward for the next year. In doing so, it will at least ensure the EOC to have more ample funding in this aspect. I therefore hope that the EOC will consider this. If a code of practice cannot be implemented or no penalty will be imposed on irregularities, it is a code which will not serve any practical purpose irrespective of what regulations have been laid down in it or how perfect it has been written.

With these remarks, Deputy President, I support the Revised Code. Thank you, Deputy President.

DR PAN PEY-CHYOU (in Cantonese): Deputy President, on behalf of the Hong Kong Federation of Trade Unions, I speak in support of this Resolution proposed by the Secretary for Labour and Welfare. The current Code of Practice on Employment under the DDO has been in use since January 1997, and last year the Equal Opportunity Commission (EOC) issued a draft Revised Code of Practice for consultation of the public and stakeholders from all sectors across the community. When the further revised draft was submitted to the Legislative Council for scrutiny, no major change was made to its contents. The changes made are mostly in fine-tuning the wordings of the draft. This may be due to the fact that Honourable colleagues in charge of the scrutiny thought that the contents

of the Code of Practice are largely acceptable. However, as a member of the labour sector, I felt sorry at noting that the Revised Code of Practice had not accepted more views from the labour sector put forward during the consultation exercise.

First of all, I wish to point out that it is stated in the conclusion of the consultation exercise by the EOC that impartiality would be adopted by the EOC in addressing the relationship between employers and employees. I think that this is understandable. But the problem is that there is some logical fallacy in it. This is because under the Code of Practice and the principles held by the EOC, it is clear that it has to accord protection to employees, especially those with disabilities. If employers and employees are placed in a totally equal position and if an approach of impartiality is taken to handle labour matters, what then would be the result?

For the employees, in such circumstances they will get nothing. This applies especially to those workers with disabilities, for they are the most vulnerable among the disadvantaged groups. Often times the trade unions find it difficult to offer them help when these workers are aggrieved because most members of trade unions are able-bodied persons. As for the employers, they own a huge amount of resources, like capital, means of production, technologies of production, knowledge of production, management skills, matching facilities and venues of production. When employers and employees are placed in such an unequal position, we would think that the stand of the EOC should be inclined towards protecting the labourers.

On the other hand, those subjects of complaints of acts of discrimination are mostly employers or the management staff hired by the employers. Only a minority may be other workers. As for workers with disabilities, will they discriminate against their own numbers? So we think that if it is intended that the disadvantaged workers should be protected, then the Code of Practice issued by the EOC should endeavour to give more explanations and teach workers with disabilities how they can protect themselves. But many people from the labour sector have told us that the present edition of the Revised Code of Practice gives people an impression that it is specifically compiled to tell those staff from the human resources department of large corporations and enterprises how to deal with cases in this area, instead of offering any assistance to the workers.

The larger the scale of the enterprise, the greater its responsibility should be. This is the principle which we believe in and recognize. As the resources of the big employers and large enterprises are abundant, it would be easier than those employers of small enterprises if there is any need to change the posting of those staff with disabilities or provide any assistance to them at work, such as giving them certain equipment or making some other arrangements for them. Moreover, in those large enterprises there is usually a well-manned human resources department providing the necessary support and there is a better understanding of law among such large enterprises than the small enterprises. This point should be recognized in the Code of Practice. An example is in the section on "Unjustifiable Hardship". The Revised Code interprets that the level of unjustifiable hardship set by a large corporation should be higher than that in a small company. In our opinion, this is worth commending and this point should be clearly elaborated in the Revised Code.

About another principle, which compares a person with a disability to a group of persons with disabilities and in so doing ascertains whether or not the discrimination experienced by a worker arises from a certain disability, I disagree with this because there is some sort of universality about the discrimination experienced by a worker with a disability or an employee with a disability. In other words, it will not happen when a person with emphysema is not discriminated against but a person with degeneration of the joints is discriminated. Actually, if the disability of a person may cause any inconvenience at work, he will be discriminated against.

So if two persons with a similar disability are compared to people with other kinds of disabilities, I do not think there is too much practical use in doing so. This is because if it is considered that a certain baseline exists in respect of both of these persons, then this shows general discrimination exists in society against people with disabilities or those employees who seem to be not so physically fit. So I think if we are to determine whether or not the discrimination experienced by a person is due to his disability, then the criterion for comparison should be that of a healthy person. Only this would be a reasonable approach.

The labour sector is also very concerned about the problem of privacy. An example is that if an employer thinks he should be privy to some information concerning the disability or disease suffered by an employee, then how much

information should he acquire. Owing to reasons of privacy protection, we think that conditions of health are an important kind of privacy and the information which a worker should disclose is only confined to that which can enable the employer to determine how much his ability to work is affected or the kind of tolerance arrangement to be made or the kind of wastage in work caused by the disease suffered, such as the necessary sick leave, and so on.

However, this brings us to another issue. The Disability Discrimination Ordinance is in fact closely related to matters in other areas, such as the Personal Data (Privacy) Ordinance which I mentioned just now, or the provisions in the Minimum Wage Ordinance on disability assessment. There are many intersecting points with other pieces of legislation, but the Revised Code issued by the EOC clearly states on the contrary that an attempt is made to avoid touching on relevant laws other than the Employment Ordinance and the Employees Compensation Ordinance. This approach is evasive. It is because in realistic life, there are many intersecting points and interactions among Ordinances. If an arbitrary attempt is made to eliminate certain examples, then it would be impossible for this Code to provide sufficient guidance to its readers.

In addition, I would also like to put forward some views from people in the labour sector. Ms Audrey EU said in her speech earlier that she thinks that the language used in the Revised Code is not bad at all. I understand that Ms EU is well-versed in law and it would not be surprising if she makes such a statement. But for those workers or even owners of small companies, they are not as knowledgeable and well-educated, and they would find the contents of the Revised Code difficult to read and understand. Therefore, there is a call in the labour sector to urge the EOC to publish some leaflets, like what the Labour Department is doing, in addition to the Revised Code as a simple introduction to its contents. This would help workers, employees and employers of small companies. This is the suggestion I wish to make.

I so submit.

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

(No Member indicated a wish to speak)

DEPUTY PRESIDENT (in Cantonese): If not, then I will call upon the Secretary for Labour and Welfare to speak in reply. This debate will come to a close after the Secretary has spoken.

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): Deputy President, I am grateful to the several Members for their valuable and useful views on the implementation of the Revised Code of Practice on Employment under the Disability Discrimination Ordinance (the Revised Code), the employment opportunities of people with disabilities, and the operation of the Equal Opportunities Commission (EOC) just now. Now I would like to respond to the main points in some of the views put forward by Members.

The Government's consistent policy objective in assisting persons with disabilities to find employment is to ensure equal opportunities for them in undertaking productive and gainful employment in the open job market. As the statutory enforcement agency of the Disability Discrimination Ordinance (DDO), the EOC has been playing a very important role in preventing disability discrimination in employment and workplaces, and assuring equal employment opportunities for persons with disabilities.

The Code of Practice (Code) under the DDO published by the EOC in January 1997 help employers and employees understand and comply with the provisions of the DDO. In order to ensure that the Code can keep abreast of the times, we have to amend the Code to give employers and employees clearer and more comprehensive practical guidance.

Both the public and Members have formed the view that the practicability and clarity of the new Revised Code should be enhanced so as to make it easier for readers to understand. The EOC fully concurs with this point and quite a number of case law have been added to the Revised Code for readers' reference. Moreover, in response to the recommendations of the Subcommittee on Revised Code of Practice on Employment under the Disability Discrimination Ordinance (Subcommittee), the EOC will also consider establishing some form of link between the Revised Code and the latest case law on its website if allowed under the DDO to facilitate reference by the public.

Separately, after hearing the views of the Subcommittee and the public, the EOC has carefully examined and reviewed the terminology and style of writing of the Revised Code and proposed a number of amendments, such as replacing the term "AIDS patients" with "persons living with HIV", and so on. On the other hand, in response to the Subcommittee's recommendations, the EOC has added a number of explanations and examples so as to bring out the important message, including a reminder to employers that they should not apply a uniform standard in assessing the performance of employees at different positions, and an emphasis on a job applicant's right to choose in the job application process whether or not to disclose his/her disability.

These amendments have been set out in the motion. Here, I would like to thank the Subcommittee for its support for the amendments and the Revised Code.

I understand that some Members are concerned about the impact of the statutory minimum wage on the employment opportunities of people with disabilities. To cater for the fact that some people with disabilities may face difficulties in finding employment after the implementation of the statutory minimum wage, the productivity assessment mechanism has been formulated for people with disabilities under the Minimum Wage Ordinance, with the objective of striking a reasonable balance between wage protection and employment opportunities for people with disabilities. According to the Minimum Wage Ordinance, employees with or without disabilities enjoy the same protection under the statutory minimum wage, and a special arrangement has been made for people with disabilities so that they can choose to trigger the productivity assessment mechanism. Let me emphasize that the right to choose absolutely rests with the employees with disabilities rather than the employers.

Insofar as Hong Kong is concerned, the statutory minimum wage is an entirely new system. The Government will review the productivity assessment mechanism in the light of the actual operational experience in two years after the minimum wage has been implemented. We will consider bringing forward the review if necessary.

The Revised Code has made it clear that people with disabilities have the right to choose to have their productivity assessed under the Minimum Wage Ordinance in order to determine their minimum wage level. People with

disabilities should be remunerated at not lower than the statutory minimum wage level or at a rate commensurate with their productivity.

Some Members are concerned about the independence of the EOC in handling a complaint related to the Government. In fact, the EOC is an independent statutory body responsible for enforcing anti-discrimination ordinances in Hong Kong, including the DDO, and regulating both public and private organizations, including the Government, so as to ensure that the requirements of anti-discrimination legislation are complied with.

The EOC would like to take this opportunity to reiterate that as an independent statutory body albeit publicly funded by the Government, it will adopt an impartial approach when handling with complaints, regardless of whether the cases are related to the Government. In order to highlight the independence of the EOC and respond to the Subcommittee's concern, the EOC has made amendments to the Revised Code by deleting the reference that the EOC is publicly funded by the Government and emphasizing that the EOC has the responsibility to regulate both public and private organizations, which of course include the Government.

There is a suggestion that the Government should establish a litigation fund for the EOC to ensure that it has sufficient funds to provide legal assistance to the public. Currently, funds will be provided to the EOC annually on the basis of its actual need so that it can discharge its duties. The EOC has set aside \$1.5 million in each year to meet legal expenses. Additional commitments will be met through appropriate deployment of its internal resources. Moreover, the EOC can also make use of its reserve fund to meet legal expenses if necessary. The reserve fund, which currently stands at \$20.57 million, has ample room to provide necessary resources for all practical purposes, including legal expenses. The EOC has never rejected any application for legal assistance due to funding constraints.

I am aware that the Subcommittee has put forward the proposal of establishing a litigation fund for the EOC in its letter addressed to the Constitutional and Mainland Affairs Bureau. The Bureau will continue to maintain close contact with the EOC and provide resources on the basis of its actual needs, including resources to meet legal expenses.

During the deliberations of the Subcommittee, mention was also made of the proposal of establishing a dedicated equal opportunities tribunal (tribunal). We have noted that given that there is a lack of in-depth discussion by various sectors of the community on the proposal of the tribunal and a need to discuss carefully the specific details of the proposal, the EOC will first discuss the issue with stakeholders and submit to the Government in due course a specific recommendation on the basis of the views collected from the consultation. The Constitutional and Mainland Affairs Bureau will discuss with the EOC on appropriate follow-up actions after receiving its specific recommendation.

Deputy President, Ms Cyd HO in her speech just now commended highly on the performance of Mr LAM Woon-kwong, the EOC Chairperson, and Ms Emily LAU also recognized his work. I absolutely agree with this. Mr LAM's dedication, enthusiasm, industry, commitment and leadership are evident to all. He can be regarded as the perfectly suitable person to be appointed as the EOC Chairperson.

To promote the employment of people with disabilities and equal opportunities in workplaces has long been the Government's policy objectives. We will continue to join hands with various sectors of the community, including the EOC, social welfare sector, business sector and locals, and adopt a multi-pronged approach including legal protection, vocational training, employment support and public education, to eliminate disability discrimination in workplaces, promote open employment opportunities for people with disabilities and facilitate their full integration into society.

Finally, I would like to thank Members again for their constructive suggestions on the amendments to the Revised Code and urge Members to support the amendments proposed by the Government.

Deputy President, I so submit. Thank you.

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

(Members raised their hands)

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

(No hands raised)

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

MEMBERS' MOTIONS

DEPUTY PRESIDENT (in Cantonese): Members' motions. Two motions with no legislative effect. I have accepted the recommendations of the House Committee: the movers of the motions will each have up to 15 minutes for their speeches including their replies, and another five minutes to speak on the amendments; the movers of amendments will each have up to 10 minutes to speak; other Members will each have up to seven minutes for their speeches. I am obliged to direct any Member speaking in excess of the specified time to discontinue.

DEPUTY PRESIDENT (in Cantonese): First motion: Formulating a development strategy for a low-carbon traffic and transport system.

Members who wish to speak in the debate on the motion will please press the "Request-to-speak" button.

I now call upon Dr Raymond HO to speak and move the motion.

FORMULATING A DEVELOPMENT STRATEGY FOR A LOW-CARBON TRAFFIC AND TRANSPORT SYSTEM

DR RAYMOND HO (in Cantonese): Deputy President, I move that the motion set out on the Agenda be passed.

The transport system in Hong Kong is reliable, safe, clean and diversified. Of course, a lot people consider the proportion of transport expenses to their

income to be too high. At present, about 90% of the population in Hong Kong use public transport and every day, the number of passengers taking public transport is more than 12 million passenger trips. The public transport network in Hong Kong is well-developed and diversified, with the railways forming the backbone of the mass transit system. Its efficiency is high and it is also environmentally-friendly. There are also other choices of land-based transport, including franchised buses, trams, 4 360 public light buses, 18 200 taxis and non-franchised residents' bus services, and their passenger throughputs account for 60% of the overall public transport capacity.

Since the 1970s, the design and construction of railways in Hong Kong have developed continually. The total mileage of the railway network in Hong Kong stands at more than 200 km and it includes the Airport Express and nine railway lines serving Hong Kong Island, Kowloon and the New Territories, whereas the Light Rail serves Tuen Mun and Yuen Long. The average daily capacity of these railways is 4 million passenger trips and their capacity accounts for 36% of the overall public transport capacity (the Government's long-term goal is 40%). The capacity of franchised buses accounts for 32% of the daily overall public transport capacity.

The number of private cars registered in Hong Kong stands at about 400 000 and this means there are about 56 private cars per 1 000 people. Compared with other advanced countries, this figure is on the low side. Even when compared with neighbouring countries, the figure for Hong Kong in this regard is still quite low. In Singapore and Japan, there are 148 and 325 private cars respectively per 1 000 people. For this reason,, there are only 2 070 km of roads in Hong Kong and the greenhouse gas (GHG) emissions from road transport amount to less than 1 tonne per person, far lower than that in most developed countries or economies, for example, the United States (5.3 tonnes), the United Kingdom (2 tonnes), Australia (3.3 tonnes) and Japan (1.7 tonnes). Even so, public transport accounts for 18% of Hong Kong's total GHG emissions, so this is still a fairly high percentage. It is the second biggest source of emissions after power plants. Therefore, it is still necessary for Hong Kong to strive to develop a low-carbon traffic and transport system.

Although Hong Kong's public transport is well-developed, the authorities should still learn from the past mistakes in transport policies and draw experience from them, so that Hong Kong can move towards the goal of developing a

low-carbon traffic and transport system more effectively. In the 1970s and 1980s, the British-Hong Kong Government also had this in mind when developing some new towns. However, it misjudged the situation in Tuen Mun and this led to some mistakes in planning. The authorities assumed that residents could work or go to school in the district and underestimated the need of residents in the district for external transport, so the planning on public transport and the capacity of the major trunk roads could not cope and as a result, the trunk roads leading to the urban area, for example, the Tuen Mun Highway, were very congested and the railway network was also not developed in a timely manner. Consequently, the problem of traffic congestion in the district could not be solved for many years.

On the development of railways, in the past, the Government also attached too much importance to commercial considerations, so the development of railways was passive. This is not just the case with the Government. Before the two railway corporations merged in December 2007, they had all along insisted that the population of a railway development area had to reach a certain level for a railway to be commercially viable. Their conservative thinking overlooked the social and economic benefits that railways can bring to the railway catchment areas and the functions of railways in changing population density, distribution, and so on.

In fact, when developing railways, particularly at the initial stage, the requirements on the population level should not be totally inflexible. The conservative views on which the Government and the railway corporations insist often make railway development lag behind and coupled with the unclear arrangements for complementary forms of transport, railway development lags behind social development and cannot keep up with the needs of the public in their daily lives and mobility. Railway projects, from planning to completion, typically take five to 10 years or an even longer time to complete. Meanwhile, the population in a district continues to rise at such a rate that it is far beyond the capacity of existing transport facilities, so residents must endure the misery of congestion and road traffic congestion. Railway development can often bring about great benefits to the places along railway lines, thus making more people consider moving to the relevant districts and adding impetus to the development of local economic activities and public living.

The development of railways should be closely related to urban development and should by no means rest solely on considerations of population level and patronage. Apart from the projected population, railway development programmes should take into consideration other factors, including the pace and speed of development along railway lines. The consideration of patronage should be a long-term one and should not just be a consideration when making the initial projections. Whether or not there are suitable sites and whether or not suitable sites will be reserved for railway development is also an important consideration.

In addition, railway development should also be integrated with land use planning. Above-station developments and residential and commercial developments at adjacent sites can also make railway development more cost-effective. In addition, if the development planning is appropriate, railways will become the major external trunk routes, thus greatly reducing the reliance on other types of land-based public transport and helping reduce carbon emissions.

To develop a green transport network, the authorities should accord priority to the development of railway networks and expedite the expansion of the existing railway networks. In fact, doubtless in the past decade or so the Government has been more active than before in developing railways. In this period, the authorities committed a total of more than \$100 billion to the expansion of the railway networks and a number of railway projects were completed in succession. A new window of opportunity in railway development in Hong Kong arose with the merger of the two railway corporations and the several railway lines being planned and constructed will also give Hong Kong a fairly good railway network.

In order to develop the railway networks in Hong Kong, the authorities must encourage more people to use railways and carefully consider the design of various stations and the transport interchange arrangements carefully. All along, I have strongly advocated the provision of interchange facilities, for example, public transport interchanges and "Park and Ride" arrangements. Building carparks near railway stations and even underground carparks can encourage more people to use railway services. "Park and Ride" facilities can reduce the use of private cars by the public when travelling to districts with heavy traffic. In addition, by making optimal use of the great capacity and speed of the railways, the public's reliance on other modes of transport with greater impact on

the environment can also be reduced. Of course, the most satisfactory arrangement is to use railways as the transport backbone and other modes of public transport for the provision of feeder services to the areas surrounding stations. We should take all these into consideration at the same time. This measure will help reduce the number of buses plying among major business districts, thus attaining the goal of reducing GHG emissions.

Of course, railway development cannot completely replace other forms of land-based transport because the coverage of railways cannot possibly extend to each and every corner. Cargo transport and the emergency services have to rely on road transport. Therefore, the Government should step up its study on the application of information technology in transport systems and vigorously develop an intelligent traffic system to provide fast and accurate traffic information to road users, so as to help drivers choose an expeditious route to their destinations and ease traffic congestion at the same time.

In addition, the authorities can also encourage public transport operators to actively develop application software for smart phones, so as to provide instant information on public transport frequencies and routes to make it more convenient and time-saving to take public transport, thus making more people give up driving and use public transport instead.

In recent years, a greater number of environmentally-friendly types of car using fuels other than petrol, including electric cars, have appeared in the market. However, as of November 2010, there were only about 85 electric cars running on the roads in Hong Kong. The Government must take a greater initiative in promoting the use of electric cars. It can include more electric cars in its fleet to set an example. Meanwhile, the authorities should solve the relevant technical problems as soon as possible, for example, by installing charging stations and ancillary facilities, and legislation on the use of roads by electric cars or cars using alternative fuels should also be introduced as soon as possible because all these are major considerations for people intent on buying this kind of environmentally-friendly cars.

The emission problem caused by franchised buses also calls for urgent and serious attention from the Government. Earlier on, the Government announced a number of measures, such as financial subsidies for franchised bus companies to buy six hybrid buses and test other types of more environmentally-friendly

buses. The other measures include retrofitting some of their Euro II and Euro III buses with catalytic reduction device, and so on, but these are not the ultimate solutions to the problems. On the premise that the fares will not exert pressure on the affordability of passengers, the authorities should strive to implement the use of zero-emission buses throughout Hong Kong. Last year, in the World Expo in Shanghai, we could see that after electric buses had stopped at stations, their roofs would be connected to the charging system immediately, so this is very environmentally-friendly and effective as well as very admirable. There are still many pre-Euro, Euro I and Euro II buses in Hong Kong and they pollute the air seriously.

Apart from considerations about Hong Kong itself, developing a low-carbon traffic and transport network is also in line with the strategy of developing a green and quality living area in the Greater PRD Region. The Framework Agreement on Hong Kong/Guangdong Co-operation (Framework Agreement) signed on 7 April last year also covers the major areas of co-operation in environmental protection and ecological conservation, including taking concerted actions to prevent and tackle air pollution, promoting wider use of electric vehicles, and so on. Hong Kong should engage in greater co-operation with its neighbouring areas on the basis of the Framework Agreement, introduce measures favourable to both sides and promote the development of a green transport system in the region in association with Guangdong through the existing mechanism.

At the same time, we can also improve the regional traffic situation by building more pedestrian facilities. Systematic pedestrian facilities can provide safe, speedy and comfortable passageways to people. The Central — Mid-Levels Escalator Link on Hong Kong Island is a good example. This link can help reduce the traffic flow between Central and the Mid-Levels. We should consider putting in place similar escalator links in other areas (for example, in Western and North Point). The designation of pedestrian precincts can also provide a more comfortable walking environment to pedestrians, thus encouraging more people to walk instead of drive and enabling them to enjoy some quiet areas in a bustling city.

Even as we build more pedestrian facilities, the Government should also build more cycle tracks to give the public another transport option. When the Government carries out planning on new development areas, it should include

cycle tracks that connect all places within the district. The existing cycle tracks in various districts should be linked up where it is feasible and safe to do so, so that the coverage of cycle tracks can become more extensive, the movements of the public among various places can be facilitated and the public can use bicycles for recreation and sport during their holidays.

More and more evidence shows that climate change is caused by GHG. Many countries in the world are beginning to feel the consequences of climate change, so we should promote the direction of a low-carbon economy as far as possible.

Thank you, Deputy President.

Dr Raymond HO moved the following motion: (Translation)

"That traffic and transport, which accounts for 18% of Hong Kong's total greenhouse gas emissions, is the second largest emission source; this Council urges the Government to formulate a development strategy for a low-carbon traffic and transport system as soon as possible, so as to fully implement the sustainable development principle, and when formulating the strategy concerned, the relevant authorities should proactively consider the various development objectives, including the following:

- (a) to integrate land use planning with planning on transport facilities;
- (b) to give priority to developing railway networks and expedite the expansion of the existing railway networks;
- (c) to install additional ancillary interchange facilities at the stations along the railway lines;
- (d) to promote green modes of traffic and transport as well as application of related techniques;
- (e) on the premise of not exerting pressure on passengers' affordability, to implement the use of zero-emission buses in Hong Kong;

- (f) to strengthen co-operation with the Pearl River Delta Region to promote green transport systems;
- (g) to proactively develop pedestrian facilities and pedestrian precincts; and
- (h) to promote a healthy lifestyle and encourage people to travel on foot or by bicycle between destinations which are within appropriate distance."

DEPUTY PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Dr Raymond HO be passed.

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

I now call upon Mr KAM Nai-wai to speak first, to be followed by Mr Tommy CHEUNG, Mr IP Wai-ming, Mr CHAN Hak-kan and Ms Audrey EU; but no amendments are to be moved at this stage.

MR KAM NAI-WAI (in Cantonese): Deputy President, today, I am going to propose this amendment on behalf of the Democratic Party. Recently, we are all very concerned about the problem of climate change, in particular, after the incident of radiation leak, all of us are concerned about why we have to use so much electricity.

Where does the carbon emission actually come from? In Hong Kong's case, one of the sources of carbon is the power plants. Another source is public transport, as pointed out by Dr HO in his motion. How can we develop a low-carbon traffic and transport system? I believe this issue very much warrants discussion by the Hong Kong public.

The Democratic Party has all along demanded that high-emission buses be replaced as soon as possible, so that roadside pollution can see some

improvement. As we all know, 40% of the roadside pollution comes from buses and the emission of suspended particulates and nitrogen oxides by buses is very serious. In view of this, the Democratic Party has all along advocated that the Government should study how to make bus companies replace their high-emission buses when their bus franchises are about to expire.

The Chief Executive mentioned in his Policy Address that when the existing bus franchises expired, new clauses would be added to require that bus companies use the most environmentally-friendly zero-emission buses more actively. However, the bus companies said that in that case, the fares may have to be increased.

Today, Dr Raymond HO proposed in his original motion that hopefully, on the premise of not increasing the fares, the use of zero-emission buses throughout Hong Kong can be implemented as soon as possible. In fact, our intention in proposing the amendment is also the same. We demand that the Government bring about the replacement of high-emission buses by bus companies as soon as possible by means of financial assistance or the extension of franchises. Some bus franchises will expire in 2013, and others in 2016 or 2017. Can the Government boost the financial incentives by extending the franchises, so as to motivate bus companies to replace their high-emission buses as soon as possible?

Although the Government said that catalytic converters could be retrofitted on buses to reduce emissions, in a recent meeting, some experts pointed out that it was doubtful whether or not this kind of catalytic converters could achieve the expected results. Therefore, we hope that the Government can be even more proactive in this regard.

Second, we often talk about the rationalization of bus routes to reduce the number of buses running on the roads but all along, the efforts in this area have had little success. I think one of the major reasons is that bus companies do not offer more attractive interchange concessions to passengers to make passengers willing to spend more time on changing buses because of the incentive of having to pay less in bus fares. I hope the Government can make greater efforts in this regard, so as to cut the number of overlapping bus routes and reduce the use of road surface by buses.

Today, apart from requesting the Government to take forward the replacement of high-emission buses through the extension of bus franchises and urge bus companies to rationalize bus routes and offer more interchange concessions, we also want to raise two other points. All along, the Government has not attached any importance to the role of travelling on foot and cycling in the traffic and transport system in Hong Kong. All along, the Government only regards cycling as a form of leisure and recreational activity. Therefore, I hope the Government will include cycling and travelling on foot in the traffic and transport system in Hong Kong, so that cycling and travelling on foot can play an important role.

There are more cycle tracks in the New Territories, with cycle parking spaces and cycle tracks provided in various road sections but these cycle tracks are all disjointed rather than connected.

As regards the urban area, in particular, on Hong Kong Island, on which I live, many District Councils are lobbying for the construction of waterfront cycle tracks. We have a dream, that is, we want to cycle from the Western District to Siu Sai Wan, then from Siu Sai Wan to the Southern District. We hope that there can be an unbroken cycle track. We also hope that the Government can consider including cycling in the traffic and transport system of Hong Kong.

As regards walking, in fact, the Government has built a fairly successful pedestrian system in Central. A footbridge system was built in Central one or two decades ago and this footbridge system successfully separates pedestrians and vehicles. However, such a system has not been introduced into other districts. We have been asking why the pedestrian system in Central cannot be extended to such places as Wan Chai and Causeway Bay. Extending this pedestrian system is conducive to developing a low-carbon traffic and transport system all along advocated by us.

However, in the past, the Government only carried out some tinkering by establishing pedestrian precincts in various districts. The establishment of pedestrian precincts cannot encourage the public to travel on foot more, for it can only facilitate shopping. In fact, many studies found that walking is good to health. The International Journal of Cancer Research reports that a large-scale study conducted by the School of Medicine of the University of Washington confirms that walking for one hour each week can reduce the risk of colon cancer

by as much as 30%. In fact, there are many studies and surveys on the benefits of walking. We hope very much that apart from such tinkering as establishing pedestrian precincts in various districts, the Government can also actively develop pedestrian footbridge and subway networks and install more escalators and lifts, so that more members of the public can make use of these pedestrian systems. Apart from the bicycle, we also hope that the Government can consider including travelling on foot in Hong Kong's traffic and transport system.

Just now, Dr Raymond HO also talked about the situation of electric cars. In this area, we can only hear footsteps. As pointed out by Dr Raymond HO just now, at present, only 85 electric cars are in use and I think this is a matter of market and production. In fact, the choices in electric cars are not many. How can we develop a low-carbon traffic and transport system then?

This morning, Secretary Eva CHENG talked about ferry services and in fact, we have also mentioned it. We hope that the Government, as a boat owner, can make arrangements for ferries to use ultra low sulphur diesel, as this is one of the possible ways of reducing emissions.

Finally, I wish to talk about the other amendments, in particular, the amendment relating to an electronic road pricing (ERP) system or a congestion charge. The Democratic Party believes that the Government should study the introduction of an ERP system. In order to ease traffic congestion, recently, the Government proposed an increase in the vehicle First Registration Tax. The Democratic Party thinks that the Government has not administered the right cure. Such an approach cannot ease traffic congestion, nor can it improve air pollution.

We think levying road tolls is a good way to ease traffic congestion. As regards the introduction of an ERP system, it is also worthwhile to study it. However, in the past, this approach aroused a great deal of arguments. For this reason, the Government should carry out a public consultation on this initiative as soon as possible. The Democratic Party supports the Government in carrying out a public consultation as soon as possible to gauge public views.

Thank you, Deputy President.

MR TOMMY CHEUNG (in Cantonese): Deputy President, the problem of global warming is worsening. Although Hong Kong is only a speck on the world map, as a member of the global village, it should also contribute its part towards alleviating global warming. Transportation is the second biggest source of GHG emissions after electricity generation, so the Liberal Party believes that the authorities should target the domain of transportation and introduce a transport version of the "3R" strategy, that is, reduce unnecessary traffic flow (reduction), develop the railway network (railway) and replacing old vehicles with environmentally-friendly ones (replacement), so as to build a low-carbon transport system.

