

OFFICIAL RECORD OF PROCEEDINGS

Friday, 29 October 2010

The Council continued to meet at Nine o'clock

MEMBERS PRESENT:

THE PRESIDENT

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

THE HONOURABLE ALBERT HO CHUN-YAN

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

THE HONOURABLE LEE CHEUK-YAN

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

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

DR THE HONOURABLE MARGARET NG

THE HONOURABLE JAMES TO KUN-SUN

THE HONOURABLE CHEUNG MAN-KWONG

THE HONOURABLE CHAN KAM-LAM, S.B.S., J.P.

THE HONOURABLE MRS SOPHIE LEUNG LAU YAU-FUN, G.B.S., J.P.

THE HONOURABLE LEUNG YIU-CHUNG

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

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

THE HONOURABLE LAU KONG-WAH, J.P.

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

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

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

THE HONOURABLE ANDREW CHENG KAR-FOO

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

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

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

THE HONOURABLE 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

MEMBER ABSENT:

THE HONOURABLE WONG YUK-MAN

PUBLIC OFFICERS ATTENDING:

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

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

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

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

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

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

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

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

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

THE HONOURABLE MATTHEW CHEUNG KIN-CHUNG, G.B.S., J.P.
SECRETARY FOR LABOUR AND WELFARE

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

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

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

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

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

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

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

MR LAI TUNG-KWOK, S.B.S., I.D.S.M., J.P.
UNDER SECRETARY FOR SECURITY

MISS ADELINE WONG CHING-MAN, J.P.
UNDER SECRETARY FOR CONSTITUTIONAL AND MAINLAND AFFAIRS

CLERKS IN ATTENDANCE:

MRS CONSTANCE LI TSOI YEUK-LIN, ASSISTANT SECRETARY
GENERAL

MRS JUSTINA LAM CHENG BO-LING, ASSISTANT SECRETARY
GENERAL

MRS PERCY MA, ASSISTANT SECRETARY GENERAL

PRESIDENT (in Cantonese): Good morning, Members. Council shall now continue with the third debate session of the Motion of Thanks. Does any Member wish to speak?

MEMBERS' MOTIONS

MOTION OF THANKS

Continuation of debate on motion which was moved on 27 October 2010

MR WONG KWOK-KIN (in Cantonese): President, compared to the policy addresses in recent years, this Policy Address is indeed quite lengthy, with its content covering many fields. Unfortunately, insofar as all initiatives are concerned, a slapdash approach has been adopted; as a result, the strength of these measures is rather inadequate. Nevertheless, we are of the view that this Policy Address has touched upon some deep-rooted problems. However, the Government has not targeted at the core of the issues and proposed effective and efficient measures as means to resolve these problems.

What are the deep-rooted problems? Recently, focusing on the Policy Address, we had held many consultations with residents of various communities in order to listen to views of the public. At the consultations held by us, apart from housing, the issue mentioned by most people and of the greatest concern of the public is the issue of poverty.

All of us admit that the wealth gap, or the disparity between the rich and the poor, is a deep-rooted problem of Hong Kong. A relatively more desirable approach of this Policy Address is that, in admitting the existence of the problem, it has not evaded the issue. Unfortunately, we cannot see how the initiatives proposed with the aim of targeting at the issue can effectively resolve the problem.

Talking about poverty in society, we can see many phenomena of this problem now. I will categorize them into three main phenomena which fully reflect poverty in society.

First of all, there is the phenomenon of working poverty. Working poverty refers to the fact that many wage earners have to work nine to 10 hours a day, but their income is still unable to sustain the living of a family, or not enough to make ends meet for one person. This has become increasingly common.

The Policy Address has proposed some initiatives that target the problem of working poverty, such as implementing a minimum wage, and expanding the transport subsidy scheme for the workforce to all 18 districts across the territory. We welcome these initiatives because we think they are helpful to wage earners. However, we are of the view that these initiatives can only curb the further proliferation of working poverty, and help alleviate the problem in the short run, but are inadequate and not strong enough to help eradicate working poverty once and for all.

That is why we believe that the Government should implement more measures to tackle working poverty, and should make more efforts to explore solutions as well as to broaden its thinking. For instance, it should study whether it is possible to put in more efforts to implement measures on improving our economic structure. The six economic areas were mentioned in last year's Policy Address. Unfortunately, after one year, the performances of these areas are nowhere to be found in this year's Policy Address. The six economic areas and what further efforts we can make are not even mentioned. Thus, the social structure of Hong Kong has remained unchanged. The economic structure has also remained unchanged. The future of many wage earners is still very limited. The situation faced by grass-roots workers in which they are unable to enhance their bargaining power remains the same. We are unable to see any signs of relief for working poverty.