Hong Kong's size is not large and its population is concentrated, so if our urban design and transport planning can accord with these characteristics, it will obviate the need for many residents in the New Territories to travel across districts to work, so unnecessary traffic flow as well as carbon emissions can be reduced substantially. In this regard, one of the aims of the motion "Promoting the relocation of departmental headquarters to the districts for creating employment" to be proposed by me later on is to, hopefully, make the Government relocate its departments to the New Territories as far as possible, so that more private companies will be attracted to follow suit, thus creating more employment opportunities in the New Territories. On the one hand, this measure can reduce the traffic flow generated by residents in the New Territories who cross districts to work, and on the other, it can also increase the number of trips made by residents of urban areas in the opposite direction, thus making optimal use of the transport infrastructure and attaining the goal of reducing carbon emission.

Coming back to this subject, even if members of the public have to commute to the urban area for work or schooling, so long as land use and transport planning can dovetail, most members of the public can also use the zero-emission railway networks in their commutes, thus reducing carbon emission. Unfortunately, in the past, when the new towns were being developed, railway development often lagged behind population growth, so new towns could only rely on roads to connect them to the urban area and the residents in these districts were troubled by traffic congestion for long periods of time. Residents in Tin Shui Wai and Tseung Kwan O are the biggest groups of victims of such planning blunders.

The development of the Tseung Kwan O New Town began in 1982, but the Tseung Kwan O Line of the Mass Transit Railway was completed only 20 years later, that is, in 2002 and by then, the population in that district had reached almost 300 000. Similarly, Tin Shui Wai was developed in the late 1980s and its residents, numbering almost 300 000 people, also had to wait for a full 20 years until 2009 before the West Rail connects them to Tsim Sha Tsui East. Today, in talking about the past, I am not trying to settle old scores, rather, I wish to remind the Government that when developing the "three-in-one" new town comprising Hung Shui Kiu and Northeast New Territories, it must not repeat the mistakes.

Deputy President, concerning the development of railways, which is a kind of zero-emission mass transit system, I wish to talk about the development of the Northern Link in particular. At present, the interactions between the Mainland and Hong Kong are very intense and the total population in the five districts in New Territories West is close to 2 million. There are close to 1 million people in the Tuen Mun and Yuen Long Districts, but despite the passage of a long time, no railway is available for residents in these districts to cross the boundary. The East Rail and the West Rail do not have any intersection point in the New Territories, so residents in New Territories West have to make a circuitous trip to Hung Hom Station in Kowloon before they can make an interchange to New Territories East, so this is obviously a major oversight in railway development. In view of this, I hope the authorities can complete the review on the Northern Link as quickly as possible, so that the West Rail can really extend to the four compass points.

However, ultimately, it is difficult for railways to take people from door to door and in order to give full play to the functions of railways, it is necessary for other forms of transport to provide feeder services. Therefore, the authorities must always balance the living room for various types of transport carefully, so that all of them can co-exist in a win-win situation.

In addition, when we expand the railway networks, a proper job must also be done in putting in place feeder services and interchange facilities, including encouraging the MTRCL to offer more interchange concessions, provide more "Park and Ride" parking spaces and increase the number of bicycle parks near stations. Only in this way can the public enjoy the convenience and be attracted

to take the train, thus giving full play to the environmentally-friendly and cost-effective nature of railways.

Deputy President, apart from reducing traffic flow and developing railways by all means, a set of well-developed and financially attractive vehicle replacement policies is also indispensable to a low-carbon traffic and transport development strategy. The three points in the amendment proposed by me today are designed to make the original motion more comprehensive and complete, particular in respect of the phasing out of old vehicles.

Apart from the replacement of old buses as mentioned in the original motion, the Liberal Party has all along requested the Government to enhance the existing pre-Euro and Euro I diesel commercial vehicle replacement scheme, particularly given that in the Incentive Scheme to Replace Pre-Euro and Euro I Diesel Commercial Vehicles by New Commercial Vehicles that ended last year, only 30% of the targeted old vehicles were phased out, so the result was less than remarkable. Therefore, if the authorities do not enhance the existing vehicle replacement scheme and only adopt the mentality of just putting up a show, it will be difficult for the vehicle replacement scheme to be effective.

To enhance the existing vehicle replacement scheme, we believe the authorities should immediately include Euro I and pre-Euro vehicles in the existing vehicle replacement scheme again and make changes to the scheme by calculating the amount of subsidy according to the residual value of a vehicle, so as to enhance its attractiveness. At the same time, vehicle owners only have to write off their vehicles and do not have to buy new ones to be eligible for the concession. We believe that it is only with the introduction of the foregoing three enhancement measures for the vehicle replacement scheme can better-than-expected results be achieved.

As regards private cars, we propose that the Government relaunch the Scrapping Incentive Scheme implemented from 1996 to 2002 to encourage private car owners to scrap their old cars that have been in use for 10 years or more, so as to improve roadside air quality. During the implementation of this scheme from June 1996 to September 2002, a total of 30 000 high-emission and fuel-guzzling vehicles were phased out, so the result was quite satisfactory and it is worthwhile to consider its relaunch.

Of course, if the authorities can further follow the example of Singapore in eliminating old private cars by allowing car owners to simply write off their old cars without having to replace it with new ones and they can receive a tax reduction all the same, I believe the results will be even more pronounced. The number of private cars can be reduced and this measure will probably be more effective than the measure introduced by the Financial Secretary to increase the vehicle First Registration Tax.

At present, various parts of the world all consider electric vehicles to be the best alternative to fuel-driven vehicles. The Chief Executive also proposed the strategy of promoting electric vehicles in the 2009-2010 Policy Address. However, after the promotional efforts in the past year or so, electric cars in Hong Kong still only number less than 100 and they amount only to half of the 200 vehicles which hopefully will be introduced in 2010-2011. On ancillary facilities, the Secretary for the Environment said in November last year that it was hoped the number of charging stations will reach over 500 in the next few months. However, half a year has passed but there are only about 300 charging stations throughout Hong Kong, so this measure has also only gone half way.

To be fair, the Government can only strive to secure the allocation of a certain number of electric vehicles to Hong Kong by car manufacturers, but it cannot insist on having its way. However, it is absolutely within the Government's ability to establish a charging network. Therefore, the Liberal Party, in arranging for me to move this amendment today, wants to remind Secretary Edward YAU in particular that he must achieve the goal of putting in place over 500 charging stations as quickly as possible to prepare for the popularization of electric cars.

Deputy President, apart from the amendment proposed by the Liberal Party, we believe the amendments proposed by several Honourable colleagues today, including those relating to the provision of more "Park and Ride" points, the provision of more bus interchange concessions, the reorganization of bus routes, the introduction of environmentally-friendly minibuses and attaching importance to the roles of travelling on foot and cycling, can all enhance the low-carbon transport strategy proposed in the original motion, so we will support the motion and all the amendments.

With these remarks, Deputy President, I seek to propose my amendment.

MR IP WAI-MING (in Cantonese): Deputy President, global warming is an issue of concern to all countries in the 21st century and environmental protection and emission reduction are also a major trend nowadays. Low-carbon transport can reduce GHG emissions and also improve the air quality in cities. Therefore, various places in the world are all following one another in adopting low-carbon modes of transport, for example, in many cities in Europe and North America, well-developed cycling networks have been put in place and this year, the National Development and Reform Commission of our country has also introduced pilot measures to build low-carbon traffic and transport systems in a dozen cities throughout the country, such as Shenzhen and Tianjin.

Deputy President, at present, there are over 430 000 registered private cars in Hong Kong, or an average of 315 cars on each kilometer of road, so the density is perhaps the highest in the world and transport is the second biggest source of emissions in Hong Kong. Dr Raymond HO's motion today precisely hopes that the Government will head in a low-carbon direction in transport development and my amendment is only supplementary in nature.

Deputy President, if we talk about low-carbon transport in Hong Kong, the Government would surely mention railways. In fact, the focus of the Government's present transport strategy is to give priority to railways and this has been the overall direction since the Third Comprehensive Transport Study was published in 1999 and the Railway Development Strategy 2000 was published in 2000. I wish to say that there is nothing wrong with this direction of development, but it must not mean that the Government can be skewed towards railway development without due regard to other areas and neglect the sustainable development of other modes of transport or the need to promote other low-carbon modes of transport. We think the biggest problem is that often, the Government sticks to the old rut all the time and does not make adjustments in view of the state of development of railways and the actual situation in Hong Kong. The two railway corporations merged in 2007 and as a result, the original railway market, in which competition had formerly been present, was changed and all the railways in Hong Kong are now controlled by a single corporation. The Government, in developing railways, is actually titled to and subsidizing the railway corporation concerned, which is a private company. I believe this is not necessarily desirable to the traffic and transportation in Hong Kong, so in my amendment, I specifically express the hope that the Government will avoid being excessively skewed towards railways to avoid monopolization.

Deputy President, in 2003, the Hong Kong Federation of Trade Unions (FTU) already expressed concern about the Government's skew towards the development of railways and back then, when the Labour Rights Committee of the FTU organized a seminar on the implications of the railway development on the transport sector, the people attending the seminar believed that the over-development of railways may lead to such problems as an imbalance in supply and demand, duplicating facilities, unfair competition, impacts on employment, and so on, and in fact, these problems are now becoming reality one by one.

Take employment as an example, many bus drivers and workers in the minibus and taxi trades said to me that since the policies favour the MTR Corporation Limited (MTRCL), they were in danger of being fired or not being able to make a living because bus companies had to make way for the railway corporation, so often, the routes had to be reorganized or reduced and the excessive manpower had to be laid off. As regards minibuses and taxis, their patronage dropped drastically after railways had come into operation and they may have greater patronage only late at night, when the trains are no longer in service, so all these exert great pressure on their livelihood. In fact, in order to make more railway projects financially viable and ensure patronage for them, the Government uses land to subsidize the railway corporation concerned and suppresses other forms of transport at the same time, thus fattening and emboldening the railway corporation. For this reason, in my amendment, I request that before launching any new railway project, the Government should ensure the balanced and sustainable development of various modes of transport and discuss with other public transport trade practitioners and members of local communities, so as to ensure that various modes of transport can develop in a balanced way.

The Secretary may say that buses and minibuses all emit GHG, so is my request to develop them not contradictory? However, Deputy President, as I point out in my amendment, at present, hybrid and even electric models are already available for buses, minibuses and taxis, so we believe that if the Government is willing to help the trades solve problems relating to vehicle price, technology, recharging, and so on, in fact, the trades are happy to introduce these environmentally-friendly means of transport and contribute towards emission reduction. However, if the Government not only refuses to help them but also curtails their room of survival, and if the trades have difficulty even in making a

living, how possibly can any environmentally-friendly technology be introduced? I hope the Government can consider the vicious circle in this regard.

On the promotion of environmentally-friendly vehicles, we believe that the ancillary facilities are crucial. Take electric cars as an example, in the past two years, the Government has given this matter great fanfare to encourage the public to use electric cars but as of March, there are only 298 charging facilities in Hong Kong and in many places, there are only one or two charging points, whereas in most residential car parks, no charging facility is available. We believe that even if the public want to replace their cars for environmental reasons, they will be deterred because charging is really very inconvenient and often, even if they buy such cars, they may not turn out to be really useful.

In fact, we believe that the Government should expedite the provision of charging points and make the charging facilities more pervasive. In fact, electric cars offer tremendous benefits in reducing emissions and lowering fuel costs. Take electric minibuses as an example, they can cut fuel cost by 75%. Therefore, I hope the Government can assist the trades and bus companies in switching to electric vehicles as soon as possible and look into better charging technology, so that these modes of transport can join the ranks of low-carbon and zero-emission transport as soon as possible.

Deputy President, lastly, I wish to talk about the issue of the development in cycling because insofar as low-carbon transport is concerned, we find that one of the focuses in many places around the world is on cycle track networks. Some large cities, such as New York, Paris, London and even Taipei, have all developed fully fledged cycle track networks. Not only do these cycle track networks enable the public to travel by bicycle and reduce the number of cars and emissions, they can also make the public healthier and even facilitate the development of cycling tourism and cycling industries with special characteristics, thus fostering new economic activities. However, we think it is a shame that so far, the Government has not paid any heed to the bicycle as an important green mode of transport and only considers it a recreational activity.

We believe that the authorities should review and consider seriously the role of the bicycle in transport, then take complementary measures in software and hardware step by step to turn the bicycle from an ancillary mode of transport to a formal mode of transport. On hardware, most importantly, we certainly

hope that the Government can develop a territory-wide cycle track network, so we hope the Development Bureau can step up its efforts in this regard by linking up all the cycle tracks in Hong Kong, so that bicycles can travel throughout Hong Kong and Kowloon. I understand that this is no easy task in Hong Kong, given that it is a small and crowded place, but at least, we should have such thinking in urban planning and only in this way can we gradually turn the wish of having a territory-wide cycle track network and cycling system into reality. In addition, we hope that the authorities can improve the relevant facilities, for example, such complementary facilities as cycle parking spaces and repair stations, so that the industries and economic activities related to cycling can be established gradually.

We also have to approach this matter from the angle of software, for example, by relaxing the restrictions on cyclists interchanging to such modes of transport as the railway, so that bicycles can become a part of our life and cyclists will no longer think that cycling is troublesome, and it will be possible to travel to places further afield on them. We also have to step up the education on safety and traffic, for example, by enhancing the awareness of on-road safety among cyclists. We believe that it is only by doing so that the bicycle, as a convenient, healthy and environmentally-friendly mode of transport, can be promoted in Hong Kong.

Deputy President, I hope that after the discussion today, the Environment Bureau and the Transport and Housing Bureau can have new thinking in low-carbon transport and will no longer think that only the railway is a green mode of transport. So long as the Administration attaches importance to them, buses, minibuses and bicycles can all be green modes of transport. Thank you, Deputy President.

MR CHAN HAK-KAN (in Cantonese): Deputy President, in the 1990s, the then Government already positioned railway in the priority position in its transport development strategy. I believe that the Government, in thinking in this way back then, did not have the development of low-carbon transport in mind, rather, it wanted to meet the public transport needs of a large group of people living outside the urban area, whereas low-carbon emission and environmental protection are just the by-products of the strategy that accords priority to railway development.

Presently, we can see that when the Government develops some new areas, it will also develop railway networks at the same time. This is an established practice, with other transport systems playing only a complementary role. Deputy President, I support low-carbon and environmentally-friendly mass transit systems but still, these systems have to give regard to the affordability of the public, and "priority for railways" must by no means turn into "monopolization by railways".

Recently, the MTR Corporation Limited (MTRCL) said it wanted to raise its fares and the increases for the New Territories were particularly steep. From Tuen Mun to Sheung Wan, the fare was increased by 50 cents; from Sheung Shui to Central, the fare was increased by 40 cents; from Tsuen Wan to Hong Kong, the fare was increased by 30 cents but the fare increases for the Island Line were only 10 cents or 20 cents. Deputy President, in the face of such substantial increases, the public have no choice but to take MTR trains, albeit fuming in anger all the way.

There is no doubt that the railway system is a convenient, cost-effective and low-carbon form of transport. However, we cannot approve of the fact that when the Government actively promotes and encourages the public to use the railway system, it has not put in place a fare adjustment mechanism that takes into account their affordability. To address this issue, in my amendment, I propose the establishment of a public transport fare stabilization fund, in the hope that the Government can take the lead in allocating \$30 billion to set up the fund. When public transport corporations make applications to increase fares, the stabilization fund can pay out the full amount or a specified amount of money to the transport corporations concerned according to the mechanism, so as to relieve the burden of transport expenses on the public. Simply put, this is in effect to make the Government shoulder part or all of the increase, so that the public no longer have to endure the misery of public transport corporations increasing fares.

Deputy President, I also notice that this fund has been discussed in the community for some time and a consensus has also been reached. I hope the Government can seriously consider the views of the District Councils and the public in this regard.

Deputy President, on the development of low-carbon transport, apart from railway transport networks — many Honourable colleagues also pointed this out

just now — cycling and travelling on foot is also the prevailing global trend. This kind of return to simplicity is being made in many places overseas and even on the Mainland.

I believe Members all know that in such places as Holland and France, the governments there encourage its citizens to ride bicycles. For example, in Amsterdam, the capital of Holland, cyclists can be seen everywhere and children also cycle to school. If workers do not live in places that are too faraway, they also go to work by bicycle. The French Government also strives to turn the bicycle from a form of sport and leisure activity to an essential part of life. Apart from establishing bicycle rental services, roads are also planned having regard to urban development and dedicated roads, signs, parking lots, and so on, for bicycles are provided. Hangzhou on the Mainland also followed the example of France by developing public bicycle rental service. In 2010, the number of public bicycles in the city reached 50 000 and bicycle rental points numbered over 1 000. The number of residents holding bicycle rental cards stood at 900 000. Cycling has become a new mode of transport worldwide.

Looking back at Hong Kong, what is the situation here actually? Hong Kong still regards cycling as a form of recreation and sport. Recently, I chatted with a long-time resident of Sha Tin and he said that he had moved to Sha Tin in the 1980s and at that time, the transport facilities in Sha Tin were not at all adequate, so whenever he went from one housing estate to another or when he went to work or school, or went shopping, he would always ride a bicycle. Nowadays, we can still see such a way of life in Sha Tin and even in other places in the New Territories. Many housewives use bicycles to take their children to school or fetch them from school and also when they go shopping. Some people cycle to work and some ride a bicycle and change to the trains of the MTRCL to go to work or school.

If Members still remember, there used to be a very well-known place in Sha Tin called the cycling park. Now, the cycling park is gone. However, the cycle tracks are still there. The number of cyclists have not decreased because of the disappearance of the cycling park, rather, an increasing number of people now use bicycles as their means of transport. One of the reasons is, as I pointed out earlier on, the very high transport expenses, so ordinary members of the public have to save as much as they can and they would rather ride a bicycle.

However, since the Government regards cycling as a kind of leisure and recreational activity, the hardware and complementary facilities are obviously inadequate. For example, bicycle parking spaces, the management of such spaces, the disjointed cycle tracks, the potential dangers in the design of cycle tracks, and so on, all cause inconveniences and pose dangers to cyclists and greatly dampen the desire of the public to use bicycles as a means of environmentally-friendly transport.

Therefore, while we develop low-carbon transport, it is necessary for the Government to review the existing policy on cycling. Apart from gradually elevating the bicycle to a formal means of transport, it also has to improve and expand the existing cycle track networks, increase the number of parking spaces and upgrade the facilities. In this regard, the Government may as well consider setting up managed bicycle rental networks in some places in the New Territories, for example, near the stations of the MTRCL, to make it convenient for the public to cycle and change to MTRCL trains. In the urban area, although we can see that most of the roads are already very congested and it is difficult to provide cycle tracks, it is still possible to provide cycle tracks and cycling facilities in such redeveloped areas as Kwun Tong and Kai Tak, and these cycle tracks can even be connected to existing cycling parks and promenades, so that cycling as a healthy sport can be transformed into an essential part of the public's life and transport.

Apart from improving cycle tracks and cycling facilities, we can also contribute physically by using our legs to walk for the sake of the Earth and Hong Kong. A study shows that walking is actually a great way to boost our health. Walking for 30 minutes each day can reduce the chance of getting breast cancer by 20%, heart disease by 30% and diabetics by 50%. Moreover, it can make us live a healthier and longer life.

In recent years, with the development of local communities and the expansion of road networks, there are more and more high rises and the pavements have become narrower. I believe this situation is particularly serious in the urban area.

Deputy President, a friend told me that he once tried to walk from Causeway Bay to Central in winter. His aim was not to save money but just to try this out and do something that was healthier. Although he walked for about

one hour, after this hour of walk, he would never dare walk from Causeway Bay to Central again because along the way, there were a lot of vehicle fumes and people and vehicles were fighting for road space. Although the streets were level, the process was arduous. For this reason, this friend of mine would never try this again.

Walking is a healthy and environmentally-friendly mode of travel. It is also the cheapest and most effective way to stay healthy. Therefore, the Government should not neglect the work in this area. It should step up its efforts in encouraging the public to walk more every day, actively enhance the existing pedestrian walkway network, build cross-district jogging trails, increase the number of pedestrian precincts, and so on.

Deputy President, later on, Members of the DAB will talk about the other proposals in my amendment. With these remarks, I seek to propose the amendment.

MS AUDREY EU (in Cantonese): Deputy President, last year the Government issued a paper entitled *Hong Kong's Climate Change Strategy and Action Agenda* for public consultation. But that consultation paper is mostly about fuel mix, that is, advocating more use of nuclear power. Not much is mentioned on low-carbon traffic and transport which is the theme of the debate today. However, Members can note from the motion that transport is in fact the second largest source of greenhouse gas (GHG) emissions in Hong Kong. Unfortunately, the Government's consultation paper on addressing the problem of climate change mentions very little any emission reduction timetable or target related to transport.

As we all know, in the absence of any timetable or target, it would be difficult to devise any development strategy, policy or measure. Of course, even with a timetable or target, at times they cannot be achieved easily. An example is the paper *A Policy Framework for the Management of Municipal Solid Waste*. The Government has proposed the timetable, a roadmap and all sorts of measures and policies under the framework, but all these are not put into practice as scheduled. However, it would be hopeless if there is not even a timetable or roadmap. So the motion moved by Dr Raymond HO today on low-carbon traffic and transport today is indeed timely.

However, I wish to mention in particular that being low-carbon does not mean low pollution. In fact, it is a different matter when it comes to GHG emissions and the many pollutants so caused, such as nitrogen oxides, suspended particulates, carbon monoxide, or carbon hydroxides. For example, a diesel-driven vehicles may be more low-carbon than petrol-driven vehicles, but these diesel-driven vehicles will emit more air pollutants. According to information from the Government, the emission control technology for particulates and nitrogen oxides used in petrol-driven vehicles is better than that for diesel-driven vehicles. Three models of diesel-driven vehicles offered in Hong Kong lag behind petrol-driven vehicles in terms of exhaust emission standards. So if we are to achieve low-carbon transport soon, the most effective way will still be reducing the exhaust emissions by buses.

According to information provided by the Kowloon Motor Bus (KMB) — actually the company is good in that it furnishes us with some publications regularly on the number of buses in its fleet, the emission levels, and so on. According to such information, in 2009, the amount of GHG emissions from its buses were 625 321 tonnes. The amount was reduced to 607 574 tonnes in 2010. This reduction in emissions by the buses of the KMB is probably due to the company's plan to phase out its older buses.

It is true that old buses will be phased out, but talking about the speed of this, only buses with an age of 18 years will be phased out. According to information from the bus company, 120 old buses were phased out in 2010. In 2012, 310 old buses will be phased out, and 400 will be phased out in 2013. In 2014, 390 old buses will be phased out. In 2015, 780 will be phased out. It is only by 2015 that all the pre-Euro and Euro I buses will be phased out. And it is only by 2019 that all the Euro II buses will be replaced, whereas all Euro III buses will be replaced by 2026. Such a speed is too slow indeed.

According to a paper given to this Council in May 2010 by the Environmental Protection Department (EPD), if we speed up the process of replacing old franchised buses and phase out all the 3 300 Euro II and Euro III buses by end 2015, and use buses which meet Euro IV emission standards, then the overall suspended particulates and nitrogen oxides emitted by franchised buses will be reduced by 8 tonnes and 688 tonnes respectively, or 9% and 32% respectively. The green effect in busy road sections would be marked. Members must know that buses often run on busy sections of the roads. And the

amount reduced is 20% and 29% respectively. Although these figures do not state the amount of GHG reduced, we can imagine that the amount will certainly be reduced. And this is something that cannot be achieved by merely installing catalytic converters.

In the last meeting of the Subcommittee on Improving Air Quality, environmental protection officials told us that if all the old buses were to be replaced, then an extra \$9 billion would be incurred. But if catalytic converters were used, then only \$500 million would have to be spent. It is obvious that there is a big difference between \$9 billion and \$500 million, but in the interest of health considerations, \$9 billion is not such a large sum. Handing out \$6,000 in cash to every citizen will cost some \$40 billion. Building the express rail will cost \$60 billion. It would not be a big waste of public money if \$9 billion is used for the sake of our health. This is something worth considering. This is especially the case when so many experts and university professors have told us that the pollutants from traffic have affected visibility and they are a major cause of death and incidence of diseases.

All along the Civic Party has been advocating the setting up of a roadside clean air fund by the Government such that a one-off sum can be granted to purchase new buses and then lease them to the bus companies. In this way, there will be no effect on bus fares. But the Government has turned a deaf ear to this all along. Actually, apart from buses, there are also some other kinds of vehicles and, as Mr Tommy CHEUNG said in his speech just now, there are also trucks, vans, minibuses, taxis and private cars. If the Government wants to increase the First Registration Tax for vehicles, then how can car owners have the incentive to replace their old cars? This must never be done.

The suggestion I want to make today is only to conduct studies, especially by the Government, on electronic road pricing. The reason is there is a so-called "congestion charge" in the United Kingdom. It is a kind of electronic road pricing which has a great effect on improving the traffic in the city centre. The Government always gives this explanation, saying that electronic road pricing or a congestion charge cannot be introduced in Hong Kong because we have no substitute roads. But Deputy President, we are not asking the public to use substitute roads and drive to Central, Causeway Bay or Tsim Sha Tsui. We hope that the people would not drive to these busy places and instead they should use public transport or use the park and ride approach. This will reduce

emissions from the traffic in busy roads and districts. So we hope that the Government can give its support to this idea and I am glad to hear Honourable colleagues who have just spoken express support for my amendment and the suggestion to conduct related studies.

In addition, Deputy President, about bicycles and cycling, I have actually talked about this in this Council many times. I have listened very carefully to the speech by Mr CHAN Hak-kan earlier. What he said in fact had also been put forward by me before. I therefore agree very much with what he said, that is, using bicycles as a substitute means of transport or an ancillary means of transport. Cycling should not just be seen as a leisure activity. Of course, improvements will have to be made to the network of cycling tracks. Moreover, I would also like to point out that we should improve the demand-side management of electricity, especially on the interconnection of the power grids of the two power companies. This can reduce the wastage in electricity and it will have a positive effect on low-carbon transport or low-carbon life.

Deputy President, the Civic Party lends its full support to all the amendments today. We hope the Government can take on board the many sound suggestions. It should be pointed out in particular that traffic and transport involve not just the issues of low-carbon life or global warming, they are also closely related to our health. I have mentioned earlier that the findings of many studies show that the emissions from traffic and transport are not just GHG, but all sorts of pollutants. And these pollutants are huge hazards to our health. The Government can certainly make improvements and it has enough resources to do so. The Under Secretary may have noticed that there are many scientific data justifying the early replacement of old vehicles by the Government in order to improve the health of the public. Thank you, Deputy President.

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): Deputy President, Dr Raymond HO's motion proposes that the authorities proactively promote the development of a "low-carbon traffic and transport system". In fact, our traffic and transport policy has always been effective in controlling GHG emissions, derived from the concept of "low-carbon sustainable development". The annual GHG emissions per capita from transportation (including railway) in Hong Kong was about 1.1 tonnes. As Dr Raymond HO said just now, not only is this lower than the emissions of affluent countries in Europe and North

America with vast areas of land, they are also lower than our neighbouring cities, which have similar geographic and economic conditions.

(THE PRESIDENT resumed the Chair)

Given Hong Kong's scarcity of land and large population, it is jam-packed with high rises. Many people have the wrong impression that Hong Kong is just a "concrete jungle". This is not the case in reality. Hong Kong has a very high level of greening. Almost 70% of the land in Hong Kong is country parks or green belts. In such a geographical condition, on the one hand, the eco-diversity of the environment is conserved and members of the public can enjoy the convenience of getting close to nature more often in the course of their busy lives; and on the other hand, 7 million people have to be accommodated in the remaining 200 sq km of land. Our transport policy has to satisfy the transport needs of the public in going to work, school and other transport needs in their lives on the one hand, and also has to comply with the fundamental principle of sustainable development on the other. This is actually a tall challenge.

All along, the authorities have faced up to such a challenge actively by developing our transport system according to the model of "relying mainly on public transport and making railways the backbone". Hong Kong has a population of 7 million and over 11 million trips are made daily and about 90% of them are made on various modes of public transport, so this rate of utilization is much higher than that in other metropolises, like Tokyo and London. Among various modes of public transport, railways and franchised buses, as two mass carriers, have the highest market share and account for 37% and 32% of it respectively.

The *Forbes* magazine ranked Hong Kong's commute the best among 84 cities worldwide in 2008 because our transport system is efficient, safe, reliable and very reasonably priced. It is true that compared with other places in the world, Hong Kong's low-carbon transport index is in many ways better than other cities with a similar level of development. For example, our private car ownership rate is only about 60 private cars per 1 000 people (compared with about 150 private cars in Singapore and over 300 private cars in Japan), and every 1 000 population in Hong Kong takes up about 0.3 km of road (compared with

about 0.9 km in Singapore and about 9 km in Japan). Nevertheless, as Hong Kong has a population of 7 million but just about 200 sq km of available land, so transportation is still under great pressure. We must continue to enhance the efficiency and utilization of our public transport system to control the emission of GHG by transportation.

There are various proposals on low-carbon transport in Dr Raymond HO's original motion and other Members' amendments. We support the great majority of them, many of which being things we have been working on for some years with fairly good results, and we will also continue to do so. The effects of some of them may not be very marked and adjustments are necessary. Some also need stronger support from members of the public and District Council members.

President, later on, the Acting Secretary for the Environment and I will explain in detail the Government's efforts and future challenges in low-carbon transport and give our consolidated responses to the views expressed by Members.

May I now defer to the Acting Secretary for the Environment to give her opening remarks.

SECRETARY FOR THE ENVIRONMENT (in Cantonese): President, I wish to thank Dr Raymond HO for proposing this motion on "Formulating a development strategy for a low-carbon traffic and transport system" and Mr KAM Nai-wai, Mr Tommy CHEUNG, Mr IP Wai-ming, Ms Audrey EU and Mr CHAN Hak-kan for proposing their respective amendments.

Climate change presents difficulties in sustainable development to our planet and in order to address this problem of climate change, the Government has always attached importance to efforts in reducing the emission of GHG. We engage in work to promote energy saving and emission reduction, as well as in green transport. In terms of traffic and transport, apart from low-carbon transport promoted by the Transport and Housing Bureau through its transport policies, the Environment Bureau also takes active steps in promoting the use of low-carbon means of transport among all sectors across the community. For example, we have set up a Pilot Green Transport Fund this year to finance and

encourage the transport sector to test low-pollution and low-carbon green means of transport and related technologies; reduced the First Registration Tax for eco-friendly private cars; set up statutory standards for bio-diesel and built up confidence in the transport sector in its quality.

In order to further the efforts in mitigating the adverse impacts of climate change effectively, the Government conducted a public consultation exercise from September to December last year on the proposed climate change strategy and action agenda for Hong Kong. The main contents of the action agenda carry a proposal on the Government adopting strategies and emission reduction measures which are positive, specific and visionary, with the aim of lowering by 2020 the carbon intensity of Hong Kong to a level which is 50% to 60% of the level in 2005.

Mr KAM Nai-wai, Ms Audrey EU and Mr Tommy CHEUNG have also proposed to speed up the phasing out of old diesel commercial vehicles, buses and private cars. Mr KAM Nai-wai has also proposed to install emission reduction devices on all buses that have not been phased out or replaced. Although these measures may not be of great help to reducing carbon emission in the transport industry, it will help reduce roadside air pollution. And all along all along we have adopted effective measures to improve roadside air quality early.

President, I look forward to hearing views from Members on formulating a low-carbon traffic and transport development strategy and I am prepared to listen. Both the Secretary for Transport and Housing and I will respond in our concluding speeches to the suggestions made by Members. We will also further elaborate on the question of formulating a low-carbon traffic and transport development strategy as well as the related measures.

Thank you, President.

MR WONG YUK-MAN (in Cantonese): President, by all appearances, it is very convenient for Hong Kong people to go anywhere in the territory and our traffic and transport system is sound. But this is only an appearance. In fact, the traffic and transport system of Hong Kong is infested with problems. Such problems are felt in every corner of society and they badly need mitigation. The

motion debate today reminds me of some other matters, though they may not be directly related to the question. In any case, they do bear some indirect relevance. In the so-called integration of transport with town planning, it can be said that the SAR Government has been sparing no efforts on that and it even goes so far as sacrificing the interests of the people.

Two weeks ago, the Government granted the right of property development for two lots in the former Wong Chuk Hang Estate and phase 1 of the former Valley Road Estate to the MTRCL. This enables the MTRCL to develop properties above the stations there, as a subsidy for the construction of the Island South Link and the Kwun Tong Extension by the corporation. Every time when the MTRCL builds an extension, there is bound to be some sort of above-station property development. The housing estates above the stations of Yuen Long and Tseung Kwan O came into existence in this way. This sort of above-station property development has replaced railway as the principal business of the MTRCL. Rentals and costs of living in the districts have risen because of these new property developments above the MTR stations. The ordinary masses and the small business operators are living a hard life. Life in entire communities is controlled by the MTRCL and the hegemony of the developers. This is what this integration of transport with town planning is all about. There is no consideration whatsoever of the interest of the small communities and the ordinary people.

This approach taken by the MTRCL does not encourage the use of railways at all, and it runs counter to what the SAR Government is doing. The MTRCL can raise its fares without any vetting and approval by the Legislative Council or the Executive Council. On this question of fare hikes, we would be enraged every time when mention is made of it. The MTRCL makes so much money. It is subsidized by all these above-station property development projects. It is reaping indecent profits by resorting to all sorts of tricks. The Government is the largest shareholder of the MTRCL, but it makes us pay exorbitant fares.

Moreover, the transport fares in Hong Kong have gone beyond the affordability of the grassroots. For many families, their monthly expenses on transport fares far exceed 10% of the total household income. Initially, the travel allowance scheme of the Government was applicable to four districts only. In December last year, the coverage of this scheme was extended to cover districts all over Hong Kong. But there is a requirement on all applicants to

undergo a means test, thus disqualifying some people currently on the scheme. It is very strange to note that this coincides with the Government's efforts to encourage people to walk and reduce the demand on road traffic. Is this not a great contradiction? Now the traffic and transport system is originally designed for middle class people and if the poor people cannot afford the fares, they have to travel on foot. And walking is the greenest activity. As railways are not related to environmental protection, I wish to talk about buses.

It is government policy to perfect traffic management, raise the efficiency of road traffic, adopt green technology and minimize road traffic pollution. Since this is the case, then we have to talk about traffic congestion caused by the bus companies in Hong Kong and the high degree of overlapping in bus routes, which is known to all. Also, low-emission buses such as hybrid buses and electric buses have yet to form the mainstay of the bus fleet. There is a close relationship between pollution caused by road traffic and buses. All along the SAR Government has been perfunctory in addressing the problem of rationalizing the routes of the various means of public transport, so it is hard to improve efficiency in road traffic and traffic pollution.

Talking about these problems, we can easily find that this motion of urging the Government to formulate a development strategy for a low-carbon traffic and transport system is in fact sheer nonsense. We know very well what the realistic conditions are. It is politically correct to talk about environmental protection. But the Secretary who is responsible for environmental protection matters is not here today. I think he is completely out of touch with the reality. Certainly, this also applies to the Government. Let us look at what the Government has been doing recently. I would describe its work as disjointed and compartmentalized. From the Chief Executive to the Secretaries, we can see this situation of things falling apart. Their term of office still has one more year to go. I do not really know how they are going to serve this out. I feel it very difficult to make it through, let alone them.

There are instances of what they have done are exactly perverse acts, but they still claimed them to be fast, swell and superb. President, you are an elected Member of the Council. The Government proposes that there shall not be any by-election when a seat becomes vacant in the geographical constituencies returned by direct election or in the super functional constituency seats that will soon be set up. The Government wants to get things done in a fast, swell and

superb manner and so after the proposal was made on 17 May, the Second Reading will be held here on 8 June. What kind of a government is that? You will not be able to stand it if you have a chance to voice your opinion. President, theirs is a perverse act. They have themselves to blame for the state of affairs today. There are many top officials, including the Chief Executive, who are found to have illegal structures in their homes. Can they deny them? They should remove these illegal structures immediately and apologize. But they say that it seems the illegal structures concerned are not illegal. These people had better go home and sleep. What kind of a government is that? It has completely lost its authority to govern. You need not stare at me. I will come right back to the topic.

About this incident of the Hong Kong-Zhuhai-Macao Bridge which has caused such an uproar these days, it makes people question the traffic and transport policies of the Government. A resident of Tung Chung by the name of CHU Yee-wah filed a judicial review against the environment impact assessment report of the Hong Kong-Zhuhai-Macao Bridge project with the assistance of the Civic Party. I saying this. The Civic Party may deny it. This is something really wrong when the Civic Party has the guts to do something but not the guts to admit it. What is wrong when the applicant wins that lawsuit? What is wrong with filing a judicial review? If there is something wrong about filing a judicial review, then you might as well question the whole judicial system. You had better tell the Judge how to hand down a sentence and do it as you like it. Is that what you want? Suppose the Hong Kong-Zhuhai-Macao Bridge project can circumscribe the environmental impact assessment report and be built on schedule, I would think that the result can be very serious indeed.

Seen from the current traffic and transport policy, even if a green transport or low-carbon transport policy can be fully implemented, it does not necessarily mean that the public at large will benefit. When the Government brings in more hybrid, low-emission and electric cars, raises further the First Registration Tax for vehicles, compels all drivers to turn off their engines when their cars idle, and so on, all these are only scratching the surface of the problem instead of tackling it at root. There is no way the traffic and transport policy and the problem of road pollution can be ameliorated. It is only when the monopolization of the big consortia on transport is broken that there is any chance that the traffic and transport system of Hong Kong can be improved.

The Transport International Holdings Limited which is the holding company of The Kowloon Motor Bus (1933) Limited, is a subsidiary of the Sun Hung Kai Properties Limited. The New World First Bus Services Limited and the Citybus Hong Kong belong to the NWS Transport Services Limited. The MTRCL is now one of these hegemonies in properties, too. The CITIC Pacific Limited owns the Eastern Harbour Crossing and the Western Harbour Crossing. All these consortia are immensely powerful and they will do everything to flay and fleece the public and make us pay expensive fares. When a cross-harbour tunnel charges \$50 as toll, what kind of a society is ours? With respect to Dr Raymond HO's motion, I would rather not say I agree or disagree with it. What I have done is to make use of the occasion to voice out and blast the Government. This is all I have to say.

MR CHAN KAM-LAM (in Cantonese): President, air pollution in Hong Kong has long been rated as "very high" or "serious" and often it goes over the alert level. Air quality readings are lagging far behind the safety levels set by the World Health Organization. Of all the international cities in the world, it is a fact known to all that air quality in Hong Kong is bad. Every time when there is any ranking of the cities of the world, Hong Kong would be deducted many marks because of its air quality. Many foreigners would say that they can rarely see the sky in Hong Kong. Executives sent by multinational conglomerates to Hong Kong would demand an extra health allowance. People who do not know the reason may think that this is an international laughing stock.

Air pollution in Hong Kong is largely caused by road traffic pollution. A low-carbon transport system can reduce the emission of GHG and it is the main reason why the environmental protection industry should be developed. Some people say that it is inevitable that air quality in Hong Kong is bad because Hong Kong is small and densely populated, and it has many high-rise buildings, so it is hard for pollutants to disperse. The congested traffic in the urban areas also accounts for the poor air quality. We know that we should not compare Hong Kong to other international cities in Europe or North America. However, the population of Tokyo is no smaller than that of Hong Kong, but the air quality in Tokyo is a lot better. Even Bangkok can impose control on the emissions from cars and hence reduce the pollution in its urban areas by half in 10 years. It can be seen that population density should not be made an excuse. Provided that there is long-term and comprehensive planning, a rational policy on the

environment and the determination to implement a green traffic and transport system, it is not impossible to improve the air quality in Hong Kong. This is an important move for the benefit of the health of Hong Kong people and also for maintaining the international image of Hong Kong.

It is clear that green transport measures in Hong Kong are not enough. Since April 2007 and April 2008 the Government has offered concessions respectively to owners of hybrid cars and green commercial vehicles in First Registration Tax. But many car owners say that although they have considered using eco-friendly vehicles, after calculating the costs, they would think that eco-friendly cars are more expensive than regular cars. They do not want to buy electric cars either because there are not enough charging points around. Hence it is very inconvenient. Of course, if the authorities really want to promote the use of green means of transport, they should enhance the related matching facilities before the public can be convinced to support green initiatives.

President, I know that there are bicycle points in many European cities and even Mainland cities. The people can just swipe their Octopus cards and they can get a bicycle and ride to their destination. If they swipe the card again, they can lock the bicycle in a lay for bicycles. This kind of service would enable the people to avoid places with traffic congestion and they can even do some exercise by riding a bicycle. In this way, they can lead a healthy life easily. So this kind of service is very popular. Can consideration be given to providing such a service here in Hong Kong? It can encourage the people to lead a healthy life and promote green transport. I suggest that the Government can consider putting that into practice in the Kai Tak Development Area.

On the Kai Tak Development Area, we have made a good suggestion which is found in the project proposal we published two days ago on the Kai Tak Development Area. We have made improvement suggestions on the green transport connection systems in the Development Area.

First, we support the Government's idea to use eco-friendly transport connection systems in the Kai Tak Development Area. This applies especially to monorail which is smaller in size and lighter in structure than a people mover system. It is also simpler and is cheaper in construction, operation and maintenance. Actually, Hong Kong starts later than other countries in introducing an eco-friendly transport connection system. In London, the United Kingdom, a people mover system has been in place since 1987. There are many

examples of success in Asian cities as well. Cities like Tokyo, Taipei and Seoul have built their people mover system in 1995, 1996 and 2011 respectively. The monorail has been in use in Kuala Lumpur, Malaysia and Sentosa, Singapore since 2003 and 2007 respectively. Even Mumbai in India began to have its monorail trains this year. As an international city, Hong Kong has not even decided on using a people mover system or a monorail. It can be seen that the vigour of efforts made by the authorities in promoting eco-friendly transport systems is not enough. Meanwhile, Macao will build its eco-friendly transport connection system in 2014. I think our Government must redouble its efforts to catch up.

We suggest extending the eco-friendly transport connection system to Kwun Tong and To Kwa Wan and adjusting the alignment of the section in Kowloon Bay to the trade and commerce area. This proposal will serve to enhance the connection between the transport systems in various districts, and provide convenient transfer service to passengers and tourists, hence increasing the passenger flow. Moreover, it can also ease the traffic congestion in the old areas, reduce the traffic between the old and new areas, and improve effectively on the road traffic and air quality in the new areas.

President, another innovative suggestion we have made is to turn the Kwun Tong — Kai Tak Bridge into a bridge which accommodates people and cars. There will be a monorail below the Bridge with a pedestrian precinct above it. The latter will serve as a green space for leisure to be enjoyed by residents and tourists. It is also a sightseeing point for people to admire the beautiful vista of the Victoria Harbour.

We think that this proposal will serve to bring new tourist spots to Hong Kong while also create new talking points for our economy.

With these remarks, President, I support the motion.

PROF PATRICK LAU (in Cantonese): President, both my sector and I very much support Dr HO's motion. Many Honourable colleagues have proposed amendments to the motion in many aspects, evident that they attach great importance to the development of a low-carbon traffic and transport system.

The Secretary pointed out earlier that there are many edges in our traffic and transport system which are recognized worldwide. As Hong Kong is a city with highly-density development, it is because of such dense development that the distance between people is relatively short. Therefore, the railway is a very convenient means of transport. It is because of its extensive use that Hong Kong can pay for the high costs of railway construction.

Mr WONG Yuk-man has just said that the condition attached to railway construction is the Government providing land for property development above the stations. He has given a rather negative view on this. But we look at the matter the other way round and from a positive angle, we will find that this approach is actually the way to support a low-carbon traffic and transport system. Now many cities are considering borrowing this approach adopted in Hong Kong. Why is this approach so important? It is because it can put transport fares under control. President, our situation now is perhaps somewhat out of control. Transport fares in Hong Kong should be cheaper than they are now. In all the cities in the world, their governments would support the transport fares in their mass transit systems. But Hong Kong does not use this practice and so transport fares in Hong Kong are particularly expensive.

I have just talked about high-density urban development. In view of this, the proposal made by Dr Raymond HO to integrate land use planning with planning on transport facilities becomes very important. The problems in land use planning can be attributed to the fact that the three relevant ordinances, namely the Town Planning Ordinance (Cap. 131), the Roads (Works, Use and Compensation) Ordinance (Cap. 370) and the Railways Ordinance (Cap. 519), make it impossible to achieve any co-ordination between cities and transport networks.

As the Government makes its planning separately according to these abovementioned Ordinances, therefore, there is no way in which co-ordination between the roads and developments in other aspects can be achieved. Let me cite a simple example. When undertaking town planning, the Government may want to build a number of railways or roads, but after their construction it is found that there is a problem of noise, so many noise barriers have to be retrofitted. This will seriously affect development planning in future. As the Government did not make the preparations beforehand, it has to put in a lot of resources as a remedy later. This also affects the appearance of the city. I

remember during the last term of the Government, Secretary Dr Sarah LIAO tore down a lot of these noise barriers. That happened because there was no co-ordination in overall planning.

On this green principle of low carbon, we should examine if a transport network could be built underground, for this can greatly reduce air and noise pollution. An enthusiastic citizen once put forward his views to me. He said that he hoped the established mindset in Hong Kong could be changed, like promoting the riding of bicycles as in European countries. I had once paid a visit to Amsterdam together with some Members. We found that the pavement for pedestrians and the cycling track were built together. This is a good idea and it is very eco-friendly, too. But since there are many limitations in Hong Kong, such as the existence of some steep roads, it may not be possible for us to put this idea into full practice. But we would not rule out the possibility of considering this idea. Many Members have talked about similar ideas in their amendments.

I think the speech made by Dr HO earlier is correct. We had better commit ourselves to the development of pedestrian walkway networks which are more eco-friendly than cycling, such as footbridge networks or underground networks, and so on. More importantly, there is good ethos in the pedestrian precincts and so they are very popular with the tourists. I just fail to see why, despite trials having been conducted on the pedestrian precinct in Mong Kok for some 20 years, it cannot be developed into a true pedestrian precinct. This kind of planning can ensure that Hong Kong can have a low-carbon and green traffic and transport system. In addition, co-ordination should be achieved in any arrangement with respect to the MTR and the bus routes with pedestrian systems.

President, I am not sure if you know that we usually have to walk a rather long way to train stations. This can make people healthier. If there is good planning for the pedestrian walkway networks connecting the train stations, it can even increase the economic benefits. Currently, the flyover system in Central is built by the developers. The system can make the entire Central District now all Members of this Council can use the system because, for the time being, the Legislative Council is still located in Central. Once the Council moves to the Tamar site, then we may have to walk a longer distance. President, I find the flyover in Tamar site just so-so.

Do we need to improve the entire pedestrian walkway network before we can promote a low-carbon and green style of living? This is the most important point. I hope that there will not just be pedestrians in the pedestrian passageways. There can also be different kinds of restaurants, shops, exhibitions or shows. As Mr Tommy CHEUNG has suggested, we should make this pedestrian culture more colourful. So I agree very much with his suggestion. Granting the opportunity, I would also like to talk about the advantages of electric cars and the express rail, and why it is better to ride on the express rail from one city to another than flying there, and whether our ferry system can be improved, and so on. Thank you, President.

DR PAN PEY-CHYOU (in Cantonese): President, we agree very much with the development of a low-carbon traffic and transport system. In terms of policy, we must take into account the interests of the workers. In other words, when developing the traffic and transport system of a city, we must consider the livelihood of those employed in various transport systems. This is absolutely not a question of the interests of any particular group of people but just in the development process, we should know that different employees should be given room to adapt to changes in the transport system. It is only in this way that there can be harmony in society and sound development.

When developing a railway system, we should think about practical interests. If we are to build a railway, we should consider what kind of benefits it will bring to the residents of that district after it is completed. We should not develop any railway project that will not bring in any benefits. There should be long-term development strategies for railway transport systems. The Third Comprehensive Transport Study completed in 1999 undertook transport system planning up to the year 2016. But it said nothing about the situation after that year. Now it is already 2011 and we should start to think about when we would undertake The Fourth Comprehensive Transport Study and plan for the development of our transport system over the next decade or so. I hope that when such a study is conducted, the authorities can determine the positioning of various modes of transport so they can complement each other and hence ensure a healthy development for all.

On the question of a low-carbon traffic and transport system, actually we have a very long history of that, over a century actually. President, I am

referring to the trams. Since 1904 trams have run in the territory and this tramway system of ours is unique in the world. It is because it still serves practical purposes and all the trams in the fleet are double-decker trams that run on rails. Green in colour, trams in Hong Kong have a vintage look. The tinkling of their bells has become iconic, and trams can be considered a living heritage.

Leaving aside the question of the appearance of the trams, they are very practical indeed. Each month there is a ridership of over 6 million passenger trips. A survey done by the FTU some time ago showed that about 10% of the passengers used trams as their major means of transport, and 35% used trams as a means of transport for connection. Meanwhile, two thirds of the passengers ride on a tram after work or in non-peak hours. As for the reasons why they ride on trams, 40% of the interviewees think that the fares are cheap and 25% think that it is easy and convenient to board and get off from a tram. It can thus be seen that in the eyes of the people living on Hong Kong Island, trams are a practical means of public transport. But as other things with a long history, they cannot catch up with the development of the times and so the tramway system is outdated. It should be updated by adopting new technology and measures.

Let me raise two points as illustration. First, the tramway company can change the pulling system for the trams from direct current to alternate current. As far as I know, this change alone can lead to a saving of 30% of the electricity consumed by trams. If two more turning points for trams can be set up in North Point and Causeway Bay, this will increase the frequency of trams greatly during the peak hours. And there are many other measures that can be adopted to improve the safety, comfort and the wear and tear of materials on the trams, or even reduce the small nuisance it may cause to the residents. In view of this, the tramway company will need funds to make these improvements. Therefore, they said last year that fares would have to be increased significantly. The FTU opposed this massive hike in fares by the tramway company and the Government heeded good advice and reduced the rate of increase in fares. We appreciate that.

On the other hand, we think that the Government should offer some subsidy to finance the tramway company in completing its improvement works as soon as possible. This will attract more passengers and also improve the energy efficiency of the trams. In this way, it will not only imbue a practical use to

trams but can also further the conservation cause. I have just said that trams are an icon of Hong Kong which has a history of a century. It is already part of the heritage of Hong Kong. We hope that the tramways can be a part of Hong Kong forever.

On the question of encouraging more people to use the railways, the most practical way is to offer concessions. The MTRCL has put in place certain fare concession points in certain districts and these points are mostly found in the shopping malls. What the people have to do is just to place their smart card on the machine and enter the MTR station specified. Then they can save one to two dollars. These concession points are very popular. Many people hope that the MTRCL can set up a concession point in the districts they live. But the question is these concession points are far too few in number. There are only five on Hong Kong Island, nine on the Kowloon side and only 12 in the New Territories. We have put up a request with the MTRCL but the attitude shown by the corporation towards this can be said to be very rigid.

It is based on some principles which the MTRCL thinks cannot be changed that it refuses to set up more concession points. Such principles include: these concession points must be within the walking distance of a MTR station; there should be no other kinds of concessions such as those for transfer, offered in the district where a proposed concession point is located. However, we know that there are still many other districts that comply with such requirements. If only the MTRCL is willing to set up more of these concession points, I think more passengers will be attracted to patronize the MTR. But the MTRCL has refused to listen to us. We are very disappointed. So we hope that the MTRCL can be more flexible with this by relaxing these conditions on setting up concession points. This will increase its ridership while also provide more convenience to the public. It will also benefit the corporation and the people at the same time.

I so submit.

MR ALBERT CHAN (in Cantonese): President, on this question of the emission of fumes, I think the Administration is schizophrenic. In the area of public health, our Secretary Dr York CHOW does not care whether or not people will lose their jobs, or there is strong public discontent or people are selling contraband cigarettes everywhere, he vows to ban cigarettes and this has wreaked havoc on society. He is doing this for his fame, honour and international award,

leaving the people of Hong Kong to suffer. This is the ugly show put up by the top officials of the SAR. But the Government seems not to be so aggressive when it comes to environmental protection. All the Government does is to condone wicked deeds. And so these means of public transport are emitting toxic smokes and fumes and air pollution in Hong Kong, especially in the city centre, is deplorable as a result. This is what makes Hong Kong ugly. Many multinational corporations have moved their regional headquarters out of Hong Kong and that is related to air pollution here. But the Government has not taken any active steps to address the problem. Admittedly, it has done something in the past, such as changing over to the use of LPG vehicles, but still a certain degree of pollution is caused even though the emission levels are lower.

It is not that there can never be low-carbon or carbon-free transport. What it takes are only sincerity, strategy, vision and dedication. It will never become a reality with the efforts of these two Bureaux which have their heads attending this meeting today. And this dangling Chief Secretary for Administration Henry TANG should be in attendance also, for he is in charge of all the co-ordination work. Those who are interested in running in the Chief Executive race should face up to this challenge. This is because a lot of areas including town planning would be involved in achieving this goal of low-carbon or even carbon-free transport. Some time ago we visited the United States and no matter when we came to New York or Boston, we found that some changes had been made to their town planning. They were trying to integrate the CBD with the residential areas. Blocks of residential buildings were erected right next to the commercial buildings. And next to these there was a school. This is what the Americans are doing in places like New York where land prices are very high. They want to reduce the need of commuting of the people. But this is not the case with Hong Kong. We still separate the new towns with the CBD. In the 1990s, there was a proposal to build a secondary CBD and Kwai Chung, Sha Tin and such places in the New Territories were suggested. The aim was to reduce the passenger flow. But progress in this has been very slow.

The second issue is about substitute means of transport. In places like Tin Shui Wai, Sha Tin, Tai Po, Tuen Mun, and so on, bicycles make a most suitable substitute means of transport because the terrains there are flat and there are not many hilly roads. But it would be difficult to do this in Central or Wan Chai, and also in Tsuen Wan because there are many hilly roads in these places and it would present a difficulty to cyclists. In Hong Kong, there are many new towns or places where people can use bicycles as a regular means of transport. People

can ride on a bicycle to a MTR station and take a train there or go to the supermarket, and so on. However, parking spaces are not enough. And cycling tracks are disjointed and broken up into many sections. People have talked about these problems for more than a decade. Now action is being taken by the authorities to link up the cycling tracks. But they are not joined in many places, and so cyclists would fall into all kinds of traps. Sometimes they have to ride their bicycles on the pavement and if they do not get off their saddle and push the bicycle when they come to a set of traffic lights, they will be prosecuted by the police. I have often got complaints from members of the public about this. They are distressed by these kinds of charges.

The third issue is about the choice of means of transport. I am sure the Under Secretary for the Environment has heard me speak angrily on that subject many times; and Edward YAU even gets sick of hearing that. He has lost his patience. Every time when I mention electric cars, he would flare up, thinking that I am bringing up some old problems. I have been doing that for 10, or 20 years. In the 1990s, the Hongkong Electric Company Limited began trials on electric cars on Lamma Island and trials have been done for more than 10 years. The Government seems to have woken up this year after being scolded by us for such a long time. It has placed orders for some 100 to 200 electric cars and begun trials on these cars. But there should be some comprehensive planning in place. In the case of electric cars, there are bound to be difficulties or problems at the start, but if the demand in the market can be expanded, the suppliers of electric cars should be able to increase supplies faster. This would help improve air quality. Meanwhile, charging systems and other kinds of service should also be put in place.

President, another issue is about road design and the environment. Many years ago, Seoul restored a major traffic trunk in its city centre into a river. It is important to note that we cannot always let economic development override the environment and public health. This issue was debated in the Tsuen Wan District Council yesterday. Again some screen-like buildings are planned to be built above the Tsuen Wan Station of the West Rail. To my surprise, the District Council lent its support to the passage of this proposal. This only reflects the local residents would rather have economic development than care about people's health.

Air ventilation is also very important if we want to promote low-carbon transport. It is because only by so doing that the carbon content in the air will

come down. If we go on building these screen-like buildings, the exhaust will all concentrate on both sides of the streets and people are still affected by the toxic substances. So low-carbon transport is related to town planning and choice of means of transport, substitute means of transport, and issues like air ventilation and environmental protection facilities, and so on.

So, President, I think we would still be marching on the same ground even if we continued to discuss for 10 years how best to achieve this. Right? Because the Hong Kong Government never cares about the life or death of the people. It only goes for economic development. It is like when it deprives the people of the right to democracy in the name of stability and steadiness. It follows that low-carbon transport will remain a dream that can never come true as long as there is no universal suffrage in Hong Kong. And so like the dream to pursue democracy, it will never come true.

MR WONG KWOK-HING (in Cantonese): President, on the development strategy for a low-carbon traffic and transport system, I wish to use the time I have got to present my views on three aspects for consideration by the Government.

First, on the filling stations especially designed for LPG. The Government encourages the minibuses and taxis to use LPG in order to lower carbon emission. The relevant trades and trade unions have acted in response to this call from the Government. But the dedicated LPG filling stations provided by the Government to these minibuses and taxis are in much short supply.

President, let me cite some figures and you will see the problem of the shortage of dedicated LPG filling stations in Hong Kong. There are 11 such stations on Hong Kong Island, of these three being dedicated LPG filling stations. There are 12 stations on Kowloon side and only four are dedicated LPG filling stations. There are 13 in New Territories East, of which only two are dedicated LPG filling stations. There are 25 in New Territories West, of which only three are dedicated LPG filling stations. In other words, there are altogether 61 LPG filling stations in Hong Kong, Kowloon and the New Territories, but only 12 are dedicated LPG filling stations. These so-called dedicated LPG filling stations are meant exclusively for refilling of LPG in taxis and minibuses. The price of LPG there is cheaper. Why do the trades want to go there to top up? Because

they want to lower the costs and they do not want to add to the financial burden of the public.

But, unfortunately, all along the Government has refused to increase the number of dedicated LPG filling stations. This lands the drivers and the trades in great difficulty. It is especially the case on Hong Kong Island. At this time every day, the line of vehicles along Marsh Road in Wan Chai waiting to top up is very long and that causes traffic jams. Why is the Government unwilling to add more dedicated LPG filling stations? I hope the Government can give a reply to that later.

Moreover, in new development areas like Hung Shui Kiu and Kwu Tung, there is no plan by the Government to set up dedicated LPG filling stations there. I hope the Government can give serious thoughts to that. This is part of the problem.

Another part of the problem, a point for which the professional drivers and the trades have been criticizing the Government, is that why are these dedicated LPG fillings stations cannot enjoy the benefit of premium waiver. If such land used exclusively as LPG filling stations can be waived premium, then these people will not have to fill expensive LPG. A large part of the LPG price is used to pay for the premium. According to a report by the *Hong Kong Economic Journal* on 27 April this year, the successful tender price for a LPG station in 2011, that is, this year, will be somewhere between \$200 million to \$300 million. The lease will be for a period of 21 years. Such information comes from the Lands Department. If this premium is translated into every litre of LPG sold, the premium will take up \$1.33. And the premium for LPG filling stations has gone up by 30% when compared with the premium back in 2005. So we can see that apart from fluctuations in international prices of oil and natural gas which add to our financial burden, the practice upheld by the Government to recover the premium from the tender price will also add to the burden of the trades and the consumers.

Therefore, I urge the Government to study and consider waiving the premium of these dedicated LPG filling stations. It would be a blessing if the authorities agree to do so. This is also a way to test if the Government is really encouraging the people to practise a low-carbon traffic and transport development strategy. This is the first part of the problem I have to talk about today.

In the second part, I wish to talk about the idea raised by Mr IP Wai-ming in his amendment about a development strategy for a territory-wide network of cycling tracks. In this connection, I welcome the action taken by the Government to link up the cycling tracks between New Territories East and New Territories West. The new track will be 112 km in length. Although a study on the project is underway, the project will only commence in 2015 and be finished in 2019. Since there is a delay of six years, can the project proceed faster?

Besides, I wish to raise this point to the Government. As the scenery on Hong Kong Island is very beautiful, can an island-wide cycling track and a walking trail be set up on Hong Kong Island? Can the Government give some serious thoughts to that idea?

Also, since there is also some beautiful scenery on Lantau Island, can an island-wide cycling track and a walking trail be set up on Lantau Island as well? Should the Government not consider this development strategy seriously? It should not adopt a piecemeal approach, thinking that the completion of this 112-km cycling track which links up the eastern and western parts of the New Territories will be the end of the story.

Lastly, the third part. I wish to add a brief point. Dr PAN Pey-chyou has talked about the trams on Hong Kong Island. The tram fares have to be raised because of rising operation costs. The Government opposes that and I agree with it. But in the long run, can the Government consider expanding the network of the trams? For example, can consideration be given to allowing the trams to run in the new roads on the northern shores of Hong Kong Island? Can trams be allowed to run in the vicinity of Lei King Wan in Sai Wan Ho? It would be much better if trams can go to places like Chai Wan, Siu Sai Wan, and so on, as well. I hope these suggestions will be considered by the Government.

MR LEUNG KWOK-HUNG (in Cantonese): President, I find it most ridiculous after hearing Mr WONG Kwok-hing's speech. It is correct to use gas as the fuel or power to drive public means of transport. But when LPG filling stations were built in those days, it was the sheer outcome of collusion between business and the Government. It was because those Mainland-owned enterprises wanted to open up the market in Hong Kong and so they made use of that opportunity to

demand land from the Government at low premium. They then began to sell LPG. When it comes to selling LPG, it turns out that the amount of LPG on offer has already been fixed in contracts. Then the so-called "filler gun" incident happened because these companies did not want to install so many filler guns as they did not want to sell an amount of LPG more than what was specified in the contract. And so if drivers wanted to use cheaper LPG, they would have to line up. This is the result of collusion between business and the Government. This is something which the communists do when their state enterprises have turned into private enterprises and after they have gained control over those officials of the Hong Kong SAR. What is the FTU arguing about here? It could be that these enterprises also make donations to the FTU. Why then is the FTU still chiding the civil servants? Buddy, do not do that. This is because all the people of Hong Kong know what is happening.

Second, Mr IP Wai-ming belongs to the working class. Is he mad when he suggests building cycling tracks? He knows about something but he is ignorant about a lot more. He cannot see the wood for the trees. What are the standard working hours of people in the Netherlands? Of course, they can afford the time to ride bicycles because they have the free time for it. Our workers work such a hard life and bicycles here are so expensive. What he is really talking about? It is only a blind copycat act. They accept the imposition of the minimum wage at \$28 an hour. They say that the result would be disastrous if the minimum wage is set at \$33. Buddy, stop doing that. You people from the FTU, shame on you.

On trolley buses, President, I think you know what trolley buses are. Their existence defies business sense. They have been in use in some socialist countries or some social democratic countries. The idea is: "Sorry, we got to use the ground and these trolley buses shall take the place of cars and run on it." Can this be done in Hong Kong? Things do not work here like this. In Hong Kong, we have only a low-carbon traffic and transport system in name, but a hegemony perpetuated by the MTRCL in reality. It builds railways and of course that has the effect of diverting traffic, or else there will be riots and the Government would have collapsed a long time ago. But since railways run according to commercial principles and property development projects are involved, so what should be done and what can be done? Do not ever get this feeling that we are only talking about a low-carbon traffic and transport system. Had this been the case, we would not have these three pieces of legislation that

Prof Patrick LAU has just talked about. In other words, those who monopolize the bus business want to make money, so are those who monopolize the green minibuses. The owners of private cars want to drive their cars. But road surface is limited. I have said, and the League of Social Democrats has also said many times that there is only one way and, that is, to nationalize the public traffic and transport system, including bridges, tunnels and railways. When this is done, there will be economy of scale and a leverage effect can come into play. And these people will yield. But Hong Kong is not doing that. It is dismembering the system, cutting it up into pieces; and in this process, what the CITIC Pacific has done alone is like stabbing a dagger right into our heart.

President, I do not know if Larry YUNG, the former chairman of the CITIC Pacific, has ever donated money to the DAB. He owns two tunnels, one is the Eastern Harbour Crossing and the other is the Western Harbour Crossing. It is said that tolls for the Eastern Harbour Crossing have to be raised because many people use it. Tolls for the Western Harbour Crossing have to be raised also because no one is using it. The Cross-Harbour Tunnel in Hung Hom is the cheapest. What kind of a government is that? It does not dare to talk to Larry YUNG. What kind of logic does it have? It always says we from the opposition camp do not have any logic. No government in this world can do something like this. Right? We are talking about low-carbon traffic and transport. If the mover of the motion and the movers of the amendments do not agree that the solution lies in nationalization because Hong Kong is such a small place, the population being so dense and the efficiency of mass transit can be so high, then what they are doing is simply futile.

It makes me sick when I see this bunch of government officials. Every Director of Bureau has got a car to ride. Can they not ride on buses? A bus stop can be placed at the Central Government Offices (CGO) and these officials can take a shuttle bus and come to this Council. These shuttle buses can operate like the shuttle bus service run by hotels. But the difference is that hotels offer shuttle bus services because they want to attract more customers. On that day when we discussed the Budget, these officials feared that there might be some problem with the lobbying and so they came in their sleek limousines. They came as if they had a shell on their back like a tortoise. It is not because they wanted to do this for the sake of environmental protection but they feared that people would throw things at them. What is the Government talking about? Under Secretary Kitty POON, you did not ride on a bus that day, did you? Why

did you not use the shuttle bus? All these Secretaries, Under Secretaries, political assistants, permanent secretaries and officials, ride on a shuttle bus from the CGO to the Legislative Council or walk to the Legislative Council. Do not be afraid that someone will throw things at you, because no one knows you. Do you know that? Of course, those of you who are recognized by the public because of your problem of illegal structures would be exceptions.

President, the Chief Executive himself has got illegal structures but he does not admit it. He only has to call a meeting and say to them, "Which ones among you people have got illegal structures? Give me a list of your names." But he does not want to do it. Antony LEUNG had to step down because people said that he had bought a car and that involved a problem of trying to pay less tax. What we have now is, it is because the Chief Executive has got illegal structures himself and so he does not dare ask these three Secretaries of Departments and the 12 Directors of Bureaux to check if they have got illegal structures.

Some reporter asked me why there were so many illegal structures. I said that this Government was itself an illegal structure. In the absence of universal suffrage, it is an illegal structure. A government which is itself an illegal structure will naturally have got a lot of illegal structures. President, the chances of you having illegal structures are fewer because you are returned to this Council by popular elections. You have got votes from some tens of thousands people. Now Stephen LAM is trying to do something (*The buzzer sounded*) Actually, he should not have done it. I do not think I need to talk about these things because that will be a waste of breath.

DR PRISCILLA LEUNG (in Cantonese): President, the original motion of Dr Raymond HO lists eight proposals. But I will only focus on the third and eighth suggestions and talk about my views on them.

I think these eight proposals can be said to be all-embracing. But if I have to discuss each one of them, I am afraid there would never be an end to it. With respect to the third and eighth proposals — Mr LEUNG Kwok-hung also mentioned the issue of cycling tracks just now — I think what is suggested in the eighth proposal in the motion as well as in the amendments proposed by a number of Honourable colleagues all express a hope that the Government can formulate a

long-term policy on cycling. I think we should lend our support to this direction.

Buying a bicycle needs money and the price of a bicycle is not cheap at all. I know that there are some students who live in Yuen Long. Recently, I asked them to assemble in Tsuen Wan at nine o'clock in the morning. They had to take a bus in Yuen Long at half past seven in the morning. But there was traffic congestion all the way. They could not arrive at Tsuen Wan after one and a half hours. Then I suggested them to take the West Rail and come to Tsuen Wan because the trip would be relatively direct. But it took them 20 minutes to go from their homes to the West Rail station. If the authorities can provide bicycle parking facilities in those stations of the West Rail situated in remote places, then those people who live in places like Yuen Long can ride on a bicycle to the West Rail station and board a train to Tsuen Wan. That would be faster and more convenient. My students also told me that had there been such facilities, they could park their bicycles in the West Rail station. Then they could get on a train on the West Rail and to Tsuen Wan West go direct.

On the question of facilities for bicycles, I do not think we can put up the excuse and say it is not practical to build cycling tracks which are too long or can we say that conditions in Hong Kong do not favour the building of a cycling track which is too long. In the case which I have just said, bicycles are used as a connection transport. I think that in Hong Kong, especially in remote places like Yuen Long and Lantau Island, bicycle parking facilities will certainly be popular among the people. It is also their wish that I should make this suggestion. This is the first thing.

Second, on the question of traffic connection, many people who live in the urban areas also hope that cycling tracks will be put in place. I once went to the West Kowloon Cultural District (WKCD) and saw that there was a cycling track there. But that track is not so well-developed. There are certainly some cycling fans who hope that the Government can set aside land to build cycling tracks so that they can ride bicycles there. However, I may not think that this should be done because careful consideration should be made before it is decided whether it would be appropriate to set aside land to build a long-haul cycling track in the urban areas. However, in the WKCD, I think a cycling track can be built there so that cyclists can have a tour of the whole district. Some parts of the cycling track have linked up with the pedestrian precinct at the waterfront

promenade. The Government can consider setting aside land to build a cycling track there. But the track must not be joined with the pedestrian passageway, for this will defeat the purpose.

In October last year, many District Council members from the Kowloon West New Dynamic had a meeting with Secretary TSANG Tak-sing. Members mentioned in particular the fact that although the WKCD was a major works project, there was a divide between the WKCD and residents of the old urban districts. I will not talk about the entertainment aspect but instead I will talk about the question of convenient and smooth traffic.

Due to the fact that Nam Cheong, Sham Shui Po, Ap Liu Street, and so on, are really quite a distance from the WKCD, so I hope that some kind of a thoroughfare can be built for the young people or the old people of the district. All along we have been calling for the building of a boulevard. It should be straight or just have some minor bends. We have raised the idea specifically in that a thoroughfare should be built to link up with the Austin station nearby. This will enable the people to walk all the way from there to the WKCD. Although we have put forward the idea of a boulevard, we hope that even if that road is not full of trees, it should at least have some greening element. This will enable elderly persons to have a nice morning walk of an hour or so to the WKCD.

We are also looking into the possibility of building a thoroughfare off Austin station, that is, in the inner city area of Sham Shui Po which is farther away, and linking it up with the WKCD. We are working on that right now. I hope the authorities can give this idea serious consideration. This idea should be realized to dovetail with the waterfront planning that we want, the WKCD and the transport network nearby. We hope this boulevard for pedestrians can become a reality.

As to the question of how many sections of the cycling track should be placed into that boulevard or which parts of it should be designated as parts of the cycling track, I will leave that to consideration by colleagues in charge of planning work. I have expressed my wish to see the building of a cycling track. I hope the Government will also give consideration to pedestrian safety. This is because if the passageway for pedestrians is not separated from the cycling track, then we may as well not have this boulevard for pedestrians. In addition, the

Government should commit resources to improving the transport facilities for remote areas in the New Territories. This applies especially to matters related to using bicycles as a means of transport. I hope the Government can give serious thoughts to it.

As for the third proposal made in Dr Raymond HO's original motion, that is, about interchange facilities at stations along the railway lines, I have a number of points to add.

On the proposed Shatin to Central Link and the extension of the Kwun Tong line, especially the later, there are quite a number of major stations. An example is the Whampoa station. The four exits of that station will not be linked to the shopping malls nearby. So the pedestrians will have to walk at grade. As a matter of policy, I think the exits of that station should be linked to the shopping malls. This is because considerations should be given to the convenience of the pedestrians and diverting traffic on the road surface. I therefore hope very much that the Government can urge the MTRCL and the developers of the shopping malls concerned to put this idea into practice. Moreover, the MTRCL and the developers of the shopping malls have stated clearly to us that they would like to see matching actions taken by the Highways Department policy-wise. I hope these three parties can all work together. The area concerned is not a small community and it would certainly be an object of ridicule if the exits of a large station as this cannot be linked with the shopping malls. It would be silly if this is not done.

President, I give my full support to Dr Raymond HO's original motion. I so submit.

MR JEFFREY LAM (in Cantonese): President, last Sunday, the roadside air quality monitoring station in Central registered a reading of 192 and it was very high; and the reading in Mong Kok was 189. We have discussed the problem of air pollution in Hong Kong many times recently. I hope that after listening to the debate today, the two Directors of Bureaux can finalize an improvement plan soon.

All along the Government has affirmed the transportation strategy which uses railway as the backbone. A good railway system, coupled with other

means of road transport such as buses, minibuses and taxis, can indeed give play to greater efficiency in operation. When the overlapping of resources in transportation routes is reduced, this will mean reduced carbon emission.

However, if the various means of public transport have to increase their operation costs because of environmental protection commitment and such an increase in costs is then transferred onto the passengers, I am sure this is something which none of us would ever want to see. The Economic Synergy welcomes the Government's acceptance of our suggestion. It is planning to test the retrofitting of selective catalytic reduction device on Euro II and Euro III buses. After the tests are proven successful, the Government will fully subsidize the bus companies in the retrofitting project.

We can see that overseas experience has proven that selective catalytic reduction devices can lower the nitrogen oxide emission of Euro II and Euro III vehicles to the level of Euro IV and Euro V vehicles. The same technology is used in Euro VI vehicles. I am sure stronger evidence would be the result of on-site tests done in Hong Kong. President, I wish to emphasize that irrespective of nitrogen monoxide, nitrogen dioxide or nitrogen oxides, provided that they are exhausts and pollutants, they must be reduced to a minimum.

President, I also notice that there are views that all Euro III buses and other models preceding them should be phased out. However, I would think that this may not be quite cost-effective. This is because there are some 3 000 Euro II and Euro III buses in Hong Kong and retrofitting selective catalytic reduction devices on them would only cost \$500 million. But replacing all these buses with new ones will cost more than \$9 billion. And on top of that, all the existing 3 000 buses will become scrap metal. I think that runs counter to green principles.

On the other hand, I am concerned about the fact that there are still about 1 300 pre-Euro and Euro I buses running on our roads. According to government information, it is only by 2015 that all these buses will be replaced. As retrofitting anything to these old buses will not help improve anything, so I think these old buses should be eliminated sooner.

Similar problems are found in pre-Euro and Euro I diesel commercial vehicles, but as evident in the now expired scheme of subsidizing owners of pre-Euro and Euro I diesel commercial vehicles to replace their vehicles, the

effect is not marked. I think this is mainly due to some technical problems with Euro IV vehicles when they were first launched. Added to this other factors like the financial tsunami, hence the result we have got. It is not because vehicle owners do not care about green issues. So I think this scheme should be relaunched and enhanced.

On eco-friendly vehicles, mention must be made of hybrid cars and electric cars. I recall that the Policy Address mentioned that six hybrid-powered buses would be acquired. But we have not heard anything about that to date. I hope the plan is not aborted. As for electric cars, last week the Government suggested that the first registration tax for eco-friendly private cars would be waived at a greater amount, that is, 45% of the car price or a ceiling of \$75,000. Admittedly, this will give people a greater incentive to buy electric cars, but the Government should also increase the charging facilities substantially. This will better facilitate people who have bought electric cars in charging their cars. And this can also prevent a situation in which there are cars without electricity and hence cannot run.

On the setting up of a public transport fare stabilization fund to ease the pressure for fare increases, I think this idea warrants careful study. We should consider questions like: Is setting up this fund a good way to use public money? Are there problems in the travel allowance scheme which should be solved? If the fund were set up, would this lead to fewer concessions offered by public transport operators and so they are indirectly subsidized by public money? Hence, there are lots of problems and all these should be considered carefully lest public money is utilized incorrectly.

As for the electronic road pricing (ERP) system, in 2001 the Government published the report of a study on ERP and the conclusion drawn was that it should not be introduced. On vehicle speed on Hong Kong Island and Kowloon, the report at that time made some predictions on the figures for 2011, and as compared to the actual figures on the highest speed in 2010 — because the figures for 2011 are not yet available — it can be seen that the speed of cars running in Kowloon is as expected, and it is somewhat worse on Hong Kong Island. In Central, as the Central-Wan Chai Bypass is under construction and there are no alternative roads around, it would be unfair to drivers if ERP is introduced in the absence of any alternative roads.

Also, the report also pointed out clearly that if an ERP system were introduced on grounds of environmental protection, it would only bring some limited environmental protection effect to areas where a charge is levied, because vehicles would be streamed to other nearby places because of the charge, thus making the environment of these places worse. Therefore, I think some detailed consultation must be conducted before an ERP system can be introduced.

President, I so submit.

MR CHAN KIN-POR (in Cantonese): President, the report of a consultancy study commissioned by the Environmental Protection Department shows that the amount of GHG emission in Hong Kong in 1990 was 35.3 million tonnes and this increased to 42 million tonnes in 2008. The per capita GHG emission for Hong Kong is about 6 tonnes. In order to reduce the impact of the greenhouse effect on climate, there is a need for Hong Kong to promote a low-carbon lifestyle.

The transport industry is the second largest emission source in Hong Kong. If we look at the many proposals made in the original motion and the amendments, we will find that there is really much room for emission reduction in the traffic and transport system. As a matter of fact, the Environmental Affairs Panel of the Legislative Council has discussed the relevant issues a number of times and it is now discussing with the Government on work regarding the Climate Change Strategy and Action Agenda. However, I would only focus on a number of issues today.

First, I wish to talk about the reorganization of bus routes. Bus routes in Hong Kong are well-developed and people can take a bus and go almost anywhere they may want to. But with the development of the community and the commissioning of more railway lines, the problem of the overlapping of bus routes is highlighted. From the perspective of low-carbon traffic and transport, this overlapping of bus routes serves to accelerate the emission of GHG which can otherwise be prevented.

I am sure we all know very well that during the peak hours, the major traffic corridors in Hong Kong, such as King's Road and Nathan Road, will be filled with buses. Government information shows that buses account for as many as 40% of the traffic flow. But not every bus is filled by passengers. Recently, some media made an on-site observation at the major trunk roads and it

was discovered that during the peak hours, some of the double-decker buses only had eight to 50 passengers. This is not cost-effective and it will also create pollution on the road and traffic congestion. However, whenever bus companies discuss with the District Councils (DCs) on the abolition of some bus routes with inadequate patronage, they would meet with very great resistance.

Government information shows that during the period from 2007 to 2009, the Government had suggested cancelling 24 bus routes and scaling down the service of 81 other routes, but 59 of these suggestions were rejected by the DCs concerned. What we should be concerned about is that 15 of the cases opposed were due to an overlapping of these bus routes with railways; 27 cases were about bus routes that ran in the busy corridors and 26 cases were about long-haul routes. In addition, information from the KMB shows that in 2010 the company proposed 16 plans to reorganize its bus routes, with the result of saving 19 buses. But in the end only nine such plans were implemented and the number of buses saved was only nine.

I am sure Members will agree that there must be reasons for the DCs opposing the reorganization of bus routes. We should also realize that it is only natural that DC members will fight for the interests of the residents of their communities. But a balance must be struck in this fight by DC members for the interests of their communities and the overall interests of the people of Hong Kong. While efforts are made to ensure that the public can enjoy some suitable transport service, some of those bus routes which overlap or where alternative service is available should be reorganized. After such an reorganization of bus routes, the public may have to walk a bit more, but for the sake of the health of our planet and for the good of our children, I am sure the people would accept it if a clear explanation is given to them.

I wish to mention in passing that as at the beginning of last year, there were still some 370 pre-Euro buses and some 1 300 Euro I buses in the fleets of the bus companies in Hong Kong. Such kinds of buses emit a great deal of GHG. The Government should help the bus companies eliminate these outdated buses. Also, there are 2 600 Euro II buses and 1 257 Euro III buses still running on the roads. The Government stated that it is studying the retrofitting of selective catalytic reduction devices on those Euro II and Euro III buses. If the tests are successful, the Government will fully subsidize the bus companies to undertake retrofitting of selective catalytic reduction devices on all Euro II and Euro III

buses. In any case, I hope very much that the Government can replace or retrofit these high-emission buses, hence reducing the emission of GHG.

Another thing I want to talk about is the replacement of those old diesel commercial vehicles. In April 2007 the Government launched a three-year one-off subsidy scheme and set aside a sum of \$3.2 billion to help owners replace their pre-Euro and Euro I diesel commercial vehicles. The scheme proved a failure. In the end, only \$600 million was used. Last year when the scheme expired, there were still 36 000 such pre-Euro and Euro I diesel commercial vehicles running. The Government launched another plan last year on replacing Euro II diesel commercial vehicles. But the subsidy this time only totals some \$540 million.

All along I have given my full support to this scheme to replace Euro diesel commercial vehicles. I have asked the Government on many occasions to enhance the replacement scheme for pre-Euro and Euro I diesel vehicles. I suggest that the subsidy should be increased or that vehicles written off can still be given a subsidy, and so on. The aim is to reduce those diesel vehicles of older models which emit a great amount of pollution and exhaust. But all along the Government has flatly refused. As scheduled, it ended the replacement scheme for pre-Euro and Euro I vehicles last year. This is most disappointing indeed.

The intention of the Government is clear enough and, that is, the hope that these pre-Euro and Euro I diesel commercial vehicles will die a natural death, and it also wants to avoid criticisms of squandering taxpayers' money. But the fact is the longer these old diesel vehicles with a high emission of GHG run on our roads, they will emit more pollutants and GHG, which is most damaging to our environment. So even if owners want to sell their old vehicles instead of replacing them, they should be allowed to get a subsidy by writing off their vehicles. This can prevent such vehicles from entering the used cars market and continue to cause harm. Although the Government does not care about my suggestion, I will insist and demand that the Government seriously consider it. As long as the matter is not addressed, I will not give up putting forward my demand in the Council. I hope the Government will give serious thoughts to it and relaunch the scheme for replacement of old models of diesel vehicles.

President, I so submit.

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

MR LEE WING-TAT (in Cantonese): President, I just wish to make some very brief comments. I wish to focus on the question of public transport services. Many Honourable colleagues have spent a lot of time talking about more advanced buses of different Euro standards. But I do not want to talk about this. I wish to talk about the question of the rationalization of bus routes as a whole. I think both the Secretary and the Under Secretary would be happy to hear that.

At a particular meeting of the Transport Panel, officials from the Transport Department (TD) said that the utilization of bus routes in various districts would be reviewed on a regular basis. With respect to development plans for bus routes, it can be found that some routes are less patronized by the public. Even in peak hours, only about half of the seats would be occupied. The peak hours I refer to are 7 am to 9 am, and buses plying these routes are not fully occupied.

I know that it would be hard for the TD to handle this, so I do not want to criticize it. Why? The reason is that members of the District Councils (DCs) will definitely oppose the idea of improving or cutting bus routes. Some of the DC members from my party will also oppose that. When I took part in a certain meeting of the Transport Panel of this Council, I raised a point and that is, I suggested applying the same standards to all the DCs. If it is found that a certain bus route has a patronage lower than a certain percentage during the rush hours, that is, the patronage does not reach half of its capacity or is even just 10% of it, then a review should be conducted. The situation in non-peak hours should be disregarded.

However, the Deputy Commissioner for Transport said that a review would be undertaken for each district. I then wished him good luck, because it can never be done. All the political parties and DC members will ask, why should a review be conducted in their district? For this reason I must commend Gabriel LEUNG, for he did not say anything specific other than saying that a review would be undertaken in all the 18 districts. So in principle, I cannot put up any reason to oppose him. And I said to the Deputy Commissioner for Transport that this would be good to the political parties. For example, if the TD told LEE Wing-tat that New Territories North would be the first district to be reviewed, then Mr WONG Sing-chi would grumble and would ask why the bus routes of

New Territories North should be improved first and why some bus routes in that district should be cut. He will certainly hoist a banner and oppose that. If the reply from the TD is that there are common standards across the territory, that is, a review will be conducted provided that the patronage is lower than a certain percentage and that applies to all the districts in Hong Kong, Kowloon and the New Territories, I have said that I will lend my support to that idea.

But the Deputy Commissioner for Transport was scared and said that he did not have the power to do that. Then I said to him, the Legislative Council had discussed this issue a number of times, and I thought that he was just wasting his time and efforts. It was because if a district-by-district review was to be undertaken, say if a review was to take place in New Territories North first, those DC members from New Territories North would certainly oppose it. Then I made a suggestion to him, saying that he had explained the situation clearly to the Commissioner for Transport, that if bus routes were really to be rationalized — this word is used much too often — a review should not be conducted for every district. Rather a review should be conducted for all the districts, then no DC would ask why it is being targeted. This is the first point I wish to make.

Second, I would like to talk about the issue of bus routes which the Secretary has discussed with me already. Those bus routes which run to Central and Admiralty must not be increased, unless certain routes are cancelled. This is a zero-sum game. But I do not agree to that idea. I think that this would be a great sacrifice of the interests of people who ride on buses and the MTR. I always think that if any restriction is to be imposed, it should be imposed on the private cars.

Not all my colleagues in the Democratic Party agree with me. I like the experiment done in Beijing when the Olympics were in full swing there, and that is, cars would be denied entry according to the odd or even dates. I can see that the Secretary is smiling. I like this approach and Hong Kong can copy that. Now the authorities do not dare to implement an ERP system because there are no alternative routes, that is, there are no other roads for use by the vehicles. During peak hours in the busy areas, actually, there are only two hours every day when incidents may happen. And I only want the imposition of restrictions for two hours a day, instead of all the time.

But Eva CHENG, the Secretary for Transport and Housing, and also the Secretary for the Environment are not willing to adopt this measure. They may think that the people will condemn this new measure. But I do not think so. During the summer holidays or in the few months after the summer holidays, for example, the authorities can try to allow only private cars with the last digit on their licence plates being an odd number to enter Central, Wan Chan and Tsim Sha Tsui on the first Monday of the month. Then on the first Tuesday of the month, cars with the last number being an even number are allowed to enter these places. This measure should be adopted on two separate days for fairness' sake. When owners of private cars are not allowed to enter these places for two hours for one day every month during the peak hours, I would think that this is not a very harsh requirement.

President, why have I come up with this suggestion? This was tried in Beijing during the Olympics and the test was not for one day but for a number of weeks. Some people may say that the authorities in Beijing are powerful and so no one dared to resist, but I would think that people ought to make some sacrifice if they want to support environmental protection and make traffic smooth. So I impose a restriction on myself, that I should not drive to Central every day. I can only drive there once or twice each week. If drivers are not allowed to go to Central, Wan Chai, Tsim Sha Tsui or Causeway Bay on one day every month, would that be a harsh demand on them? I do not think so. Will this measure be impossible to enforce because of administrative reasons? I do not think so either. This is because it is easy to identify odd and even numbers on licence plates. Some people may say that some people designed their own licence plates and they may use alphabets instead of numbers. We then can, for example, regard A as an odd number and B as an even number, and so on. I do not think we should argue over administrative arrangements. The most important thing is whether the Government has the determination to do this.

If the trial scheme works well, this measure can be adopted in busy places during the peak hours. There will not be any need to increase the first registration tax for motor vehicles or use an ERP system. The traffic problems during a certain time slot can then be solved. President, please do not forget that traffic jams do not occur all the time on Hong Kong Island or in the New Territories. In the New Territories especially, traffic during most of the time is not busy. As for the urban areas, suppose I want to drive to Central at 10.45 am,

the traffic is not heavy at all. Why do the two Directors of Bureaux not consider this, rather than always thinking about those measures which will use a lot of their time and efforts, still less being effective?

Thank you, President.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): Dr Raymond HO, you may now speak on the five amendments.

DR RAYMOND HO (in Cantonese): The main purpose of my proposing this motion debate today is to urge the Government to address squarely the GHG emissions problem caused by traffic and transport in Hong Kong in the hope that the Administration can formulate a development strategy for a low-carbon traffic and transport system. Meanwhile, through this debate today, I also hope to arouse concern among members of the community about this issue.

Today, 10-odd colleagues have expressed their valuable opinions, and five have proposed amendments. Moreover, I am grateful to the Administration for appointing two Bureau Directors to make a response here.

In fact, the amendments broadly concur with my proposal. I note that colleagues proposing the amendments have not deleted the proposals made in my motion. They have even presented a lot of views which are supported by me, too. For instance, Mr KAM Nai-wai strongly supports the construction of cycle tracks, the provision of "Park and Ride" concessions, the development of pedestrian precincts, and the replacement of franchised buses with high emissions. The proposal by Mr Tommy CHEUNG to phase out Euro II diesel commercial vehicles is compatible with one of the proposals in my motion. The proposal by Mr IP Wai-ming to strike a balance among the sustainable development of various modes of public transport is actually one of the key

points in my original motion. Although I have not clearly spelt out the sustainable development principle, the content of the motion actually points to this direction and idea. The proposed amendment by Mr CHAN Hak-kan to specifically include "to consider setting up a public transport fare stabilization fund" and his other suggestions are also supportive of the proposals raised in my original motion.

Broadly speaking, Ms Audrey EU supports my proposals, though she proposes in her amendment to add "to expeditiously phase out, before 2015, Euro III buses and old buses of preceding models", that is, to put zero-emission buses into use and phase out old buses to minimize the so-called roadside pollution. Actually we all want to see the use of zero-emission double-deck buses and franchised buses. Besides, Ms EU has even proposed to add "to expeditiously conduct studies on introducing an "electronic road pricing system" or a "congestion charge"".

I would like to say a few words about my views here. During the past eight to 10 years, the Government has actually spent nearly \$200 million studying ERP. It is generally felt that there is no need to follow Singapore or other places. Moreover, not many places have adopted ERP because there must be alternative roads before this scheme can be implemented to reduce the number of vehicles entering city centres for the purpose of allaying traffic congestion there.

I support the proposals made in the amendments by the several Members mentioned above. As for Ms Audrey EU's proposed amendment, the Government actually needs to commit substantial resources if all Euro III buses and old buses of preceding models, which are more polluted, by 2015. Is there really a need to do so? To achieve this goal, taxpayers' money will have to be spent. As regards the ERP system, there is no need for us to allocate resources at this stage to undertake studies on this because we have no alternative roads, bearing in mind that three studies have already been conducted.

Hence, except for Ms Audrey EU's amendment, I support the amendments proposed by the other four colleagues. Thank you, President.

SECRETARY FOR TRANSPORT AND HOUSING (in Cantonese): President, I am grateful to the many Members who have expressed views on "Formulating a development strategy for a low-carbon traffic and transport system". I will sum up Members' views and give a response in a few directions in relation to our transport policy.

I agree to the view of several Members who think that transport planning and town planning should be integrated properly. Integrated transport and town planning has all along been our policy, especially when it comes to land planning along railway lines. In general, railway stations are made the nucleus. Facilities or developments which will generate substantial transport needs will be planned as far as possible within walking distance or a distance connected by short feeders, so that railways can be used to meet transport needs and reduce traffic on roads.

Let me cite Tseung Kwan O as an example. As early as the 1990s in the last century, a railway line, that is, the existing Tseung Kwan O Line, was planned to run through the entire Tseung Kwan O new town and link up with the Kwun Tong Line and Island Line. Developments above the railway stations and in the surrounding areas are mainly high-density residential developments, public housing, Home Ownership Scheme flats, schools and shopping malls, where pedestrian flow is heavy. There are also major residential developments above the Tseung Kwan O depot which is linked by an extension.

Looking to the future, with the extension and further development of the urban areas, we must carefully regulate the density and design of the developments above and near railway stations, enhance protection for ventilation corridors within urban areas and alleviate the heat island effect while encouraging the use of railways by more people.

Furthermore, several Members also mentioned the expansion of railway networks. Railways are an environmentally-friendly and efficient mode of mass transit. All train cars currently used in Hong Kong are powered by electricity. This is particularly good for protecting the environment. Using railways as the backbone of the passenger transport system is the core of Hong Kong's transport strategy. At present, Hong Kong's railway networks measure 220 km in total, serving 70% of the populated areas in Hong Kong.

We are rolling forward a number of new railway projects, including the West Hong Kong Island Line, the South Hong Kong Island Line and the Kwun Tong Line Extension, which are under construction, as well as the Shatin to Central Link, which has already been gazetted for statutory consultation. These new railway projects will enable our railway networks to reach a number of districts not yet served by railways, such as Western District, South Hong Kong Island and Ho Man Tin, Whampoa, To Kwa Wan, Ma Tau Wai and Kai Tak, which are all situated in East Kowloon. Apart from these confirmed projects, we have commissioned a consultancy review and study of the railway development strategy and networks in order to meet the railway demands up to 2031. The study is expected to take approximately two years. We will collaborate with the consultant to carry out consultation during the study period.

The expansion of railway networks can attract more people to use railways, reduce demands for more energy-consuming road transport, and help relieve congestion on certain roads. Keeping the roads smooth can directly reduce vehicles' fuel consumption and reduce GHG emissions and various pollutant emissions.

Some Members are also concerned about the effect of the development of new railways on other public transport services. In fact, road transport and railway services have their unique advantages. For instance, buses and public light buses (PLBs) can satisfy the shorter-distance transport needs within the same district more effectively by providing point-to-point transport services. Therefore, railways cannot completely replace buses and PLBs. Of course, we must strive to avoid unnecessary overlapping of resources.

Hence, as early as the railway planning stage, we would conduct a comprehensive study of ways to integrate the functions of railway and other modes of road transport. We will co-ordinate the services, functions and operating environments of various modes of public transport with a view to maintaining the overall efficiency of the public transport services. Before the commissioning of new railways, we will arrange for the introduction of various services and route changes in a gradual and progressive manner after consultation with the trades and District Councils with a view to complementing the change in the transport pattern of the public.

Among these initiatives, we attach particular importance to expanding the coverage of railway networks by means of regional short-distance feeder services

and link up the railway networks through different modes of public transport to strive to facilitate and encourage the use of railway services by the public in order to achieve a multi-win effect.

Furthermore, we also promote the "Park and Ride" scheme to encourage people living in the more remote areas to drive to railway stations and change to railway for travel to and from the urban areas, including the railway stations situated near the entrances and exits of the cross harbour tunnels on both sides of the harbour, namely the Hong Kong Station, Kowloon Station and Hung Hom Station. During the review and revised study of the Railway Development Strategy 2000, we will conduct a "Park and Ride" review to study ways to encourage more motorists to change to railways so as to better exploit the effectiveness of railway networks.

Just now, quite a number of Members put forward many proposals on encouraging travelling on foot and cycling. Insofar as short-distance traffic is concerned, not only does travelling on foot generate zero emission and zero pollution, it is more often than not the most speedy option as it does not cause traffic congestion, and no waiting is required. Hence, the Government has been proactively developing pedestrian crossing facilities catering to the needs of the districts and members of the public, including footbridge and subway networks, to provide a better walking environment for pedestrians, thereby reducing the public's traffic and transport needs for short-distance journeys.

We attach particular importance to pedestrian facilities connecting with railway stations in the hope that more people can rely solely on walking and railways when they go out without the need to change to other modes of transport. Examples are the Central Mid-Levels Escalator Link and the 3 km long footbridge network linking Sheung Wan, Central, Admiralty and their vicinity. Given the fact that some stations of the West Hong Kong Island Line, which is under construction, are about 25 stories from their entrances/exits, we will provide high-speed lifts for direct access to the stations in order that 90% of the residents living in the Mid-Levels West can travel on foot to and from these stations. All these examples are those which are more familiar to Members. In fact, similar measures are provided at the railway stations in various districts throughout the territory to facilitate the use of railways by the public.

Furthermore, it was specifically mentioned in the 2008-2009 Policy Address that the Government's focus would be on improving the pedestrian

environment in business districts, shopping centres, and leisure areas with heavy pedestrian flows. The Transport Department (TD) is now carrying out a feasibility study on the works with respect to the proposed new walking systems in Causeway Bay and Mong Kok.

Quite a number of Members have also proposed encouraging the public to make use of the bicycle for short-distance travel and perfect the relevant ancillary facilities. While this proposal is good conceptually, we must take into account the shortage of land and dense population in Hong Kong, as well as its characteristics such as our extremely dense development. In our opinion, the situation is different between the urban areas and newly developed areas of Hong Kong. However, safety will always be our first and foremost consideration. Given the extremely congested roads and pedestrian walkways in the urban areas, we can hardly make way for the construction of cycle tracks; a large number of bicycles travelling on busy roads in the urban areas will also cause accidents easily. Therefore, we do not consider it desirable to promote cycling as a mode of short-distance transport in the urban areas, though the new towns or newly developed areas in the New Territories, where density is relatively low, have better conditions for using the bicycle for short-distance travel. I note that several Members concur with our point of view.

Where conditions permit, we will provide cycle tracks and associated facilities to enable members of the public to cycle safely for leisure or travelling purposes. As regards cycle parking spaces, there are a total of 40 000-odd such parking spaces throughout the territory. The TD will set up additional cycle parking spaces at major transport hubs. For instance, a total of 300-odd additional parking spaces have recently been placed near two public transport interchanges in Tseung Kwan O and Sha Tin. Meanwhile, the TD will retrofit and replace the existing cycle parking racks near railway stations and public transport termini. It is expected that 1 000 additional parking spaces will be provided within the next two years.

The Civil Engineering and Development Department (CEDD) is currently developing a fully expanded cycling track network in the New Territories. It is expected that an additional 70 km cycling track will be provided upon the completion of the expansion of the network. Furthermore, the Kai Tak Planning Review proposes that a cycling track measuring approximately 6.6 km be provided at the waterfront promenade inside the Kai Tak new development area.

The CEDD is also actively studying extending further the cycling track network within the Kai Tak new development area to link it up with more leisure facilities and destinations in the district. The authorities will consider providing suitable cycling track facilities for public use when planning new towns and new development areas.

President, Members also mentioned a number of proposals just now on encouraging franchised buses to reduce emissions, replace old buses with new ones, reorganize bus routes, and so on. We support these proposals and are currently proactively putting the relevant measures into implementation. The Acting Secretary for the Environment will introduce to us the work in this respect later.

Besides switching to more environmentally-friendly buses, another major initiative is to perfect bus services to reduce wastage. We have all along been discussing with District Councils the reorganization of bus routes to raise the efficiency of bus networks and reduce roadside pollution, noise pollution, traffic congestion and energy consumption through abolition, merger and shortening of bus routes, reduction of bus frequencies, and so on. Having regard to the changing needs of bus commuters, the TD introduced a number of bus route enhancement measures between 2004 and 2010, resulting in the reduction of the number of buses by 450, or approximately 7% of the total number of buses. To facilitate the implementation of the bus route reorganization proposal, we have been encouraging the franchised bus operators to strive to provide fare concessions to affected commuters in the light of the actual circumstances. The bus companies have offered some 240 bus interchange concessions, benefiting more than 120 000 passenger trips daily.

A Member proposed that electronic road pricing (ERP) or a "congestion charge" be introduced in Hong Kong or the authorities should at least begin studying these matters in the interest of reducing congestion. From the angle of road management, a number of factors must be considered with regard to the issue of implementing an ERP scheme, such as whether there are alternative routes (just now, some Members already indicated their understanding) and the impact of various road and railway infrastructure projects on alleviation of traffic, and so on. Before implementing a fair and effective road pricing scheme, there must be alternative routes with suitable capacity so that motorists can opt for these routes to bypass the tolled area. For Hong Kong Island, the Central-Wan

Chai Bypass is the alternative route. Hence, the implementation or otherwise of an ERP scheme to ameliorate traffic congestion should be considered only after such a need arises after reviewing whether or not the traffic conditions have been ameliorated upon the completion of the Central-Wan Chai Bypass.

I hope to point out that the ERP scheme is a highly controversial initiative, and various sectors of the community have highly diverse views on it. A consensus among various sectors of the community must be reached before consideration is given to introducing this scheme.

President, I also note that a Member has been talking about a proposal on fares. Although this issue is not necessarily directly linked to the theme of the motion on low-carbon transport, I still wish to give a brief response.

According to the Government's established policy, public transport services should be operated by private organizations in accordance with commercial principles for the provision of cost-effective and efficient services. On the other the Government is responsible for establishing a mechanism to regulate the fares of major public transport services to, having regard to the acceptability and affordability of the public, ensure the fares are maintained at a reasonable level. Meanwhile, we encourage public transport operators to provide the public at large with a wide range of fare concession schemes having regard to their operating conditions, market conditions, commuter demands, and so on, though the commercial decisions should ultimately rest with the operators concerned.

As regards the question of whether a public transport fare stabilization fund should be set up, we must ensure that public money is well spent. We also need to consider carefully various factors, including the objective, target, desired effect and impact of the relevant proposal. The Government must treat different public transport operators fairly and avoid providing wrong incentives which would affect their expenditure-cutting capacity and the effectiveness of their services. Requiring taxpayers to bear all expenditure increases of public transport services might give rise a series of problems, such as whether unwarranted fare increase applications will be triggered, whether this will give the public the impression that the Government is offering direct subsidy to public transport operators, and whether the existing policy has been violated. According to our long-standing practice, our focus is to use public money to help the needy. The Government has all along been implementing targeted measures to help people in need by, for instance, offering transport subsidy to students with financial needs to travel to

and from schools. Another example is the Work Incentive Transport Subsidy Scheme, which will be implemented shortly to alleviate the burden of transport expenses on low-income families in travelling to and from their workplaces.

President, as I said earlier, the per capita GHG emission of Hong Kong for transport purposes is 1.1 tonnes per annum. This is of course not bad among developed regions. However, this figure is not comprehensive, and we still have much room for improvement. Over the years, we have been using "public transport and railway as the backbone" as the framework of our traffic and transport policy. I believe this direction is correct. Many Members also agree that it is suitable for Hong Kong as a densely populated city with busy traffic. We will continue to move forward in this direction to bring Hong Kong society green and quality transport services.

President, I so submit. Thank you.

SECRETARY FOR THE ENVIRONMENT (in Cantonese): President, I would like to thank Honourable Members once again for their valuable views on "Formulating a development strategy for a low-carbon traffic and transport system".

The Government attaches great importance to the work on combating climate change. Being an international metropolis with relatively sophisticated economic development, Hong Kong is obligated to work with the international community in combating challenges arising from climate change and taking corresponding actions to realize the goal of reducing emissions. Traffic and transport as an industry is Hong Kong's second largest source of GHG emission and the major source of roadside air pollution. Promoting green transport can help develop Hong Kong into a low-carbon city through reducing carbon emissions, and more importantly, improving roadside air quality in Hong Kong and upgrading the territory's overall competitive edge, thereby achieving a multi-win situation.

In delivering their speeches just now, quite a number of Members expressed their views on promoting green modes of traffic and transport and application of related techniques, and promoting the use of electric vehicles and zero emission buses. I will highlight our work in this area.

In order to encourage the public transport sector and lorry owners to use green and innovative transport technologies, the Government set up a \$300 million Pilot Green Transport Fund (the Fund) in March this year to accept applications from the transport industry to try out low-pollution and low-carbon green transport technologies. The Fund will subsidize the price difference between the tested vehicle and the conventional vehicle or 50% of the cost of the tested vehicle, whichever is higher. If the tested vehicle is an electric vehicle, the Fund would cover 50% of the set up cost of its charging facilities. An applicant can submit applications to try out different green and innovative transport technologies, such as both hybrid vehicles and electric vehicles. Each application is subject to a maximum of \$9 million subsidy, and each applicant is subject to a maximum of \$12 million subsidy in total. If an applicant is interested in making use of the subsidy offered by the Fund to retrofit his vehicle or ferry with energy saving or emissions reduction facilities, the subsidy level may even reach 75% of the retrofitting cost with a cap of \$9 million for each application. With the establishment of the Fund, we have noticed that suppliers have become more active than before in introducing green transport products into the Hong Kong market.

In order to examine and approve the applications in a more objective manner, a Steering Committee led by heads of universities was set up in March this year to advise the Director of Environmental Protection on the approval of each application. The membership of the Steering Committee also comprises experts, academics and representatives of the transport sector. The Steering Committee has held its first meeting and drawn up its *modus operandi* and the criteria for examining and approving applications during the meeting. After the establishment of the Fund, we have immediately made arrangements for two briefings to be held to introduce to related trades the operation of the Fund and application details. Some applicants have already submitted their applications. We will share the findings of the tests with related trades for the purpose of jointly promoting the application of green and innovation transport technologies.

On the promotion of electric vehicles, the related trades may make use of the subsidy offered by the Fund to try out electric vehicles. In addition, the Government has also granted exemption for electric vehicles from first registration tax (FRT) to encourage more enterprises and individuals to choose low-carbon and zero emission electric vehicles. As at April this year, a total of some 110 electric vehicles are running on the roads in Hong Kong. We have

been working closely with electric vehicle manufacturers in various parts of the world in promoting pilot electric vehicle schemes and inviting various manufacturers to introduce their electric vehicles into Hong Kong. For instance, Smith, a commercial electric vehicle manufacturer, has already launched its electric vehicles, including electric public light buses, vans and lorries in Hong Kong. Hong Kong has even become the first market for export of a number of major electric vehicle manufacturers in Japan. The Government has also taken the lead in introducing a large number of electric vehicles into its vehicle fleet. It is also planned that some 200 electric vehicles, mainly saloons and motorcycles, will be procured for this fiscal year and the next. On electric franchised buses, some progress has also been made. I will give an introduction when I come to green buses later.

Besides the supply of electric vehicles, the availability of adequate charging facilities is also the key to the success in promoting the use of electric vehicles, as mentioned by some Members just now. The Government is now actively encouraging property developers, property management enterprises, the car park operating sector and non-governmental organizations to provide more charging facilities for electric vehicles on their premises. Currently, there are some 300 charging stations throughout the territory for public use as well as three quick charging stations which are situated in Jordan, Science Park in Tai Po and Ap Lei Chau. We are now studying with our partners ways to develop quick charging facilities in Hong Kong. We have also planned to install more charging facilities for electric vehicles in government car parks.

With the various measures mentioned, we believe the number of electric vehicles and electric modes of transport will continue to grow in Hong Kong.

In order to encourage members of the public to purchase environmentally-friendly petrol private cars with less pollution and high efficiency, the Government has, since 1 April 2007, been offering these vehicles a 30% FRT concession with a cap of \$50,000 per vehicle. To tie in with the Government's proposal of increasing FRT for private vehicles, the Transport and Housing Bureau has recently proposed raising the FRT concession for environmentally-friendly petrol private cars to 45% with the cap raised to \$75,000. Eligible private vehicles must emit approximately 50% less hydrocarbon and nitrogen oxide and consume approximately 40% less fuel, that is, emit approximately 40% less GHG, than Euro IV conventional petrol private

cars. Since the introduction of this concessionary initiative in April 2007, environmentally-friendly petrol private cars have contributed to some 14% of the total number of newly registered private vehicles, which means that some 19 900 environmentally-friendly private cars have already applied for first registration. On the other hand, 50 models of environmentally-friendly petrol private cars are already available on the local market, more than triple the 13 models available before the introduction of the initiative.

In last year's policy address, the Chief Executive already announced that the ultimate objective of the Government was to have zero-emission buses running across the territory. When the existing bus franchises expire one after another in the next few years, the Government will add clauses to the new franchises requiring bus companies to, having regard to their own affordability and that of passengers as well as the viability of doing so, actively use zero-emission or the most environmentally-friendly buses in replacing their buses. To achieve this objective, the Finance Committee of the Legislative Council approved funding on 15 April this year for us to procure six hybrid buses for use by the franchised bus companies for test runs on busy corridors. The Government is now discussing with the relevant franchised bus companies details of the arrangements for the tests. The franchised bus companies are now preparing technical specifications for the procurement of the six hybrid buses. Taking into consideration the time required for inviting tenders and delivery, the pilot scheme is expected to commence in 2012.

According to overseas experience, hybrid buses can emit 30% less carbon dioxide than conventional buses. However, the mode of operation of buses in Hong Kong entails higher frequencies. Moreover, the buses have to cope with the hilly terrain and a huge demand for air-conditioning during humid summer months. Through the pilot scheme, we can find out whether these hybrid buses can meet these stringent operation requirements as well as their performance, including their environmental benefit. The findings of the scheme can help the Government encourage the franchised bus companies to choose the most environmentally-friendly buses when procuring buses.

In addition to the pilot scheme on the six hybrid buses, the Chief Executive also indicated clearly in last year's policy address that if the bus companies wished to test other greener buses such as electric buses, the Government would be ready to render them the same financial support. A franchised bus company

has already submitted a proposal to the Government on testing electric buses. We are currently working jointly with the relevant government departments to follow up with the company for an understanding of the details of the proposed pilot scheme. It is hoped that a consensus on the arrangements for the proposed scheme can be reached expeditiously, so that applications can be submitted to the Finance Committee of the Legislative Council for funding to enable such pilot schemes to commence expeditiously.

Quite a number of Members proposed in their speeches measures to improve roadside air quality. Although these measures may not necessarily reduce carbon emissions, they can help reduce roadside air pollution. Despite the fact that some of these proposals have been discussed numerous times in previous meetings, I still hope to take this opportunity today to reiterate the Government's commitment to taking effective measures to expeditiously improve roadside air quality.

Some Members have proposed including Pre-Euro and Euro I diesel commercial vehicles in the existing scheme for encouraging early replacement of Euro II diesel commercial vehicles and allowing vehicle owners to receive subsidies even if they merely write off their old vehicles. First of all, we disagree to providing subsidies again to Pre-Euro and Euro I diesel commercial vehicles, because the Government has already provided these vehicles with a three-year subsidy scheme, during which 30% of the eligible vehicle owners received subsidies to replace their vehicles. Furthermore, during the same period, a total of 11 000-odd Pre-Euro and Euro I commercial vehicles were written off voluntarily without taking part in this scheme. Since the implementation of this scheme, about half of the Pre-Euro commercial vehicles and more than 30% of the Euro I commercial vehicles have been phased out. As for the remaining Pre-Euro and Euro I diesel commercial vehicles, we consider it necessary to consider introducing appropriate control measures, such as by increasing licence fees for old vehicles, to further encourage vehicle owners to replace their old vehicles.

In our opinion, the proposal of providing subsidies to vehicle owners who write off their old vehicles is open to question because, insofar as commercial vehicles are concerned, vehicle owners decide not to replace their old vehicles mostly because they no longer need these vehicles in operation. Hence, providing subsidies to these vehicle owners without introducing other

corresponding control measures will not offer much help to expediting the reduction in the number of these old vehicles and improvement to roadside air quality.

The particles and nitrogen oxide emitted by private cars account for 1% and 5% respectively of vehicle emissions. At present, more than one third of the private cars in Hong Kong already meet Euro IV emission standards, whereas another one third with Euro III emission standards. The remaining private cars are mostly fitted with three-way catalytic converters, which can substantially reduce air pollutants in vehicle emissions. Hence, regarding the proposal of relaunching and enhancing the Scrapping Incentive Scheme, we do not think that there is adequate justification for supporting a relaunch of this Scheme.

As for reducing emissions by serving franchised buses, President, according to the existing bus replacement arrangements, all Pre-Euro and Euro I buses are expected to be phased out by 2015. Currently, the total number of Euro II and Euro III buses is around 3 900, or 70% of the total number of all franchised buses. As the number of these buses is very large, they can hardly be phased out completely in the coming few years. We consider it more cost-effective to install suitable emission reduction devices on all these buses.

According to overseas experience, installing selective catalytic reduction devices on Euro II and Euro III buses can effectively reduce nitrogen oxide emissions, including nitrogen dioxide, which can push up the roadside air pollution index. At present, diesel particulate traps are already installed on these buses. To retrofit these buses with selective catalytic reduction devices can upgrade their overall emission performance to or above the levels of Euro IV buses. In this connection, Mr KAM has proposed to retrofit buses which have not been replaced or phased out with emission reduction devices. We agree to the direction proposed by him and are actively working with the bus companies to make preparations for a pilot scheme to install selective catalytic reduction devices on Euro II and Euro III buses. If the pilot scheme proves successful, the Government will offer subsidies to the bus companies to install such devices on all Euro II and Euro III buses with a view to expeditiously completing the installation works.

Lastly, President, I would like to take this opportunity to respond to a piece of advice tendered by Mr WONG Kwok-hing just now. Regarding his request

for increasing the number of liquefied petroleum gas (LPG) filling stations, I would like to point out that the Government has already required that LPG filling services be provided on petrol filling stations sites currently put up for sale in the land sale programme, provided that safety requirements are met. Meanwhile, the Environment Bureau is further reviewing whether or not there is room for increasing LPG facilities through, for instance, identifying suitable sites and examining the feasibility of placing additional LPG facilities in existing petrol filling stations.

President, I would like to express my gratitude again to Dr Raymond HO for moving this motion and Mr KAM Nai-wai, Mr Tommy CHEUNG, Mr IP Wai-ming, Ms Audrey EU and Mr CHAN Hak-kan for proposing amendments, as well as other Honourable Members for their views. Climate change is a formidable challenge faced by all human beings. Averting climate change is conducive to our promoting sustainable development. Not only should the Government do its utmost to carry out work in this respect, each and every member of the public also needs to play their part, and their participation is equally important. Developing low-carbon traffic and transport is one of the important steps to achieve this goal. We also look forward to seeing joint efforts made by the entire society to support the implementation of the relevant corresponding measures to expeditiously reduce carbon emissions caused by traffic and transport.

Thank you, President.

PRESIDENT (in Cantonese): Mr KAM Nai-wai, you may now move your amendment to the motion.

MR KAM NAI-WAI (in Cantonese): President, I move that Dr Raymond HO's motion be amended.

MR KAM Nai-wai moved the following amendment: (Translation)

"To add ", given that" after "That"; to delete ";" after "emission source" and substitute with ", but the Government has all along not adopted any decisive, effective and focused measures in this connection,"; to add "to

proactively study the provision of private car parking spaces for establishing 'Park and Ride' points at the stations along the various cross-harbour MTR lines, so as to encourage people to park their cars at such stations and change to travel on public transport to cross the harbour, thereby alleviating the burden on the traffic flow of the various tunnels;" after "railway lines;"; to add "; to urge bus companies to expand and increase the provision of interchange concessions and services which appeal to passengers, and expedite the reorganization and perfect the arrangement of bus routes, so as to avoid the overlapping of bus routes, relieve traffic congestion and reduce air pollution" after "in Hong Kong"; to delete "and" after "pedestrian precincts;"; and to add "; (i) focusing on the situation where the Government has all along not attached any importance to the roles and functions of travelling on foot and cycling in the traffic and transport system of Hong Kong, to include travelling on foot and cycling in the formulation and planning of its overall transport policy, so as to truly foster the development of a low-carbon traffic and transport system, while at the same time proactively develop and improve the footbridge and subway networks in the districts, as well as install covers, escalators and lifts along district pedestrian walkways to minimize conflicts between pedestrians and vehicular traffic; (j) focusing on the Government's stance that cycling is only a form of recreational activity, to formulate a long-term cycling policy and perfect bicycle management facilities (such as cycle parks) and their operation in the various districts; (k) by way of financial subsidy or franchise extension, to push ahead the early phasing out and replacement by bus companies of franchised buses with high emissions, and immediately install emission reduction devices on all buses that have not been phased out or replaced; and (l) to increase the number, usage and types of electric vehicles; and also to perfect and strengthen complementary facilities to tie in with the introduction of electric vehicles" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mr KAM Nai-wai to Dr Raymond HO's motion, be passed.

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

(Members raised their hands)

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

(No hands raised)

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

PRESIDENT (in Cantonese): Mr Tommy CHEUNG, as Mr KAM Nai-wai's amendment has been passed, you may now move your revised amendment.

MR TOMMY CHEUNG (in Cantonese): President, I move that Dr Raymond HO's motion, as amended by Mr KAM Nai-wai, be further amended by my revised amendment.

Mr Tommy CHEUNG moved the following further amendment to the motion as amended by Mr KAM Nai-wai: (Translation)

"To add"; (m) to enhance the existing scheme for encouraging owners of Euro II diesel commercial vehicles to phase out their old vehicles, including enhancing the mode of subsidization, and include Pre-Euro and Euro I vehicles into the scheme, as well as allow those vehicle owners who only write off their old vehicles to also receive subsidies under the scheme, etc.; and (n) to re-launch and enhance the Scrapping Incentive Scheme, so as to expedite the phasing out of old private cars" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Mr Tommy CHEUNG's amendment to Dr Raymond HO's motion as amended by Mr KAM Nai-wai be passed.

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

(Members raised their hands)

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

(No hands raised)

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

PRESIDENT (in Cantonese): Mr IP Wai-ming, as the amendments by Mr KAM Nai-wai and Mr Tommy CHEUNG have been passed, you may now move your revised amendment.

MR IP WAI-MING (in Cantonese): President, I move that Dr Raymond HO's motion, as amended by Mr KAM Nai-wai and Mr Tommy CHEUNG, be further amended by my revised amendment.

Mr IP Wai-ming moved the following further amendment to the motion as amended by Mr KAM Nai-wai and Mr Tommy CHEUNG: (Translation)

"To add"; (o) to expeditiously expand extensively electric vehicle charging facilities throughout Hong Kong; (p) to draw up a replacement timetable for the use of zero-emission buses in Hong Kong, and at the same time assist the public transport industry in introducing hybrid or electric

minibuses and taxis as replacement; (q) to balance the sustainable development of other modes of public transport such as franchised buses, public light buses and taxis, etc., so as to avoid relying too much on one single mode of transport, causing transport domination by the railway corporation; (r) to increase the number of interchange fare concession schemes, and encourage the railway corporation to provide more fare concession schemes and monthly ticket schemes to attract members of the public to use; (s) to fully consult the public transport industry and members of local communities before commencing the relevant railway networks projects; and (t) to develop a territory-wide network of cycle tracks, perfect the relevant feeder transport services and ancillary facilities, and strengthen road safety education for cyclists, so as to progressively upgrade cycling from leisure and recreational use at present to a formal mode of transport" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Mr IP Wai-ming's amendment to Dr Raymond HO's motion as amended by Mr KAM Nai-wai and Mr Tommy CHEUNG be passed.

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

(Members raised their hands)

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

(No hands raised)

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

PRESIDENT (in Cantonese): Mr CHAN Hak-kan, as the amendments by Mr KAM Nai-wai, Mr Tommy CHEUNG and Mr IP Wai-ming have been passed, you may now move your revised amendment.

MR CHAN HAK-KAN (in Cantonese): President, I move that Dr Raymond HO's motion as amended by Mr KAM Nai-wai, Mr Tommy CHEUNG and Mr IP Wai-ming be further amended by my revised amendment.

Mr CHAN Hak-kan moved the following further amendment to the motion as amended by Mr KAM Nai-wai, Mr Tommy CHEUNG and Mr IP Wai-ming: (Translation)

"To add "; (u) to consider setting up a public transport fare stabilization fund to make fare levels affordable to people, with a view to encouraging people to travel on the low-carbon mass transit system more frequently; (v) to perfect and provide additional bicycle parking spaces at the stations along the railway lines; (w) to construct light rail transit systems to connect the Kai Tak New Development Area and its nearby places as well as the new development areas of Fanling North, Kwu Tung North and Ping Che respectively; (x) to install a travelator between Leighton Road and Wong Nai Chung Road in Happy Valley, and set up pedestrian precincts at certain exits of Tai Wai MTR Station, etc.; and (y) to construct cross-district jogging trails as well as expand and perfect existing networks of cycle tracks, for example, constructing a cycle track at the Kowloon Bay Park Cycling Ground to connect the Kai Tak New Development Area, etc." immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Mr CHAN Hak-kan's amendment to Dr Raymond HO's motion as amended by Mr KAM Nai-wai, Mr Tommy CHEUNG and Mr IP Wai-ming be passed.

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

(Members raised their hands)

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

(No hands raised)

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

PRESIDENT (in Cantonese): Ms Audrey EU, as the amendments by the previous four Members have been passed, you may now move your revised amendment.

MS AUDREY EU (in Cantonese): President, I move that Dr Raymond HO's motion, as amended by Mr KAM Nai-wai, Mr Tommy CHEUNG, Mr IP Wai-ming and Mr CHAN Hak-kan, be further amended by my revised amendment.

Ms Audrey EU moved the following further amendment to the motion as amended by Mr KAM Nai-wai, Mr Tommy CHEUNG, Mr IP Wai-ming and Mr CHAN Hak-kan: (Translation)

"To add"; (z) to expeditiously phase out, before 2015, Euro III buses and old buses of preceding models; and (aa) to expeditiously conduct studies on introducing an 'electronic road pricing system' or a 'congestion charge'" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Ms Audrey EU's amendment to Dr Raymond HO's motion as amended by Mr KAM Nai-wai, Mr Tommy CHEUNG, Mr IP Wai-ming and Mr CHAN Hak-kan 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)

Ir Dr Raymond HO rose to claim a division.

PRESIDENT (in Cantonese): Dr Raymond HO 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.

Mr Albert HO, have you cast your vote? What is your voting preference?

MR ALBERT HO (in Cantonese): I voted for the amendment.

PRESIDENT (in Cantonese): The result will now be displayed.

Functional Constituencies:

Dr Margaret NG, Mr CHEUNG Man-kwong, Ms Miriam LAU, Mr Tommy CHEUNG, Mr Vincent FANG, 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 and Prof Patrick LAU voted against the amendment.

Mrs Sophie LEUNG, Mr WONG Yung-kan, Ms LI Fung-ying, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr IP Wai-ming, Mr IP Kwok-him, Dr PAN Pey-chyou and Mr Paul TSE abstained.

Geographical Constituencies:

Mr Albert HO, Mr James TO, Mr LEUNG Yiu-chung, Ms Emily LAU, Ms Audrey EU, Mr LEE Wing-tat, Mr Ronny TONG, Mr KAM Nai-wai, Ms Cyd HO, Mr WONG Sing-chi, Miss Tanya CHAN and Mr Albert CHAN voted for the amendment.

Mr CHAN Kam-lam, Mr TAM Yiu-chung, Mr Frederick FUNG, Mr WONG Kwok-hing, Ms Starry LEE, Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr WONG Kwok-kin and Mrs Regina IP abstained.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 21 were present, 10 were in favour of the amendment, two against it and nine abstained; while among the Members returned by geographical constituencies through direct elections, 22 were present, 12 were in favour of the amendment and nine 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 negated.

(Mr Albert HO rose to his feet)

MR ALBERT HO (in Cantonese): President, have you taken my supportive vote into calculation?

PRESIDENT (in Cantonese): Yes.

MR ALBERT HO (in Cantonese): OK. Thank you.

PRESIDENT (in Cantonese): As Dr Raymond HO has used up his speaking time, he will not reply.

(Ms Cyd rose to her feet)

MS CYD HO (in Cantonese): President, Mr LEUNG Yiu-chung was not present just now, but it is shown that he voted for the amendment.

(Mr LEUNG Yiu-chung earlier left the Chamber immediately after casting his vote)

PRESIDENT (in Cantonese): Are there any other queries?

(No Member indicated any queries)

PRESIDENT (in Cantonese): As Dr Raymond HO has used up his speaking time, he will not reply.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Dr Raymond HO, as amended by Mr KAM Nai-wai, Mr Tommy CHEUNG, Mr IP Wai-ming and Mr CHAN Hak-kan, be passed.

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

(Members raised their hands)

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

(No hands raised)

Ir Dr Raymond HO rose to claim a division.

PRESIDENT (in Cantonese): Dr Raymond HO 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.

Functional Constituencies:

Dr Raymond HO, Dr Margaret NG, Mr CHEUNG Man-kwong, Mrs Sophie LEUNG, Mr WONG Yung-kan, Ms Miriam LAU, Ms LI Fung-ying, Mr Tommy CHEUNG, Mr Vincent FANG, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr WONG Ting-kwong, Prof Patrick LAU, Mr Paul CHAN, Mr CHAN Kin-por, Dr LEUNG Ka-lau, Mr CHEUNG Kwok-che, Mr IP Wai-ming, Mr IP Kwok-him, Dr PAN Pey-chyou, Mr Paul TSE and Dr Samson TAM voted for the motion as amended.

Geographical Constituencies:

Mr Albert HO, Mr Fred LI, Mr James TO, Mr CHAN Kam-lam, Mr LEUNG Yiu-chung, Ms Emily LAU, Mr TAM Yiu-chung, Mr Frederick FUNG, Ms Audrey EU, Mr WONG Kwok-hing, Mr LEE Wing-tat, Mr KAM Nai-wai, Ms Cyd HO, Ms Starry LEE, Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr WONG Sing-chi, Mr WONG Kwok-kin, Mrs Regina IP, Mr Alan LEONG, Miss Tanya CHAN and Mr Albert CHAN voted for the motion as amended.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 22 were present and 22 were in favour of the motion as amended; while among the Members returned by geographical constituencies through direct elections, 23 were present and 22 were in favour of the motion as amended. Since the question was agreed by a majority of each of the two groups of Members present, he therefore declared that the motion as amended was passed.

PRESIDENT (in Cantonese): Second motion: Promoting the relocation of departmental headquarters to the districts for creating employment.

Members who wish to speak in the debate on the motion will please press the "Request to speak" button.

I now call upon Mr Tommy CHEUNG to speak and move the motion.

PROMOTING THE RELOCATION OF DEPARTMENTAL HEADQUARTERS TO THE DISTRICTS FOR CREATING EMPLOYMENT

MR TOMMY CHEUNG (in Cantonese): President, I move that the motion, as printed on the Agenda, be passed.

President, the question of this motion debate proposed by me today, that is, "Promoting the relocation of departmental headquarters to the districts for creating employment", is actually consistent with the Government's stated intention of relocating government departments from central business districts (CBD). In our opinion, not only should government departments be relocated from central districts — President, please take a look at this placard, which is directly related to my speech — the Government should also strive to avoid retaining departmental headquarters in urban areas. Instead, these headquarters should be relocated to other non-urban new development areas (NDAs), with a

view to boosting Hong Kong's district economic development to enable the development of districts previously neglected, and bring more employment opportunities to those districts.

The Government initially proposed in the conclusion of the study report "Hong Kong 2030" published in 2007 that, for the purpose of fostering Hong Kong's economic development in a sustainable manner and maintaining the demand for Hong Kong to be selected as the site for enterprises to set up their headquarters, the Government must identify more sites for Grade A office buildings in CBD, including Central, Admiralty, Wan Chai and Tsim Sha Tsui. Moreover, the Government proposed to vacate some government office buildings or other government facilities which otherwise need not be placed in central areas.

To dovetail with this line of thinking, Financial Secretary John TSANG further proposed in the 2008-2009 Budget that, from the angle of economic development and use of land resources, not all government office buildings must be located in central commercial areas. He would also "strive to" — I repeat "strive to" — relocate three government office buildings at the Wan Chai waterfront, namely the Revenue Tower, the Wanchai Tower and the Immigration Tower, from their existing locations. Possible sites for relocation will include new districts such as the Kai Tak Development Area and Tseung Kwan O. Doing so can not only free the land in central commercial areas, but even inject impetus into new districts and create more employment opportunities there. The Liberal Party is very supportive of this proposal.

However, we really have no idea of the Government's definition of the expression "strive to" because three years have gone by in the blink of an eye. The entire plan is still going nowhere, and there has been no progress at all.

As revealed in the information provided in the annex attached to a reply from Secretary Prof K C CHAN to Ms Starry LEE, one of our colleagues in this Council, in March this year, the Government still insisted that "Preparatory work to relocate buildings in the three Government office buildings at the Wan Chai waterfront continues. In view of the large number of buildings involved, we expect the relocation exercise will need to be phased over a number of years."

In other words, it has taken the Government three years to "strive to" study the relocation plan. A number of "three years" might be required for this task to be accomplished. May I ask the Government what it means by "a number of years"? We are most worried that we will have to wait another three years after three years. Ten years will soon lapse should the Government keep repeating "three years". We can simply not accept a relocation plan without a timetable. This is why I call on the Government to expeditiously announce to the public a comprehensive plan with a concrete relocation timetable and other specific details in relation to the relocation of these three government buildings in Wan Chai. The Government must not think that, with just a year or so to go before the term of the present Government comes to an end, even the present Government needs not actively implement its own plan.

In fact, with the commissioning of the new Government Headquarters later this year, the Policy Bureaux located in these three government buildings will be relocated to the new Government Headquarters. The dropping utilization rate of these three buildings makes it all the more necessary to expedite the relocation progress. Furthermore, this relocation plan is very important to Hong Kong's overall development because it can enable us to alleviate the demand pressure in the market and enhance Hong Kong's overall competitive edge through freeing some of the valuable Grade A commercial land in this core district. In this respect, Ms Miriam LAU will add a few points later.

More importantly, I think we can bring out the concept of "Promoting the relocation of departmental headquarters to the districts for creating employment" through the relocation of government departments for the purpose of achieving the objective of "boosting the flow of people and creating more local district employment opportunities", thus injecting new impetus into many remote NDAs which were previously neglected so as to resolve the underemployment problems in these districts.

I believe Members must remember that when planning the development of new towns in the 1970s and the 1980s, the Government originally hoped that adequate local community employment opportunities could be created through the setting up of a number of industrial zones. However, such a perfect plan did not work out because of the subsequent northward shift of industries. As a

result, many people living in new towns decided not to seek jobs when they found that they would have only little money left after paying for their exorbitant travel expenses and their meals should they go to the urban areas to seek employment.

Unemployment in remote NDAs is serious because these areas very often lack development prospects, and employment opportunities in local districts, especially jobs suitable for the grassroots, are extremely scarce. For instance, the unemployment rates in North District, Yuen Long and Kwai Tsing District last year were 6.3%, 5.5% and 5.4% respectively, higher than the overall unemployment rate of 4.4% last year. And this would often lead to social problems, such as disparity between the rich and the poor, family problems and youth problems.

Given the need for government departments to be relocated, it is most preferable for them to be relocated to non-core districts and NDAs beyond the urban areas, so that the huge spending power of civil servants and the multiplier effect brought about by the relocated government departments can help foster the development of the local community economy and thereby create more employment opportunities in the districts. This is the only way to kill two birds with one stone.

Certainly, I think civil servants, especially the more senior ones, might not find the idea of relocating the Government Headquarters to the NDA music to their ears because it might not sound too "impressive" when they tell others that they work in the New Territories. Nevertheless, as Chief Executive Donald TSANG mentioned in the Question and Answer Session on 14 May 2009, "it is not necessary for us to move all government office buildings to downtown". He also added that "as we have all along been developing towards the New Territories, consideration can be given to setting up government offices in newly developed areas". I hope the Chief Executive can really put his words into actions rather than just paying lip-service.

We used to say that the New Territories was not easily accessible. Coupled with communications and connection problems, I agreed that there might be practical difficulties in relocating departmental headquarters to the New Territories. But times have changed. In recent years, railway networks in

Hong Kong can be described as seeing no boundary at all. For instance, it takes only 37 minutes to travel by MTR from Yuen Long to Central, and only 26 minutes from Tseung Kwan O to Central.

In addition, with the advanced development of the Internet and mobile phones, there is no problem at all for video conferences to be held on the Internet between people in Hong Kong and overseas countries, not to mention between people in the New Territories and Central. Therefore, I think it is now the best opportunity to make renewed efforts to promote the idea of "encouraging employment in the districts", which was conceived when new towns were developed years ago, by relocating various departmental headquarters situated in prime urban land lots to various NDAs and non-core districts.

President, let me cite the three government office buildings in Wan Chai as an example. With a total floor area of more than 170 000 sq m and staff members of up to 11 000, including more than 9 000 — 9 204 to be exact — people working in 13 departmental headquarters, relocating all these departmental headquarters can achieve greater effectiveness in boosting the flow of people, promoting spending and creating more employment opportunities.

President, let me cite a simple example. Let say, the Immigration Department (ImmD) is to be relocated. Currently, some 1 700 ImmD staff members are working in the Immigration Headquarters situated in the Immigration Tower. The Yuen Long District Council has once discussed the possibility of relocating the ImmD to Yuen Long.

If a calculation is made on the basis that a civil servant works about 22 days on average monthly, even if he spends \$22 on breakfast and \$35 on a set lunch of BBQ pork with rice daily, he will need to spend approximately \$1,200 a month. Even if only the expenses directly incurred by the 1 700 staff members as a result of having two meals a day are factored into the calculation, an additional \$22.58 million will be made in spending per annum without taking into calculation expenses on shopping, and so on.

Besides the direct spending by civil servants, we should also bear in mind that various government departments also maintain external contact, which can

boost the flow of people near their headquarters. The multiplier effect thus brought is calculated in folds. If a calculation is made on the basis that the 9 000-odd staff members of the 13 departmental headquarters will all go to the district to have breakfast and lunch daily, plus a few low-budget evening meals every month, their total spending may reach \$200 million per annum.

President, in addition to cost-effectiveness, relocating departmental headquarters to NDAs can also provide an opportunity for those senior officials who are sitting in their offices all day long to gauge public sentiments. For instance, it is most suitable for the Environmental Protection Department (EPD) to be relocated to Tseung Kwan O. I remember that at a Legislative Council meeting held not long ago on 18 May, Ms Miriam LAU asked a question about the number of complaints received with respect to the stench generated in various landfills during the past three years. In the end, the South East New Territories Landfill was found to have outshone others with 747, 548 and 753 complaints received over the past three years respectively, whereas other landfills had merely received a few complaint cases. This has aptly demonstrated that the impact of the landfill in Tseung Kwan O is especially profound because of its proximity to residential areas.

It was pointed out in the official reply by Secretary Edward YAU at that time that all landfills had already introduced new odour control technologies. Did he imply that the landfill would not generate stench? Given that the air in Tseung Kwan O is so good, I think it will be good for the health of Secretary Edward YAU and the officials if the Secretary can lead the Environment Bureau and the EPD to move to Tseung Kwan O. They can also find out at close range how the Tseung Kwan O landfill causes nuisance to the people living there.

Furthermore, flooding, for instance, has often occurred in the northern part of the New Territories. President, if the Drainage Services Department can be relocated to North District so that it can monitor the progress of the flood control works on site, it might be possible for the works to be completed earlier to reduce flooding.

Of course, the relocation of government departments is a big issue, and it must be handled with care. In my opinion, no matter which government

departments are to be relocated, it is most important that members of the public find them convenient. A certain number of offices providing some popular or unique services can be maintained in the urban areas to continue to facilitate the use of government services by the public. However, this does not mean that the entire departmental headquarters should continue to occupy prime urban land lots.

President, although my speech is so long, I hope the Government will not act as if nothing has happened after hearing it today. I also hope that it will not repeat the official reply given in the government document quoted by me at the beginning of my speech that "preparatory work to relocate buildings in the three Government office buildings at the Wan Chai waterfront continues" and "the relocation exercise is expected to take a number of years" in its response to us later. As a pragmatic and responsible government, it should expeditiously tell the public the exact date when they can see the three government office buildings in Wan Chai relocated to NDAs in the hope of benefiting the people living there.

With these remarks, President, I beg to move.

Mr Tommy CHEUNG moved the following motion: (Translation)

"That, for the purpose of fostering district economic development and creating more local district employment opportunities, this Council urges the Government to proactively study relocating expeditiously the headquarters of its back offices which are situated in prime urban land lots to various non-core districts and new development areas, including the North District, Tai Po, Yuen Long, Tuen Mun, Tung Chung, Tseung Kwan O and Kai Tak, etc.; in respect of the three government office buildings at the Wan Chai waterfront already planned for relocation, the Government should immediately announce to the public a concrete relocation timetable with specific details, and expedite the relocation process, so as to effect the moving in of large teams of civil servants of the relevant departments to various non-core districts or new development areas to boost the local consumption demand for shopping and dining, etc., inject fresh impetus into the local community economy, create more

jobs suitable for the grassroots and low-skilled persons, and vacate valuable land lots for other uses which are more conducive to Hong Kong's economic development."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Mr Tommy CHEUNG be passed.

PRESIDENT (in Cantonese): Three Members will move amendments to this motion. This Council will now proceed to a joint debate on the motion and the three amendments.

I will first call upon Miss Tanya CHAN to speak, to be followed by Mr Ronny TONG and Mr LEE Wing-tat respectively; but no amendments are to be moved at this stage.

MISS TANYA CHAN (in Cantonese): President, though it seems that promoting the relocation of departmental headquarters to the districts for purposes of creating employment is just an economic problem, if the work is not done properly, planning problems, and even social and environment problems, will very likely arise.

What has been achieved after the policy of setting up new towns has operated for years? Members certainly need to review the original intent of this policy. In the 60s and the 70s of the last century, the Hong Kong Government put forward this idea in the hope of facilitating the residents living in new towns to go to work or to school without travelling long distances daily and shifting the urban population to the New Territories through the construction of various satellite towns and the provision of residential buildings, factory areas, commercial buildings, and so on, in the New Territories. However, with the establishment of new towns one after another, it appears that the actual situation is getting farther and farther away from the original intent of the policy.

What can we spot most easily? Members who care to pay any attention would find a serious mismatch between the working population, their homes and their workplaces. According to earlier figures, we find that nearly 60% of the workforce in Tuen Mun, Yuen Long and North District has to work across districts and 30% on Hong Kong Island and in Kowloon. Obviously, developments concentrating on both sides of the Victoria Harbour cannot be sustained.

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

Let us look at some closest or latest examples, including Tung Chung and Tin Shui Wai. Suddenly, these new towns seem to be turned into places for the Government to accommodate residents from other communities, including Mainland migrants. However, these new towns also face inadequate employment opportunities, exorbitant transport fares and inadequate community facilities. What is more, a state of "explosion", or excessive development, has gradually emerged. In Tung Chung, for instance, employment in the district is basically provided and supported by the airport. Recently, a friend of mine told me that he had hurt his leg when he was doing exercise near Tung Chung. As he was not too familiar with Tung Chung, he went into a police station when he spotted one when driving his car and asked where he could find a public hospital. He was told that the nearest public hospital was Queen Elizabeth Hospital. There is not even one hospital in this new town, not to mention other leisure facilities.

We can thus see the extremely serious economic and social problems which were caused by problematic planning. In particular, I have to say a few words about Tin Shui Wai, the so-called city of sadness. Initially, we thought that the social problems there were caused by problematic planning. However, we found after an in-depth study that they were in fact man-made problems. Deputy President, the problems are actually attributed to hegemony of the property sector resulting from collaboration between business and the Government to manipulate the situation.

If Members have noted the reports carried in the *South China Morning Post* on 6 December and 7 December last year, they would know that as early as 1982, the then British-Hong Kong Government signed a secret agreement with a company called Mightycity, which was certain about the development possibility of Tin Shui Wai in view of the consideration given by the Government as early as 1977 to develop Tin Shui Wai into a new town with a population of close to 500 000. As a result, the company started to launch a massive programme to acquire farmland. According to the reports, the Government procured in 1982 nearly 500 hectares of fish ponds and farmland from the developer at a price higher than the prevailing market price, and then announced its plan to develop the sites jointly with the developer. But what conditions were included? According to the agreement signed in 1982, the Government was prohibited from developing businesses in the district to avoid affecting the business receipts of the private housing estates there. Deputy President, this sounds very terrible. What was that place eventually turned into? It was turned into a place most familiar to us, the Kingswood Villas.

Speaking of Mightycity, Cheung Kong Holdings' stake in this company was raised from 12.5% in 1982 to nearly 50% in 1988. It can be imagined this piece of meat was so fat that it could not even put on the socks. What happened eventually? We can only see the Kingswood Villas. This housing estate has 15 880 residential units and 75 000 sq m of commercial facilities, including a shopping arcade and a 1 102-room hotel. As for its public facilities, there are only some very simple or community-styled small shops to serve those living in the public housing estates. In 1988, a government department made an attempt to build a permanent market in the Tin Shui Wai new town for the residents there but to no avail. Although an outline zoning plan (OZP) was endorsed in March 1989 by the then Territory Development Department to provide for the construction of a permanent market to cater to the needs of the people living in the private housing estate, the OZP was objected by Mightycity on the ground that the market would compete with its commercial facilities. All this is in black and white.

Deputy President, this incident precisely demonstrates that it was not only the planning factor, but also the man-made factor, which turned Tin Shui Wai into the city of sadness. We must not allow the recurrence of similar cases. What has happened to Tin Shui Wai now? Nearly 300 000 people are now living in Tin Shui Wai. However, of all the new towns in Hong Kong, the

unemployment rate of Tin Shui Wai, which is standing at 9%, is the highest. This example must not be repeated.

Let me come back to government departments. This motion debate today reminds of a drama performed by me two years ago, in which the concentration of government departments in Central, Admiralty and Wan Chai was mentioned in particular. Later, I will read out a series of government departments and Policy Bureaux situated in Admiralty and Wan Chai, though everyone should know in their heart the total number of these government organizations. The 12 Policy Bureaux include: Development Bureau, Education Bureau, Security Bureau, Environment Bureau, Home Affairs Bureau, Civil Service Bureau, Food and Health Bureau, Labour and Welfare Bureau, Transport and Housing Bureau, Commerce and Economic Development Bureau, Constitutional and Mainland Affairs Bureau and Financial Services and the Treasury Bureau, that is, the Policy Bureau under the charge of the Secretary. These Policy Bureaux are all found in Central, Admiralty and Wan Chai.

As for the 68 government departments, 40 are situated in Central, Admiralty and Wan Chai. They include the Architectural Services Department, Drainage Services Department, Transport Department, Civil Aviation Department, Marine Department, Post Office, Correctional Services Department, Labour Department, Department of Health, Water Supplies Department, Treasury, Audit Commission, Administration Wing, Inland Revenue Department, Hong Kong Police Force, Immigration Department, Information Services Department, Government Property Agency, Census and Statistics Department, Invest Hong Kong, Land Registry, Companies Registry, Official Receiver's Office, Environmental Protection Department, Intellectual Property Department, Office of the Telecommunications Authority, Innovation and Technology Commission, Registration and Electoral Office, Social Welfare Department, Legal Aid Department, Central Policy Unit, Efficiency Unit, Home Affairs Department, Office of The Ombudsman, Food and Health Bureau, Joint Secretariat for the Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service, Public Service Commission, Economic Analysis and Business Facilitation Unit, Television and Entertainment Licensing Authority and University Grants Committee Secretariat. These government departments, accounting for nearly 60% of all government departments in Hong Kong, are all

situated in Central, Admiralty and Wan Chai. After a long wait, one of them, the Customs and Excise Department, has now been relocated to North Point.

Does the Government really know how to seize these opportunities? The Government Headquarters is the best example. Given its plan to relocate the Government Headquarters, the Government should finally be able to return a piece of land to members of the public. However, it is very interesting that the Government happened to choose the Tamar site, thereby forcibly occupying the best spot for the supply of Grade A office buildings and the most beautiful location. And then, the Government said that the West Wing of the Central Government Offices had to be demolished because the Grade A offices in existing commercial districts were in short supply. What is wrong with the Government? It has forcibly occupied the most valuable site and now it is trying to forcibly give another piece of land to private developers. It is basically contradicting itself. This is unacceptable to members of the public.

Land is the most valuable resource in Hong Kong. Members of the public were very pleased when the Government used this piece of land to serve them. Today, it should be returned to the public so that they can have a piece of land for leisure purposes. In addition, the site should all the more be conserved given its great historic significance. Why should the Government cut the Government Headquarters (Government Hill) into half and demolish the West Wing and sell it to a private developer? We still do not understand why the Government should do this. The Government's act will not only cause irreversible impacts, but also carry far-reaching historical implications. I very much hope that the Government can think twice.

At this point, we see that the Government has actually made many different mistakes, including many unfair decisions. We also see that it is somewhat tilted to one side. Next, we hope the Government can proceed slowly to phase out the development of suburban areas or non-commercial cities properly to bring hopes, employment opportunities and better living conditions to other residents.

I so submit.

MR RONNY TONG (in Cantonese): Deputy President, though I am in charge of affairs in a considerable number of areas in the Civic Party, I am fortunately not responsible for planning. However, when I saw the motion proposed by Mr Tommy CHEUNG last week, I had an incontrollable impulse of proposing an amendment to the motion. Hence, unfortunately, I have to propose this amendment today.

Perhaps I should begin with some sort of introduction. Honestly, Hong Kong people are fond of teasing some people, especially those from the north, for being "filthy rich". However, if we think deeper, I believe people from other places will also find Hong Kong people "stink with money". Chief Secretary Henry TANG, a former fellow party member of Mr Tommy CHEUNG, said that young people should have a goal — a point I absolutely agree with — but the goal he was talking about was not an attempt by young people to become famous people like artist AI Weiwei, novelist Louis CHA, or entertainer Jackie CHEUNG. He was not talking about all these people. In his opinion, it would be most preferable for young people to become the richest man in Hong Kong.

Deputy President, is money everything? In his motion today, Mr Tommy CHEUNG proposed that the land lots vacated should most preferably be used to "foster district economic development and create more local district employment opportunities". He also added that the prime land lots should also be reserved for economic development. After all, he was talking about giving property developers advantages.

Are our lives so simple, Deputy President? In my opinion, our lives are actually not that simple. If we take a look around the world, we will find Central Park in New York and Hyde Park, St James's Park and Royal Park in London. Even in Beijing, there is People's Square. Where can we find a place in Central where we can take a walk, pause for a while or have a sandwich? Is there any such place in Central? I can only think of the Chater Garden next to us, which is already the largest space for some movement.

Should the Government Hill be vacated to serve the sole purpose of constructing Grade A office buildings or hotels? In my opinion, our consideration should not be simply confined to economic development. Perhaps we should first take a look at what is stated in the Town Planning Ordinance

(TPO) at the outset. There is no need for us to refer to the contents of the TPO. It is already stated clearly in its Long Title that the TPO seeks to "promote the health, safety, convenience and general welfare of the community by making provision for the systematic preparation and approval of plans for the lay-out of areas of Hong Kong as well as for the types of building suitable for erection therein and for the preparation and approval of plans for areas within which permission is required for development."

Actually, it boils down to our need for a planned and systematic design. The major consideration is to promote the health, safety, convenience and general welfare of the community. However, economic development is not mentioned anywhere therein. So, why should we be merely concerned about economic development? In my opinion, however valuable the land lots vacated are, there is something which is even more precious and cannot be bought with money. They are blue skies with white clouds and green space. All this cannot be bought with money.

Is the Government unaware of all this? No. I have to be fair. In fact, the Government has a community greening programme. Even the Secretary once mentioned his commitment to undertaking greening works in Central. He once made such remarks. However, was what the Secretary talking about the same as what we have in our minds? According to a press release published last week by the Government on the progress of the so-called urban greening works, the Civil Engineering and Development Department has planted about 1 400 trees and 230 000 shrubs in Southern District under the Greening Master Plan (GMP) initiative since the commencement of the works in December 2009. In addition to Southern District, greening works are being undertaken in Kowloon City, Wong Tai Sin, Kwun Tong, Sham Shui Po, Western District and Eastern District — Central is not mentioned — all greening works are expected to be completed by mid-2011.

Furthermore, the Director of Civil Engineering and Development, Mr HON Chi-keung, added, "With the completion of all the greening works in the urban areas, we will have planted more than 19 000 trees and 4.3 million shrubs under the GMP initiative, and the urban environment will be significantly improved." I do not mean to criticize this programme. The programme is right, but there is no point of planting trees only. If there is not even a place for people to stand, can the Government say that its ambitious plan of urban greening has already

been completed? Deputy President, the Government should not behave in this manner — Miss Tanya CHAN is still here — there is no point of planting trees only. Those trees will soon become sick and then die and collapse. That will bring even more trouble.

However, tree planting and activity space are two separate issues. In my opinion, the Government should examine using the vacated land to provide adequate activity space to people working in Central, including us, Members of the Legislative Council. Look, Deputy President, we are trapped here day and night for 10 to 20 hours a day. Our activity space is confined to this building. Are we not like animals in a zoo? In my opinion, we are pretty much like animals in a zoo. What we eat is lunch boxes and what we drink is the worst coffee.

Deputy President, the amendment proposed by me today is not confined only to greening or whether or not activity space should be provided in Central. Of course, this is an important issue. However, I must say that I agree with relocating various government departments to other areas. I agree to this concept. It is not the case that I have reservations about everything proposed by Mr Tommy CHEUNG.

Why am I saying this? In fact, two colleagues just now elaborated this in a very clear and incisive manner. We have a few hundred thousand civil servants. Some of the government departments need to maintain contact with members of the public on a day-to-day basis, such as the Immigration Department and the Transport Department. Some members of the public might need to go there to make applications on a daily basis. There is thus a need for these government departments to be situated in more easily accessible and busier areas or places in closer proximity to the core zone. Except for these departments, there is actually no need for many Policy Bureaux to be located in Central or the core zone.

I absolutely agree with Mr Tommy CHEUNG's remark just now that the Environment Bureau must be relocated to Tseung Kwan O — let us see how the Secretary will reply later — and the Drainage Services Department to the North District. I absolutely agree with him. I think that Mr Tommy CHEUNG really has made a very good observation. Why does the Government not consider all these? There should not be any restrictions in Hong Kong. Some government

departments which do not need daily contact with members of the public can actually be located anywhere, including Kwun Tong, North District and New Territories West.

In fact, this is a good proposal because the greatest problem confronting us now is the extremely poor development in New Territories North or New Territories West. The economic impetus in these districts is close to zero. If some relatively large government departments can be relocated to these places, as Mr Tommy CHEUNG said earlier, there will be substantial economic improvement with each person spending \$22 on a breakfast. Hence, I think that it will be absolutely beneficial if government departments which must not necessarily be set up in core areas to be relocated to those places.

Relocating these government departments can also help save public money. Even if the Government Hill is discounted, the Government is now renting a total of 78 000 sq m in floor area in five commercial buildings in Admiralty at a monthly rent of approximately \$5.39 million, or approximately \$70 per sq ft. But this was the old rent. Now I have to pay more than \$100 per sq ft, which means that the rent has almost doubled. There are altogether 11 government departments in Admiralty. Frankly speaking, these government departments can be relocated to the more remote places I mentioned just now to help promote local community economy. This is even better insofar as improving the living conditions of Hong Kong people is concerned.

I must reiterate that relocating these government departments from Central will help increase Grade A or quality commercial units. In our opinion, not all commercial buildings need to be concentrated in Central. In fact, Causeway Bay and even Quarry Bay are very suitable for development into sites for quality offices. If the 10-odd government departments can be relocated, the supply of commercial units will be increased and this will facilitate overseas investors in coming to Hong Kong for investment.

Thank you, Deputy President.

MR LEE WING-TAT (in Cantonese): Deputy President, the Democratic Party basically supports the concept of relocating the headquarters of government departments to non-core districts and NDAs. The amendment to be moved by

me today is intended to strike home the message that comprehensive planning should be undertaken for overall urban planning and consideration be given to the development strategies of the "Secondary City Centre" to give Hong Kong greater room of development and help lower the operating costs and increase employment opportunities in Hong Kong.

As Hong Kong's economic development activities have all along been revolving around the Victoria Harbour, many Grade A commercial buildings, the Government Headquarters, including the Policy Bureaux and departmental headquarters, and quite a number of public organizations are situated in Central, Admiralty and Wan Chai. As a result, the city core districts of Hong Kong are completely concentrated in these tiny prime land lots. Given their exorbitant rents, these land lots inevitably affect Hong Kong's economic development and competitive edge.

Under our proposed development strategies of the "Secondary City Centre", the old mentality of making the Victoria Harbour the centre of development must be altered before studying assisting the building of city centres and their core areas at different levels outside the Victoria Harbour core district through planning and various policy initiatives. For instance, the headquarters, not necessarily the back offices, of government departments can be situated in "Secondary City Centres", provided it is appropriate to do so. Newly built offices of different grades, including Grade A offices, can also be provided in "Secondary City Centres". Our objective is to build an economic entity of a certain scale to dovetail with the living and employment opportunities of a population of an adequate size.

The merit of the development strategies of the "Secondary City Centre" is that a new commercial district where rents are relatively low can be created to allow various economic activities, including trade, service industries, government and social services, and even cultural, recreational and sports activities to develop in a focused manner, thereby maintaining Hong Kong's competitive edge.

This concept was raised by a professional body during the site selection of the terminal for the Guangzhou-Shenzhen-Hong Kong Express Rail Link (XRL). It was proposed that the Hong Kong Government should strive to build the terminal or an additional station for the XRL at Kam Sheung Road, Yuen Long, with a view to undertaking proper infrastructure work for the construction of a "Secondary City Centre" in that district. Unfortunately, this proposal was

rejected by the Government. The Fu Tian XRL Station in Shenzhen, the construction of which is currently in full swing, is poised to acquire the base conducive to business development between China and Hong Kong upon its development into a commercial district. Looking into the future, Hong Kong must catch up and provide a greater number of appropriate economic and commercial development districts to dovetail with more economic and trade activities between China and Hong Kong as well as other industrial activities.

In fact, Deputy President, in some NDAs in North District of the New Territories and Yuen Long, there are some suitable and potential sites that can be studied for development into Hong Kong's "Secondary City Centres". Such development can, on the one hand, reduce the need for people living in these places to work across districts or even travel long districts to work on Hong Kong Island and, on the other, alleviate the excessive developments on Hong Kong Island and in the urban areas of Kowloon. Meanwhile, the availability of transport and railway facilities linking up with the Mainland can boost the flow of passengers and goods to "Secondary City Centres" in the light of the demand for economic and trade development between China and Hong Kong, thereby helping the development of these Centres.

There are many ways to build a "Secondary City Centre", including making use of industries to build, for instance, university towns, medical towns, ecological and historic tourism, and so on. Some time ago, the Government announced the setting up of special industries in a "Three-in-One" NDA comprising Kwu Tung North in North District, Fan Ling, and so on. However, despite all the noises about this proposal, we have not heard any vigorous support and impetus given by the business sector in Hong Kong. Moreover, high-tech and high value-added research and development industries generally cannot create a large number of jobs, especially low-skilled job openings.

Another way is for the Government and commercial facilities to give impetus. In other words, the Government should take the initiative to relocate certain government departments to the "Secondary City Centre" and carry out planning for commercial buildings, hotels, shopping arcades and residential buildings and land use for service industries including cultural and recreational activities, with a view to building a core district for diversified economic and social activities.

According to our preliminary examination on the locations of the headquarters of government departments and public organizations scattered in Central, Sheung Wan, Admiralty, Wan Chai and North Point, it is found that in addition to the government departments located in the three government office buildings at the waterfront of Wan Chai, which have already been included in the Government's relocation plan, quite a number of government departments and public organizations can also be relocated to other districts to dovetail with the development strategies of the "Secondary City Centre". Moreover, these prime land lots can be vacated for lease by commercial organizations or for redevelopment, thereby increasing the supply of commercial land and reducing rental pressure.

For instance, the Labour Department and Marine Department are situated inside the Harbour Building on Pier Road, Central and the Office of The Ombudsman is situated nearby in China Merchants Tower. Both Invest Hong Kong and the Public Service Commission are located in Fairmont House in Cotton Tree Drive, Central and the Joint Secretariat for the Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service is situated nearby inside Lippo Centre. As for Wan Chai District, we can find the Home Affairs Department in Southorn Centre, Hennessy Road. In Wu Chung Building, Queen's Road East, we can find the offices of the directorate grade staff of the Education Bureau, the Social Welfare Department, Department of Health, Office of the Telecommunications Authority and Intellectual Property Department. In Hopewell Centre, there are the Employees Retraining Board, Estate Agents Authority and Hong Kong Council on Smoking and Health. We also have the Independent Police Complaints Council in Harbour View Centre near the waterfront of Wan Chai, the Registration and Electoral Office in Harbour Centre, and the University Grants Committee in Shui On Centre. The Consumer Council and Equal Opportunities Commission are situated in K. Wah Centre, North Point and Cityplaza, Taikoo Shing respectively.

While setting up some offices of these government departments in the urban areas can definitely bring a certain degree of convenience, the work of many offices will actually not be affected even if they are relocated out of Central to other "Secondary City Centres" instead. In the long run, we think that the Government can conduct a phased study on the relocation of the Queensway Government Offices and North Point Government Offices on Hong Kong Island, the Homantin Government Offices and Cheung Sha Wan Government Offices in

Kowloon, and the Buildings Department, Electrical and Mechanical Services Department and Trade and Industry Department, which are now in rented commercial buildings, with a view to bringing adequate economic activities and spending power to "Secondary City Centres" at different levels.

Deputy President, re consolidating appropriate government departments and public organizations and building large-scale Government offices buildings, public organization buildings and social services buildings and providing one-stop services in "Secondary City Centres" can, apart from attracting the business sector to relocate to these Centres to create abundant employment opportunities, attract members of the public to relocate to these Centres, so that Hong Kong's overall planning can be developed in a better balanced manner.

Thank you, Deputy President.

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): Deputy President, the original motion of Mr Tommy CHEUNG and the amendments proposed by the three Members can broadly be summed up into three key points.

First, the Government should proactively study the relocation of the headquarters of the Government's back offices, including the three government office buildings at the Wai Chai waterfront, away from prime urban land lots.

Second, these government departments which have moved out of prime land lots should be relocated to non-core districts or NDAs to inject fresh impetus into the local community economy and create more employment opportunities.

Third, in deciding the use of and formulating plans for the vacated land lots, the Government should, apart from considering the needs of economic development, also weigh various factors including the needs and planning of the community, the environment and conservation, transport, and so on, and strike a balance among them.

In this speech I will first respond briefly to these three proposals. After listening to the views of Members, I will give a detailed response in my concluding speech.

The original motion has proposed that the Government should move the headquarters of its back offices out of prime urban land lots. In fact, it has been our established policy to relocate government offices with no location requirements out of high-value areas, including Central, Admiralty, Wan Chai, Tsim Sha Tsui, and so on. This policy is applicable not only to joint-user government buildings under the management of the Government Property Agency, but also exclusive departmental buildings managed by various Policy Bureaux or departments. In line with this policy principle, we have, as far as possible, relocated government offices with no location requirements from leased premises in high-value areas to other districts and refrained from leasing new premises in high-value districts.

There are mainly two considerations behind this policy. First, from the angle of optimizing the use of land resources, government departments should not be located in prime land lots unless their location in high-value districts is necessary to meet their operational needs. Second, from the angle of supporting economic development, developing these released land lots for more cost-effective uses, such as Grade A offices, will be conducive to the long-term economic development of Hong Kong. This has precisely echoed the point made by the Financial Secretary in this year's Budget that in order to enhance our competitiveness, we must maintain a steady and adequate supply of Grade A offices.

Moreover, Members have proposed to relocate the departments to non-core districts or NDAs, in the hope that this can boost the economic activities in remote communities and create more job opportunities for the grassroots. When we identify sites for the reprovisioning of departments, a major factor of consideration is to ensure that the services provided by the departments to the public will not be compromised. If, in the process of site selection, we are able to identify suitable sites in non-core districts or NDAs which can fully meet the operational and other needs of the departments, we would be happy to see it come to fruition. In fact, we do have many examples. A more recent one is that the Water Supplies Department is planning to acquire an industrial building in New Territories West for reprovisioning its offices which are now located in Mong Kok.

The original motion has proposed that the land lots in core districts should be vacated for other uses which are more conducive to Hong Kong's economic

development. The amendments of Miss Tanya CHAN and Mr Ronny TONG have proposed that various factors should also be taken into account in planning the use of land in future. After consultation with the Development Bureau, the Planning Department and the relevant departments, we wish to point out that in recent years, the Government has noticed that the community of Hong Kong has attached increasingly great importance to urban planning, quality of living, the environment and conservation, and so on, apart from supporting sustained economic development. In view of this, we will, in planning the use of the relevant land lots in future, collect the views of stakeholders through various channels and comprehensively consider various factors, in order to strike a balance. Our decisions made a few years ago of not redeveloping the site of the Central Market but retaining its outlook and developing it into an oasis amidst the hustle and bustle of Central, and of preserving the Murray Building for conversion into a hotel are some cases in point.

Deputy President, I will stop here for the time being. After listening to the views of Members, I will give a detailed response in my concluding speech.

MR WONG KWOK-HING (in Cantonese): Deputy President, as a Legislative Council Member representing New Territories West, I welcome the Government's decision to relocate one of the offices of the Water Supplies Department, currently located in Mongkok, to New Territories West and identify an appropriate industrial building to accommodate it. However, I would like to point out that the Government should undertake comprehensive planning rather than taking one step at a time. Nor should it engage in relocation purely for its sake. Reasonable measures must be taken for the relocation of both the Government Headquarters and the headquarters of government departments. In this connection, the Government must consider several principles: First, not to waste public money or public resources, including land, buildings, and so on; second, to facilitate members of the public; and third, to dovetail with community development.

Why did I say that the Government should not engage in relocation for its sake? Of course, the Government's proposed relocation of the three government office buildings at the Wan Chai waterfront is an excellent proposal. But there were times when the Government allocated two plots of valuable land at the waterfront for the construction of the headquarters of the Independent

Commission Against Corruption and the Customs and Excise Department. In my opinion, the Government should give holistic consideration rather than changing its mind frequently.

In respect of this subject, I would like to put forth three proposals. Just now, I mentioned several principles for the Government's consideration. Now, let me elaborate my three proposals more specifically. First, the Government should review the number of vacant properties and conduct a survey in order to plan how to optimize the utilization of these vacant properties.

Deputy President, let me cite the Tsuen King Circuit Market as an example. I would say that even if someone fires a machine gun indiscriminately in one floor of this Market, no one would be injured. What I mean is even if someone fires a machine gun indiscriminately around the Market, no one would be hurt. The Market has remained this way since its commissioning. Has the Government drawn any conclusions from the relevant situation? Using this as an example, has the Government surveyed the numbers of vacant school premises, properties and buildings? The Government should inspect its own properties rather than taking one step at a time to avoid purchasing an industrial building for relocation purposes while failing to optimize the utilization of vacant flats or premises. This is the first point.

The second point I wish to raise is that the Government has created a massive wastage problem in its planning of development. In respect of the divestment of all the markets under the Housing Department (HD) to The Link Real Estate Investment Trust (The Link REIT), public resources were wasted due to improper use by The Link REIT after its purchase of the assets.

Deputy President, when I attended a residents' meeting held in the Yat Tung Estate last evening, I was told by some kaifongs that the Estate has three car parks providing a total of 1 900 parking spaces. As the Yat Tung Estate was converted from a HOS housing estate into a public housing estate, no one has shown any interest in the parking spaces therein after the relevant facilities were sold by the HD to The Link REIT. To date, 70% of the 1 900 parking spaces have been left vacant for seven to eight years. What is more, as no one has ever rented the parking spaces in one of these three car parks, the car park is now even enclosed.

In view of this, we proposed to The Link REIT that the car park be sold to social organizations or NGOs for provision of services. However, The Link Management responded that a premium would have to be paid should the car park be sold. As The Link REIT is reluctant to make investment and spend money on such investment, the letting rate of the 1 900 parking spaces stands at only 20% or so. I consider it a great waste of public resources for the car parks to continue to be left vacant. The kaifongs also think that the Government has wasted a lot of resources.

On the other hand, the Government has even indicated that it cannot find a place to relocate the Whitfield Depot situated at the junction of North Point and Causeway Bay on Hong Kong Island. This situation has already persisted for years. Has the Government not wasted a lot of resources? This is the second point the Government must consider.

Deputy President, the third point I wish to discuss is that the Government should optimize the utilization of land. Recently, I invited representatives from the Home Affairs Bureau and District Offices and District Officer (Kwai Tsing) to conduct a site inspection in Kwai Chung Estate. According to the residents living in the district, there is a plot of land (the Sheung Kok Street Garden at the junction of Sheung Kok Street and Wo Tong Tsui Street) in the district, and the size of the land is similar to that of a soccer pitch.

In recent years, a number of new public housing blocks were built in the Kwai Chung Estate, and tens of thousands of people have already moved into it. Although the population of the district has reached more than 50 000, no community centre is provided. Despite the wish expressed by some organizations for community facilities to be built in the district, the wish is not granted because of the lack of land or government properties there. Some organizations have also expressed the wish to rent community halls, but not a single community hall can be found in the district.

Hence, the residents of the district have made an earnest appeal to the Government to use the plot of land, which is about the size of a soccer pitch, in the Sheung Kok Street Garden for the construction of the Government Headquarters for the purpose of providing the residents living therein with community facilities and providing numerous social welfare facilities for use by organizations or groups providing a wide range of support services to the elderly,

young people or women. Although this proposal was raised by the residents many years ago, and the residents have also pursued the Government for years, the Government has not given this matter any consideration at all.

(THE PRESIDENT resumed the Chair)

Our recent site inspection is meant to make the relevant government departments aware of the actual need for development in the district. Today, I have cited this example again in the hope that the Secretary can examine the number of plots of vacant land which can be used or land which has not been put to good use, so that these plots of land can be used to meet the demand of the public and the community, or heed public opinion to optimize the utilization of the land. I hope the Secretary can give serious consideration to the district problems mentioned by me earlier.

DR PAN PEY-CHYOU (in Cantonese): President, today's motion is "Promoting the relocation of departmental headquarters to the districts for creating employment". From the labour point of view, this can kill several birds with one stone. This motion merits the support of Members. I will analyse it from several angles.

First, the impact of moving government departmental headquarters out of CBD. Land lots will be vacated after government departmental headquarters are moved out of CBD. According to the statistics provided by the Government, the floor area taken up by government departmental headquarters in CBD is 631 000 sq m. I believe the space to be vacated — though not a very large area — will mostly be taken up by the financial services, banking and insurance industries.

As we all know, many multinational financial institutions are interested in setting up offices in Hong Kong, so they will require a lot of space to set up large-scale offices. The land lots to be vacated can precisely be utilized for promoting the development of the financial services industry in Hong Kong, hence creating a considerable number of employment opportunities for residents

on Hong Kong Island. The land lots to be vacated by the relocation of government departmental headquarters will very likely be developed into high-end commercial buildings. I believe the construction workers can benefit from this, too.

Moreover, the Government will also be able to achieve savings in its recurrent expenditure. According to the statistics provided by the Government, the annual rental paid by the Government for its offices in CBD amounts to as much as \$290 million (this amount being only the rental actually paid by the Government). If we also factor in the "potential rental" from leasing the Grade A Offices owned by the Government, the rental paid can be as high as \$3.3 billion annually at a rough estimate. Even if the Government would spend just part of the revenue from rental (say, 40% or 50% of it) on providing additional services to the grassroots, we can imagine how good it would be.

Second, let me talk about the advantages of the Government setting up offices in non-core districts. Let me first focus on the remote districts.

The moving in of government offices to remote districts will definitely create employment opportunities. As we all know, the residents must be able to land jobs in order for the district to have vitality. But due to the inadequacy in urban planning, job opportunities are indeed lacking in certain new towns. The industrial activities in such districts as Tin Shui Wai and Tseung Kwan O are very limited, and it can even be said that there are no industrial activities at all. Moreover, commercial activities are often confined to the local residents. Some people have described these new towns as "big bedrooms", as residents go to work in other districts in the morning and return to their homes at night to sleep. How can such a living environment and planning be considered satisfactory?

In the five new towns of Tung Chung, Ma On Shan, Tsing Yi, Tin Shui Wai and Tseung Kwan O, as many as 90% of the working population in these districts are engaged in cross-district employment. Such being the case, if government departmental headquarters can be set up in these districts, I believe the development of the community can be promoted in three ways: Firstly, it will create employment opportunities; secondly, it will promote the catering sector and boost basic spending in the districts; and thirdly, it will promote the development of industries which provide logistics support to government services.

Some civil servants may be concerned about having to travel to remote districts to work. But these so-called remote districts are actually located in the urban areas. The relocation of government departmental quarters from CBD to non-core districts in the urban areas can also create job opportunities and stimulate the economy. These non-core districts that I am referring to include Sham Shui Po, Wong Tai Sin, Kwun Tong and Kwai Tsing. These districts are more readily accessible and share a common characteristic of having the lowest labour participation rate among the 18 districts in Hong Kong. Since the relocation of government departmental headquarters to non-core districts in the urban areas can also create job opportunities, I believe this will surely benefit the residents and promote employment.

Lastly, the relocation of government departmental headquarters from CBD to the surrounding non-core districts may help change the vision and culture of the Civil Service. At present, as many government departmental headquarters are concentrated in CBD, this has indirectly deterred residents living in remote districts from taking up government jobs. Why this view? Because the transport fares are expensive. For example, it costs \$19.4 for a single trip on bus route No. 960 from Tuen Mun to Wan Chai, and the single-trip fare for bus route No. 968 from Yuen Long to Causeway Bay costs \$22. How can the general public afford such expensive transport fares in the long term?

If government departmental headquarters can be relocated to various districts, the Government can stand a better chance of absorbing talents extensively. In the long term, I believe this can change the culture of the Civil Service and even change the policies of the Government one day, so that the Government's policies can keep closer tabs on public sentiments and the needs of the general public.

These analyses show that this motion merits the support of Members. I so submit.

MR CHAN KAM-LAM (in Cantonese): President, since 2005, the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB) has proposed that government departments should move out of the three government offices buildings located in prime urban land lots in Wan Chai. In this connection, we

published a proposal on "Creating a new political and administrative centre — A study on site selection for Government Headquarters", in which we proposed that the Government Headquarters be relocated to Southeast Kowloon by constructing a one-stop government office building in Kai Tak. In 2008 the Government announced the plan to relocate these three government offices buildings to such new districts as Kai Tak and Tseung Kwan O and subsequently, planning was done on the construction of a government office building in Kai Tak. This has in general responded to some of the aspirations of the DAB. But after the proposal was put forward in 2008, no concrete plan has been made on the reprovisioning of the three government buildings in Wan Chai.

The floor area of government offices in CBD and Mong Kok is about 631 000 sq m. According to the statistics released in February 2010, a total of 48 government bureaux or departments are operating in leased private properties, and over 33 000 sq m of these offices are located in prime land lots in Sheung Wan, Central, Admiralty, Wan Chai and Causeway Bay. Besides, offices are also leased in such business districts as Tsim Sha Tsui or Yau Tsim Mong, and the monthly rental is exorbitant. In view of the rise in property prices over the past two years, I believe the current rental is definitely very expensive and may amount to hundreds of million dollars. If government departments can move out of these CBD, we believe great savings can be achieved in public coffers.

There is a very keen demand for office premises in the market. This is especially the case with Grade A Offices, and some corporations may not be able to lease these office premises even though they can afford the rent. Apart from its leased properties of more than 56 000 sq m, the Government also owns properties measuring over 57 000 sq m in various CBD. President, we consider that if these properties can be vacated, it can ease the pressure of the demand for office premises in the market and also expand the CBD which can generate a sizable amount of revenue for the treasury.

The relocation of government departments out of CBD can greatly reduce the traffic flow in the prime urban land lots and alleviate traffic congestions. More importantly, the relocation of government departments to secondary core districts can promote the development of the new districts. The relocation of the administrative centre will certainly boost the flow of people in the district and take forward the development of the local economy. To provide support for the

relocation of government departments into these districts, it may be necessary for the authorities to improve the transport network and other support services. It is necessary to ensure more balanced development of Hong Kong and provide more space for development through urban planning, thereby making improvements to the business environment of Hong Kong and also to the working and living conditions of the public.

President, we can also see that in Hong Kong, about 29.7% and 52% of the population live in Kowloon and the New Territories respectively, with only 18.3% living on Hong Kong island. Besides, in the New Territories and Kowloon, traffic is smoother and more space is available for the development of new transport facilities. If government office buildings can be developed in various districts, it would be more convenient for the public and civil servants to go to these government office buildings for business. This is also a way for government services to become more humanized.

The Government has indicated an interest in acquiring old industrial buildings to provide additional office space through conversion or redevelopment, thereby meeting the economic needs. The DAB very much supports this, for this can maximize the value of land resources, and while the unused land resources can be put to use, land resources in CBD can also be released. Although the measures for revitalization of industrial buildings have been introduced for over a year, the current utilization rate of industrial buildings is still not high, and no industrial building has ever been successfully converted into offices. There are many industrial buildings in the old district of Kwun Tong, and not only are they easily accessible, other service facilities such as banks, restaurants, and so on, can also be found in the surrounding area. If the Government can successfully convert industrial buildings into offices, I believe this will provide great incentives for many owners of old industrial buildings, and the experience of the Government can serve as reference for owners who intend to undertake conversion works at their buildings. During the conversion of the industrial buildings, the Government can also promote such measures as green building practices to set a model for the revitalization of industrial buildings.

Certainly, we also hope to see comprehensive co-ordination and planning by the Government in the reprovisioning of departments. To facilitate management, the locations of government departments should not be too scattered and the related departments should be located in the same district as far

as possible. This can save members of the public the trouble of having to go to several districts only to complete a certain formality, thus providing convenience to the public. These arrangements will be conducive to the development of secondary core communities and to the development of the local community economy. Although many departments have already set up offices in various districts, many members of the public still have to go to other districts to handle their affairs because the relevant government departments can only be found there. We hope that the authorities can conduct a comprehensive review of the existing government services. Appropriate adjustments should be made to services frequently used by the public to arrange for these services to be provided in the community as far as possible, thus making it more convenient for the public to access such services.

President, I so submit.

MR WONG SING-CHI (in Cantonese): President, I had lived in the urban areas since childhood but when I took up my first job as a social worker, I had to travel to Tai Hing Estate in Tuen Mun for work. That was immensely difficult to me. Back then, the Tuen Mun Road had just been commissioned. I took a bus to go to work, and the highest record was that it took me four hours to reach Tuen Mun but then, I had to leave the office tens of minutes after arrival because it was already late in the evening and it was time for the office to close.

I have recently moved to Yuen Long and I have to travel to the Legislative Council for work, but the travelling time takes me only 20 minutes. If I drive to work using Route No. 3 and the Western Harbour Crossing, the journey from Yuen Long to Central takes 20 to 25 minutes only. The travelling time is shortened by more than 10 times compared to the time required to travel from the urban areas to Tuen Mun some three decades ago. From this we can see that thanks to the overall development in society, those districts in the New Territories which used to be regarded as remote have basically been aligned with the CBD now, and it does not take us too long to travel there. Therefore, if most of the work remains to be conducted mainly in the urban areas nowadays, this actually does not do any good to the development of Hong Kong. We should relocate the places of work or work areas to various districts.

I had studied the topic of urbanization when I was in school. I know that in urban planning, the centre is where the place of work is situated and it is surrounded by the high-end residential zone for the many CEOs, while the more remote parts are the workers' zone. The farthest areas are the rural areas or the suburbs. These rural areas are either used for developing villas or as slums inhabited by the impoverished. But the "urban area" as referred to in "urbanization" at that time had a population of a few hundred thousand only. Now Hong Kong has a population of 7 million and it is, of course, an out-and-out metropolis. In fact, the entire Hong Kong can at least be divided into 20 metropolises and now, the territory is actually divided into 18 districts. But in these 18 districts, many arrangements are very unfair. Particularly, the North District which I have served for a long time has been repeatedly marginalized and ostracized. Direct elections have a lot of merits, and I commended Ms Miriam LAU on a previous occasion because she agreed that direct elections have merits as it can bring to light many livelihood issues. It is because there is direct election that the Liberal Party has to make preparations for Mr James TIEN's electioneering campaign in future and talk about at length the difficulties in employment in the North District. This is why I very much support colleagues of the Liberal Party continuously taking part in direct elections to keep on fighting for more rights and interests for people living in remote districts and in poverty.

President, the North District has become a community which is marginalized or ostracized. Many parts of the rural areas are now homes landfills, food waste centres, slaughter houses and even other obnoxious facilities such as motor vehicle maintenance depots, container depots, and so on, causing great damages to the environment there. As the Government or the representative assembly does not have the resolve to develop these sites into areas capable of creating more job opportunities or areas of business activities, many situations which are extremely unfair have, therefore, emerged. If some government departments, including departmental headquarters, can be relocated to the remote districts, many benefits can be generated.

A number of Members have mentioned these benefits earlier on, but family relationship is what I am most concerned about. When I worked in Tuen Mun before, I spent several hours travelling to and from work and therefore, I did not have the time to enjoy the meals cooked for me by my mother at home; nor did I have the time to chat with my father after a meal. If the Government can set up

government departmental headquarters and offices in various remote districts, more family members would not have to travel a long distance to work. As I drive to work now, it does not take me too long to go to work but if I do not drive, it still takes me 45 minutes or an hour to travel from Yuen Long to Central. Many people living in the remote districts are from the grassroots and less well-off and so, they have to spend much time travelling to and from work and hence, they do not have the time to take care of their family members.

Hong Kong has already developed into a relatively affluent city and society. It is not our wish to see that so many people living in various districts still have to travel a long distance to work in the urban areas, still less the civil servants. Therefore, we hope that the Government can truly take steps to relocate various government departments to districts which used to be regarded as remote. As a matter of fact, many civil servants and employees live in these districts.

President, what we are talking about now is not just the setting up of government departmental headquarters in these districts. Rather, we hope that the moving in of these government departmental headquarters or the creation of employment opportunities can at the same time push the development of economic activities in the districts. My restaurant, which can no longer hang on, will soon be closed down. It is precisely because people only live in the district but do not have job opportunities. Therefore, we can only rely on students' patronage. As there is no places of work nearby, we can only rely on selling lunch boxes at some \$20 or some \$10 to \$20 each to keep the business running. So, it is really very difficult to sustain the business. If there can be places of work in the vicinity and government departments can be set up in various districts, this can provide the impetus for many economic activities to develop in the surrounding areas and residents in the district can seek employment more easily. If everyone can live in peace and work with contentment in society and if they can avail themselves of employment opportunities in the vicinity of their homes, society will become all the more harmonious. *(The buzzer sounded)* I hope the Government can consider this.

MS STARRY LEE (in Cantonese): President, the DAB already put forward the view of "promoting the relocation of departmental headquarters to the districts for creating employment" as early as in 2005. I actually raised a proposal on the

vision and planning of West Kowloon in 2008 to identify places in these old districts of Kowloon City, Sham Shui Po and Yau Tsim Mong which could still be made available for use, but we found that there was actually not any place that could be used. President, you should be well aware of this too.

Many residents (especially residents in Yau Tsim Mong) have told us that traffic accidents frequently occurred in the district — I remember that many traffic accidents occurred in the district when this survey was conducted. Every time after a traffic accident, we would interview the District Council members and they said that they very much hoped that some government buildings, such as the Water Supplies Department (WSD) and the Trade and Industry Department (TID), could be relocated elsewhere, so that more space can be vacated in these old districts for planning to be done afresh, thus truly enabling improvements to be made to the congested conditions in the district.

I have been bearing this issue in mind, and I remember that in the first oral question that I put to the Chief Executive after I had sworn in as a Member of the Legislative Council, I asked the Chief Executive when the TID and the WSD in Mong Kok could be moved out. President, I remember that I was the first Member called by you to ask a question on that occasion. The Chief Executive might have made preparations for a long time but he did not expect me to ask this question. I recall that he looked at me with his eyes wide open, wondering why I would put this question to him. Then he asked me to discuss this with Secretary Prof K C CHAN. He seemed to be baffled by my question, not knowing why I would take the opportunity to put to him a question which did not seem to have much urgency.

However, I very much wished to point out that this issue had been discussed for a very long time. Particularly, residents in the old districts very much hoped to have more space for development and it so happened that residents in some NDAs hoped that the relocation of government departments to their districts would help foster the local community economy, and we have seen that some results have been achieved subsequently.

Recently, the Public Works Subcommittee of the Finance Committee has discussed and endorsed the relocation of the WSD in Mong Kok to other districts, but this has remained at the planning stage only. The actual date of relocation is

subject to the progress of site selection and also whether or not a suitable site can be identified as well as such factors as the renovation works. To my understanding, the specific date has not been decided yet. As we can see, the process is indeed far too long.

When I visited the district, I often heard members of the public ask another question: When will the government departments be moved out of the three government office buildings in Wan Chai? I think the Secretary should know very well that it was an undertaking made by the Financial Secretary in the Budget. It is an undertaking, and I remember that it even hit the newspaper headlines on that day. We are all expecting when these several government buildings in Wan Chai will be vacated, such that the supply of offices can be increased in the district. Some people have already started to make planning or put forward proposals to us, asking us to convey the proposals to the Government on how planning can be made to further improve the situation in Wan Chai after the moving out of these departments.

But regrettably, this has so far remained to be all thunder but no rain, not to mention the other areas. I would like the Secretary to tell us clearly the concrete timetable for the relocation of the three government office buildings in Wan Chai or the actual arrangements for the relocation exercise. On the one hand, this can help the Financial Secretary fulfill his undertaking and on the other, this can clearly tell the public that the Government actually does not only put this matter — as the Secretary said earlier — on a strategy level. But we have not yet seen any concrete arrangement for implementation or in respect of the timetable of relocation. I very much hope that the Secretary can give an explanation later.

Moreover, I asked an oral question in March this year to enquire about the actual situation of government departments which are situated at prime land lots. The Government pointed out in its reply that the floor area of government offices located in prime land lots in CBD which include Sheung Wan, Central, Admiralty, Wan Chai, Causeway Bay, Tsim Sha Tsui and Mong Kok is about 631 000 sq m, of which about 570 000 sq m are government-owned premises and the remaining 56 000 sq m or so are leased office premises in the private sector. As mentioned by many colleagues earlier, there must really be overall planning indeed. We are not asking them to relocate these departments to the remote districts in one day or within a very short time, which would affect the departments frequently visited by the public.

However, the current situation is indeed telling the public that the Government has failed to make proper planning for implementing the policy objective stated by the Government, as mentioned just now. If a private corporation owns If Hong Kong is a business community I should say that if the Hong Kong Government is a business enterprise and if the Government, when there is such an acute shortage of office premises, has occupied so much space and yet taken no immediate action to address the situation, this is not in any way cost-effective.

Apart from vacating more office sites for commercial purposes, we hope that, more importantly, the relocation of these departments to the districts can boost the local community economy. Certainly, we appreciate that the relocation of departments to the districts alone cannot instantly bring improvements to the economy. The Government should carry out comprehensive planning to provide support, so that the departments which are relocated to the districts can integrate into the economy of the districts, thereby truly boosting the local economy in remote districts.

Hong Kong is actually making very slow progress in this respect. I understand that the Secretary I have listened attentively to the opening speech made by the Secretary. He said that this is a policy objective of the Government, but the public really cannot see any progress made in this area of work. When I was drafting this speech, the only thing with which I am pleased is that the planning of the relocation of the WSD has at least started. But apart from this, we do not see any concrete arrangement being made, not even for implementing the proposal mentioned by the Financial Secretary in respect of the three buildings in Wan Chai. We cannot but ask: Can it be that the Government only tells us that this is the policy objective of the Government but it simply disappears when it is time to actually implement it?

If we look at different cities, we will see that they have long promoted the relocation of various departments to the districts to create employment opportunities and to boost the economy. I hope that in his response later, the Secretary can tell us a plan with more concrete details and greater clarity, so as to rebuild our confidence.

MS MIRIAM LAU (in Cantonese): President, as Mr Tommy CHEUNG said very clearly earlier on, we think that government departmental headquarters

which are located in CBD should not only be relocated to NDAs but also to places which are farther away from the urban areas because we consider that this can truly help the development of the local community economy in remote districts and promote employment.

In fact, we found that the original proposals made by the Government are not comprehensive enough. Even though there is a policy objective, no practical action has been taken after so much noise has been made. A number of Members have already levelled criticisms at it. For instance, the relocation of the three buildings in Wan Chai has been mooted for a long time, but this has remained to be all talk but no action. As the Secretary mentioned in his opening speech earlier, it has been the Government's established policy to move departments with no location requirements out of expensive office premises, but we have no idea how many departments are going to be moved out of expensive office premises. A number of colleagues have mentioned some statistics to point out that the Government is still leasing hundreds of thousand square metres of offices to accommodate these departments, but we do not see any of them being relocated. Such being the case, is there really this policy objective and a plan to implement it?

Some colleagues also suggested that the Government should undertake comprehensive planning and this, I very much agree, but comprehensive planning aside, it is all the more necessary to have concrete actions and a timetable for implementation. However, it seems that the Government has merely paid lip service to it. As we can see, what the Government has actually done is only so trivial and far from adequate. In the expectations of the Liberal Party for last year's Policy Address and this year's Budget, we have specifically put forward the proposal of promoting the relocation of departments to the districts, with a view to achieving the effect of "diverting water into the reservoir to boost the economy".

Now, let me come to the merit of moving departments out of the CBD in bringing about a total liberalization of the potentials of land in the CBD in Hong Kong, in which case the Government will not compete with the business community for the precious land resources because its departments are occupying the prime urban land lots. For instance, according to the Government, the forecast completion of Grade A Offices for the two years of 2011 and 2012 will only be some 120 000 sq m (or 121 800 sq m, to be exact) and 48 000 sq m (or

48 400 sq m, to be exact) respectively, totalling about 170 000 sq m only. However, the relocation of the three buildings in Wan Chai alone can release land lots measuring over 173 000 sq m for the development of Grade A Offices. It means that the space provided by a single parcel of land is equivalent to the supply of business sites all over the territory for two years.

Moreover, the Government stated that the 170 000 sq m of Grade A Offices to be provided next year covers all districts in the territory. If we just look at the completion of Grade A Offices in the Central/Western district and Wan Chai in these two years, only about 34 000 sq m will be provided, which means that the total floor area of the three buildings in Wan Chai is equivalent to the supply for five years in the relevant districts. Therefore, their relocation can substantially ease the demand for Grade A Offices in CBD on Hong Kong island. If the supply of offices is not increased, the current situation of the supply of office premises falling short of the demand in CBD will definitely deteriorate and as we know only too well, the result will be a rise in the rental of offices and the undermined competitiveness of Hong Kong.

In fact, as pointed out in a property consultant's report, in the first quarter of this year, the rental of Grade A Offices and Super Grade A Offices was \$117.8 per sq ft on average, representing a quarter-to-quarter increase of 6.8% *vis-à-vis* a drop in the availability rate to 4.8%, meaning that it was difficult to rent office premises, and this explains why the rental has been on the rise. The overall rental of Grade A Offices is even estimated to increase by 20% to 25% for the whole year, showing that the shortage of Grade A Offices will only become increasingly acute.

President, nowadays, under the fierce competition brought along by the globalization of the world economy, there are competitors all around us, especially as the neighbouring Singapore, Taiwan, South Korea and major Mainland cities have been greedily eyeing on Hong Kong's positions as a financial centre, a shipping centre, and so on. Once we run into troubles in a certain area or aspect, the others will take advantage of us.

Although the local economic growth was quite satisfactory in the beginning of this year as the first quarter saw a 7.2% growth, we cannot assume that the advantages of Hong Kong will certainly exist and can always be maintained. If

the rental of our Grade A Offices is excessively high, coupled with the problems on other fronts, such as air pollution, education, and so on, many foreign investors would turn to other places which offer more favourable conditions to them. In that case, how will multinational corporations or foreign capitalists still choose to set up their regional headquarters in Hong Kong?

The relocation of the three buildings in Wan Chai alone can alleviate the acute shortage of Grade A Offices in CBD on Hong Kong Island. Besides, the proceeds to be generated by this parcel of land will give the Government more sufficient resources for other areas in greater need. President, according to the estimate made by some surveyors last year, the value of these three buildings totalled over \$18 billion at market value, which is an enormous amount. The relocation of government departments out of the buildings can create the effect of "killing three birds with one stone", for it can ease the demand for quality offices in CBD on Hong Kong island, create new opportunities of development in the districts through the relocation of government departments to various districts, and generate huge proceeds from properties for the Treasury of the Hong Kong Special Administrative Region.

Furthermore, President, the traffic in Central and Wan Chai is very congested, and everywhere is crammed full of people during rush hours every day. If these departments can be relocated, the traffic conditions in Central and Wan Chai can be improved.

President, I so submit.

MR LEUNG KWOK-HUNG (in Cantonese): President, this Council is indeed the epitome of putting the cart before the horse. What exactly is the difficulty faced by the Hong Kong economy? It is the exceedingly exorbitant rent. Like dust and sunshine, expensive rent simply falls on everybody.

In fact, many pro-establishment Members cannot really touch on this problem, and they will only briefly mention it in passing. The major consortiums that are enclosing land or the Government has exhausted all possible means, such as the revitalization of industrial buildings, compulsory sale of a building served with a land resumption order by the Urban Renewal Authority, compulsory sale of buildings with the consent of 80% of owners, and so on, and

left no stone unturned to look for land in the territory, in an attempt to start enclosing land afresh for speculation.

It is an indisputable fact that property developers and banks are joining hands to monopolize our economy. But we just do not know whose idea it is. The problem can already be solved if rent is reduced in various districts. Take the area around Kai Yip Estate where I now live as an example. Had the assets not been sold to The Link REIT, had the prices of flats in Telford Gardens not been speculated to become so expensive, and had the terminus of the MTR not been turned into a property development project which has caused property prices to rise, how would job opportunities have been lacking in the district? Design-wise, Tseung Kwan O is linked up all by shopping arcades, and small enterprises find it impossible to sustain their business not because government offices are not set up there, but because of the exceedingly high rental.

The proposal made in the motion is downright putting the cart before the horse. He is only misleading the juniors, misleading the young people. I have never seen such a proposal before. In foreign countries, administrative capitals are set up. Does he consider it necessary to set up a government headquarter on Lantau Island? The kaifongs do not understand it and they will certainly welcome the setting up of departmental headquarters to benefit them. One can surely put forward such a proposal, and it can be proposed any time here. However, we can also ask the kaifongs whether they would like to see the rent not being so expensive, or whether they would like to see the rent of their flats not being so expensive, or whether they would like to see the amount of their mortgage repayment not being so high, or whether they would like to see supermarkets not being monopolized. Only these are the facts. Why do they not do something practical but propose the moving out of government departments instead?

Simply put, which government department can enable a district to achieve a certain scale of economic development and turn it into a place with a huge population and workers, or a place where people will specially make a trip to visit? Even if that is the case, so what? Will people eat at Café De Coral or a local bistro café? When people walk pass those property development projects or big shopping malls, are they not forced to eat at Café De Coral or a plethora of fast-food restaurants? Many fast-food chains from overseas are opening shops in the territory, are they not? Sometimes it is really

I originally did not intend to speak on this topic but I cannot help it. How can you do this? When you were asked to keep the Government Hill, you said "No". But it does have historical value. To put it plainly, these people who are speaking here only want to let LI Ka-shing buy the Government Hill for speculation, so that the sites from No. 1 to No. 9 can be linked up to form one whole parcel for speculation.

I think this Council is too depraved indeed. As I have said time and again, President, we cannot turn this place into a bureau for business solicitation. All issues, such as the development of Qianhai, the development of the Loop, or privatization of healthcare services, are brought up and argued here, but all the arguing still boils down to land. As I have said before, take hospital sites as an example and in the case of that Union Hospital, one hectare of land was allocated for building the hospital whereas the other one hectare was given to that person named "Uncle Four" for speculation, wasn't it?

So, this Council is looking for these stuffs to bring up for discussion every day, as if nothing else can be raised for discussion. If I want to propose a motion in future to discuss the proposal to ban by-elections put forward by Secretary Stephen LAM, but they in the pro-government camp have taken up all the time slots they are like "randomly throwing stones at the forest" in a bid to occupy all the slots it would be impossible for my lot to be drawn. They are doing this day in day out. I really wish to ask you, President — if you can say something — whether you would think that the relocation of government departments/headquarters can bring about any scale of economic development? This problem is actually not what you are capable of solving, for it has to be solved by business investment. Buddy, how can you deceive the ordinary masses in such a way? I think this is grossly undesirable indeed. This is indicative of how things are irrational and unreasonable, as I have often said in this Council.

I really want to ask those people who propose such a motion whether they have carried out any research studies at all. What exactly are they up to? This is like what happens in London. What happens in London? It is all about enclosing land. You support the Government's policy on enclosing land and in this Council, any legislation which takes advantage of the ordinary masses and the poor people will be passed, thus causing the cost to rise and enabling the Government to collude with the businessmen in property speculation and

enabling LI Ka-shing to monopolize all types of businesses. Now, you are even suggesting the relocation of government departments to various districts to promote employment. Buddy, why should you make things difficult for the civil servants, though I do not have any liking for civil servants? What you are saying in this Chamber every day is sheer sophistry and you never have the courage to scold the emperor. Simple enough, what are those enterprises run by the communist party speculating in Hong Kong now? Stocks. They are speculating in stocks, or property development projects and yet, you are accusing the civil servants of not promoting employment and not relocating the departments to the districts. I think it is pointless for the pro-government camp to say anything here, right? I think this place here is really getting more and more meaningless. Even if you want to hold discussions, you have to present the facts for discussion.

Therefore, President, I think the person who proposed this motion — I do not know who it is as I have not tried to find out — has a motive which is condemnable indeed. It is indeed not right to deceive Hong Kong people every day and then pass strictures on the civil servants.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): Mr Tommy CHEUNG, you may now speak on the three amendments.

MR TOMMY CHEUNG (in Cantonese): President, first of all, I have to thank the two Members of the Civic Party, Miss Tanya CHAN and Mr Ronny TONG, as well as Mr LEE Wing-tat of the Democratic Party, for proposing the three amendments to my motion.

From the amendments proposed by the three Members, I found that they basically support the point that I have made and that is, the Government should capitalize on the opportunity of the relocation of government departmental headquarters which are now situated in prime urban land lots to various non-core districts and NDAs, for this can boost the local community economy, create

employment opportunities in the districts and release the potentials of the land lots in CBD. Certainly, we are all dissatisfied with the pace of the Government in relocating the departments, all the more so with the sluggish progress made in respect of the three buildings in Wan Chai. Members have also expressed concern about this earlier

So, the three Members have only made technical amendments to the wording of my original motion. Miss Tanya CHAN and Mr Ronny TONG propose that after these valuable land lots are vacated, the Government should, in studying how these valuable resources should be utilized, strike a balance among such factors as the environment, conservation, transport and urban planning, and also increase public space. We agree with these general principles. Even when Mr TONG considered it too moderate to "boost" the local community economy as proposed in my original motion and suggested to replace the word "boost" by "stimulate" in his amendment — I am older than him and therefore, I am more moderate and it is reasonable for him to be more "stimulating" — I agree that it is fine to stimulate it a bit. But what I wish to say is that we hope that the benefits of relocating the departments in various districts can be long-standing and sustained, rather than just transient.

Mr LEE Wing-tat considers it necessary to conduct comprehensive planning for Hong Kong's urban development and dovetail with the development strategies of the "Secondary City Centre". There is actually no major difference between this view and the proposals made by the Liberal Party. Since the three amendments are the same as my original motion in substance and our views are different only in respect of the side issues, and as these side issues are also principles to which we generally agree, President, I will, therefore, support the three amendments. I so submit.

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY (in Cantonese): President, I am very grateful to Members who have spoken. They have provided a lot of valuable input. I will give an overall response to the three key points made in the original motion and the amendments, and also to the views of Members.

Land resources are limited in Hong Kong and there are less and less land lots available for development in CBD. These have highlighted the importance

of effective utilization of land resources. In the information that we provided to the Legislative Council in March this year, the floor area of government offices in CBD and Mong Kok is about 631 000 sq m. There were historical reasons for government departments to set up their offices in CBD, and I believe this was due to the concentration of the territory's economic activities in these districts in the past and the fact that the traffic and transport facilities in these districts were developed earlier and better, which facilitated the provision of government services to the public.

The improvements made to the transport network and the penetration of information technology have provided more favourable conditions for us to take forward the established policy of moving government offices with no location requirements out of high-value districts. For instance, the Government Offices developed in the last decade or so are no longer located in CBD. These Government Offices include the North Point Government Offices which was completed in 1998, Cheung Sha Wan Government Offices which was completed in 1999, and Shatin Government Offices which was completed in 2002. More recent examples include not only the relocation of the offices of the Water Supplies Department in Mong Kok to an industrial building in New Territories West that I mentioned earlier on, but also the relocation of the Headquarters Buildings of the Independent Commission Against Corruption and the Hong Kong Customs and Excise Department from CBD to North Point in 2007 and 2010 respectively. In addition, the Kai Tak Government Offices expected to be completed in 2015 will mainly be used for the reprovisioning of the departments currently located in the Trade and Industry Department Tower in Mong Kok.

A number of land lots in CBD are expected to be released in future for other developments. Apart from the former Wan Chai Police Station and Wan Chai Police Married Quarters, the West Wing of the Central Government Offices and the Murray Building, there are also the multi-storey carpark buildings in Middle Road, Rumsey Street and Murray Road. The office floor area occupied by government departments in CBD will then be further reduced.

In respect of leased properties, we have now leased a total of 41 000 sq m of office premises in CBD, accounting for about 15% of the total floor area leased by the Government in Hong Kong. The Government has over the years actively reduced leased office space in districts commanding high rental such as Central and Admiralty. The area of office premises leased by the Government in these

districts has reduced from 11 450 sq m five years ago to the present level of 7 900 sq m, and is expected to be further reduced to 230 sq m in 2014.

The three government office buildings at the Wan Chai waterfront to be relocated involve as many as 27 departments and about 11 000 staff, affecting a net operating floor area of 170 000 sq m. We have actively launched the preparatory work to identify a site for the new government office building. Initially we have considered such new districts as Kai Tai and Tseung Kwan O. We are also negotiating with the affected departments to understand their requirements in respect of the location of the offices and the floor area, in an effort to identify a suitable site for their relocation in the light of their requirements and operational needs. Given the scale of the relocation exercise, we expect the relocation work to complete in stages over a number of years. We understand that Members would like the relocation exercise to start as soon as possible. We will continue to actively take forward the preparatory work and the relevant studies, in order to work out a specific programme and timetable for the relocation exercise.

Mr LEE Wing-tat proposes in his amendment that the Government should undertake comprehensive planning for Hong Kong's urban development and dovetail with the development strategies of the "Secondary City Centre", so as to relocate appropriate government offices which are situated in prime urban land lots to various other districts. As the Development Bureau and the Planning Department have pointed out, the planning study of "Hong Kong 2030: Planning Vision and Strategy" (HK 2030 Study) which was completed in 2007 consulted the public on two spatial development models in Hong Kong, namely, the Consolidation Option and the Decentralization Option. Under the Consolidation Option, the urban land lots will be developed first while the new development areas (NDAs) will be developed at a later time. The decentralization Option proposes to focus on the development of districts in the New Territories and develop seven NDAs in phases. Public views are diverse on these two options of development.

The HK 2030 Study eventually proposed to adopt a hybrid model to prioritize the development potentials of the Metro Cities while implementing two NDA projects, namely, the development of NDAs in Kwu Tung North, Fan Ling North and Ping Che/Ta Kwu Ling (Three-in-One Scheme in North East New

Territories) and the NDA in Hung Shui Kiu, in order to meet the demand for land following the population growth.

In formulating the planning strategy for Grade A Offices in CBD, the HK 2030 Study also proposes to combine the Consolidation Option and the Decentralization Option. Apart from consolidating the existing CBD, new office hubs will be developed in districts outside CBD, such as West Kowloon and Kai Tak, and government office buildings or government facilities that do not need to be located in core districts will be vacated or moved out of CBD.

We understand that Members are concerned about the economic development and employment in non-core districts or NDAs, hoping that the relocation of government offices to these districts can inject impetus into the local economy and create more job opportunities for the grassroots. In fact, many departments have already set up offices in remote districts to provide services to the public in these districts. There are at present 48 joint-user government buildings in the territory and 36 of them are located in non-core districts or NDAs, while 17 of these 36 buildings are situated in districts in the New Territories, such as the North District, Tai Po, Yuen Long, Tuen Mun, Mui Wo, Tai O and Ping Chau. The departments in these joint-user buildings in the New Territories mainly provide services to the public in the districts. These departments include the Home Affairs Department, Social Welfare Department, Leisure and Cultural Services Department, Lands Department, the Post Office, and so on.

As I said in my opening remarks, in selecting sites for the relocation of departments, a major factor of our consideration is to ensure that the departments can provide their services to the general public as usual in the new offices. If we can identify suitable sites in non-core districts or NDAs which can meet the operational needs of the departments and also the requirements of the departments in other aspects (including the gross floor area permissible), we would be more than happy to take forward these projects. We will from time to time review the property area taken up by government departments and strive to reduce the floor area of government offices in CBD, depending on the operational and actual needs of the departments. We will study the feasibility of developing government office buildings in non-core districts or NDAs. The factors to be taken into consideration include the operational needs of departments, the

accessibility of public transport, the impact on the delivery of public service, cost-effectiveness, and so on.

Moreover, the Planning Department (PD) is currently conducting a planning study on the Three-in-One NDA Scheme in North East New Territories. The objective of the Scheme is to make diversified land use planning and provide diversified employment opportunities. Under the current proposal, there are sufficient land lots in the NDAs that can be planned for business, research and development, special industries, and government/institution/community uses. When these sites are developed in future, it is believed that they can help solve the employment problems of the residents in the districts.

Another issue of concern raised by Members is that in deciding on the future use of the vacated sites, the Government, apart from attaching importance to the needs of economic development, should have regard to other factors. Members would also like to see public engagement in the relevant planning.

The PD will from time to time review the land use in various districts. This includes making thorough consideration in the planning of land lots vacated by the relocation of government offices out of the urban areas, in order to meet the ever changing aspirations and needs of the community, such as meeting the planning needs of the district, improvement of the environment and infrastructure development, and also the demand for office space in society, and so on. When these proposals involve amendment to the outline zoning plan, the stakeholders can put forward their views through the statutory consultative procedure.

The Town Planning Board (TPB) determines the use of land and prepares and publishes statutory plans under the Town Planning Ordinance. During the formulation or amendment of the statutory plans, the public can make representations or put forward their views for consideration by the TPB. The TPB will conduct hearings after receiving representations and views from the public to determine whether or not amendments should be made to the plan according to the representations.

Generally speaking, the PD will carry out background studies on the relevant aspects before the formulation or amendment of the statutory plan. The studies will cover the population, land use, conditions of buildings, land ownership, transport, infrastructure facilities, the environmental issues, and the

forecast of demand for land. Besides, the PD will carry out planning studies on the use of land in various districts from time to time. In the course of these studies, public engagement is very important to the collection of the views on land use among the stakeholders in various sectors of the community as well as members of the public, in order to formulate land use proposals which can better meet the needs of the public.

President, all in all, we will continue to implement the established policy of moving government departments with no location requirements out of high-value districts, in order to vacate these sites for other uses which are more cost-effective. In identifying land lots for the reprovisioning of the affected departments, we will consider relocating the departments to non-core districts or NDAs in accordance with the principle of not affecting the operation of the departments. In determining the future use of the vacated land, we will take into account various factors and consider the views of the stakeholders, with a view to making the best choices for Hong Kong as a whole.

President, I so submit.

PRESIDENT (in Cantonese): Miss Tanya CHAN, you may now move your amendment to the motion.

MISS TANYA CHAN (in Cantonese): President, I move that Mr Tommy CHEUNG's motion be amended.

Miss Tanya CHAN moved the following amendment: (Translation)

"To add "with Hong Kong's community development and progress in communications technology, the Administration needs to review whether it should locate the offices of various government departments in one district, and it should consider grasping the opportunity to improve planning for various communities, particularly the remote communities;" after "That,"; and to delete "vacate" after "low-skilled persons, and" and substitute with ", under the principle of balancing the overall planning for the environment, conservation, transport and communities, hold discussions with the public and conduct studies on vacating"."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Miss Tanya CHAN to Mr Tommy CHEUNG's motion, be passed.

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

(Members raised their hands)

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

(No hands raised)

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

PRESIDENT (in Cantonese): Mr Ronny TONG, as Miss Tanya CHAN's amendment has been passed, you may now move your revised amendment.

MR RONNY TONG (in Cantonese): President, I move that Mr Tommy CHEUNG's motion, as amended by Miss Tanya CHAN, be further amended by my revised amendment. President, actually there is not a big difference, as it only stresses — which is also the key point of my speech earlier — it only seeks to increase leisure facilities and public space, and upgrade people's quality of living. I hope colleagues will support it.

Mr Ronny TONG moved the following further amendment to the motion as amended by Miss Tanya CHAN: (Translation)

"To delete "for other" after "valuable land lots" and substitute with "which, while being put to"; and to add ", should at the same time be utilized

having regard to town planning, so as to help foster the diversified development of communities, increase the number of leisure facilities and public space, and enhance people's quality of living" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Mr Ronny TONG's amendment to Mr Tommy CHEUNG's motion as amended by Miss Tanya CHAN be passed.

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

(Members raised their hands)

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

(No hands raised)

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

PRESIDENT (in Cantonese): Mr LEE Wing-tat, as the amendments by Miss Tanya CHAN and Mr Ronny TONG have been passed, you may now move your revised amendment.

MR LEE WING-TAT (in Cantonese): President, I move that Mr Tommy CHEUNG's motion, as amended by Miss Tanya CHAN and Mr Ronny TONG, be further amended by my revised amendment.

Mr LEE Wing-tat moved the following further amendment to the motion as amended by Miss Tanya CHAN and Mr Ronny TONG: (Translation)

"To add"; this Council also urges the Government to proactively study undertaking comprehensive planning for Hong Kong's urban development and dovetail with the development strategies of the 'Secondary City Centre', so as to relocate expeditiously the headquarters of its back offices which are situated in prime urban land lots to various non-core districts and new development areas" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Mr LEE Wing-tat's amendment to Mr Tommy CHEUNG's motion as amended by Miss Tanya CHAN and Mr Ronny TONG be passed.

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

(Members raise their hands)

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

(No hands raised)

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

PRESIDENT (in Cantonese): Mr Tommy CHEUNG, you have two minutes 49 seconds to reply.

MR TOMMY CHEUNG (in Cantonese): President, I thank the seven Members who have spoken, as well as the three colleagues who have proposed the amendments.

President, I will be brief. At the end of my speech earlier on, I already asked the Secretary to cease saying in a bureaucratic tone that he would continue to make preparations. Secretary, you are smart! Because you said that you would continue to actively make preparations, and you added the word "actively". *(Laughter)* But you did not tell us for how many years your "active" preparations will take. So, I think you are still doing a disservice to the people of Hong Kong and to this Council. You should tell us before the end of this term of the Government the timetable and also how government departments will be relocated to various districts.

I hope you will convey my proposal to Secretary Edward YAU. For instance, the Environment Bureau can be relocated to Tseung Kwan O — You said earlier that some colleagues do support moving to Tseung Kwan O, and the relocation of the Drainage Services Department to the North District is also supported by colleagues. I hope that you will convey this view to him. Thank you, President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Mr Tommy CHEUNG, as amended by Miss Tanya CHAN, Mr Ronny TONG and Mr LEE Wing-tat, 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.

(No hands raised)

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

NEXT MEETING

PRESIDENT (in Cantonese): I now adjourn the Council until 11 am on Wednesday 8 June 2011.

Adjourned accordingly at three minutes past Eight o'clock.

Appendix I**WRITTEN ANSWER****Written answer by the Secretary for Food and Health to Mr Alan LEONG's urgent supplementary question**

As regards countries/places which have already included the plasticizer di (2-ethylhexyl) phthalate (DEHP) in their routine food surveillance programme, the Administration has examined the food safety regulatory regime of the United States, the United Kingdom, Australia, Singapore, Taiwan and the Mainland and as at 30 June 2011, the Administration is not aware that any of these places has covered the plasticizer DEHP in their routine food surveillance programme.

Appendix II**WRITTEN ANSWER****Written answer by the Secretary for Labour and Welfare to Mr LEUNG Yiu-chung's supplementary question to Question 2**

As regards the names of charitable trust funds under which victims of traffic accidents involving railways other than the Light Rail may apply for emergency assistance, charitable trust funds aim to provide relief in the form of direct and temporary grants to cater for the needs of individuals and families in special and emergency situations and where other financial assistance may not be applicable or readily available. There are currently a number of charitable trust funds in Hong Kong. Individuals or families in need (including victims of traffic accidents) may apply for these funds directly or through relevant government departments or non-governmental organizations (NGOs).

Charitable trust funds administered by the Social Welfare Department (SWD) include Li Po Chun Charitable Trust Fund, Tang Shiu Kin and Ho Tim Charitable Fund, Brewin Trust Fund and Kwan Fong Trust Fund for the Needy. Persons in need may submit applications through medical social workers, social workers at integrated family service centres or designated NGOs.

There are also charitable funds established and managed by the NGOs which aim to provide assistance to victims and families of unfortunate incidents or accidents. Such examples include Yan Chai Emergency Assistance Relief Fund, Pok Oi Hospital Emergency Relief Fund and Lok Sin Tong Caring Fund. Persons in need may approach relevant management organizations of the charitable funds direct or seek assistance through referral by government departments including the SWD and welfare NGOs.

Appendix III**WRITTEN ANSWER****Written answer by the Secretary for Labour and Welfare to Mr Paul CHAN's supplementary question to Question 4****Complaint Statistics and Follow-up Action Taken in Relation to Charitable Fund-raising Activities**

During the three-year period between 2008 and 2010, the Social Welfare Department (SWD) received a total of 188 complaints about suspected unauthorized charitable fund-raising activities in public places. The SWD referred these complaints to the police for follow-up action since the activities involved could have breached the law. Pursuant to investigation by the police, persons involved in two cases were prosecuted and fined \$500 to \$2,000. The SWD referred other general enquiries or complaints about fund-raising activities (such as impoliteness or disorderly conduct of fund-raisers) to relevant organizations for follow-up action. It does not keep statistics on general enquiries and complaints about fund-raising activities.

During the same period, the Television and Entertainment Licensing Authority (TELA) received 11 complaints related to lottery fund-raising activities, mainly involving selling of lotteries without permission, breaching of licensing conditions of lottery licences or disturbance to pedestrians while selling lotteries. The TELA has issued warning letters to relevant organizations and/or referred cases to the police for investigation as necessary. There was no prosecution case.

While the Food and Environmental Hygiene Department keeps statistics on complaints about hawking activities on the streets, it does not have separate statistics specifically on those concerning the sale of goods on the streets for charitable fund-raising purpose.