This year's Policy Address has brought another piece of good news to wage earners, that is, the Government will embark on a study on legislating for standard working hours. The setting of standard working hours is a major issue that the labour sector has been fighting for years. We often mention that the three major issues for which the labour sector has been fighting are a minimum wage, standard working hours, and collective bargaining.

After striving for more than a decade, legislation on a minimum wage has finally been passed by the Council. The Government is also preparing for the implementation of the legislation. With respect to standard working hours, we

hope that the Government will honour its undertaking and proceed with the legislative process. On one hand, the labour sector welcomes the Government's announcement of conducting a study on legislating for standard working hours; but on the other hand, it is worried that after the announcement, the Government will become what Mr WONG Kwok-hing describes as a "Gibraltar monkey", having a head but without a tail, that is, being "fervent at the beginning but apathetic in the end". It is my wish that the Government should never become a "Gibraltar monkey".

Whenever we talk about standard working hours, the wage earners in Hong Kong will gnash their teeth. This is because the working hours of many industries, such as some service industries and the sales industry, are excessively long. The working hours of Members can be said to be very long. When we go home, it is almost 11.00 pm. But we can often see some employees engaging in the direct marketing industry still holding easy-mount frames and working at that hour. Evidently, the working hours of these wage earners are excessively long. Meanwhile, the working hours of employees of clerical jobs, including employees of the banking industry, are also excessively long, which in turn, exert enormous impacts on their personal health and family life. I remember I worked as an apprentice in a shipyard when I was young. The working hour was till 5.00 pm. But we often had overtime allowance, that is, pay for overtime work. We welcomed the practice of overtime allowance because when we worked overtime for two hours till 7.00 pm, the wage of one hour of overtime would be calculated on the basis of 1.5 hours. When we worked overtime for two hours, we would get wages of three hours. This kind of overtime allowance was very popular among workers back then. On the contrary, if we had to leave punctually at 5.00 pm, we would call that drinking "herbal tea". This was not a popular practice, because it denied our chance to earn more. Nowadays, most of the overtime work is "voluntary work" without pay.

When I was small, many restaurants did not stay open for business during the Chinese New Year, with occasionally one or two restaurants open. When we went to these restaurants with some uncles, the waiters used to tell us they got three times of their normal wages when they worked on the first day of the Lunar New Year. Nowadays, when waiters work on the first day of the Lunar New Year, they will not get three times of their wages, not even two times or one and a half. Thus, I would like to ask the Government: with years of economic development in Hong Kong which result in our current GDP reaching

US\$30,000, have the benefits or rights of our labour experienced a progress or retrogression? I think this warrants serious consideration on the part of the entire society. Therefore, in respect of the issue of a minimum wage, I hope that the Secretary will make a positive response later, instead of talking about some vague studies or directions only. We really hope that the Government will expeditiously work out a practical timetable, or even a roadmap, so as to give us a positive response to matters of concern to the labour sector.

Just now I have said that the first phenomenon of the poverty problem is working poverty. The second phenomenon is elderly in poverty. It is an indisputable fact that Hong Kong has entered into the age of population ageing. All of us have to admit that. It is often said that by 2033, people aged 65 or above will account for one quarter of our population. Due to the fact that Hong Kong is deficient of comprehensive retirement protection, when there are more elderly people in society, there will be more people facing difficulties in life after their retirement. What can the elderly live on after retirement?

The Government or the Secretary often talks about the three pillars. But are these three pillars really effective? Let us look at personal savings first. Under the existing environment of low wage in Hong Kong, even if workers are able to secure employment, their wages may not necessarily be able to meet their daily expenses. So how can they be able to have savings? The second pillar is the Mandatory Provident Fund Scheme. Under the environment of low wage, is a monthly saving of 5% able to cover the living expenses of retirement? Thus, ultimately, they can only rely on the Comprehensive Social Security Assistance (CSSA) provided by the Government. But is CSSA a panacea? The Government should make early planning and preparations. At present, the elderly in poverty are not only facing the issue of daily necessities such as clothing, food, accommodation and transport, but also the issue of elderly care — a problem faced by the elders who are incapable of self-care. Meanwhile, there is a serious shortage of subsidized residential care home places. The Policy Address has attempted to respond to these issues, which, we think, is an improvement. But we hope that efforts to implement and further strengthen such initiatives can be made.

Healthcare is another area of concern for the elderly. Insofar as the elderly are concerned, apart from food and accommodation, healthcare is another important issue. The Policy Address has vaguely mentioned earmarking

\$1 billion for the provision of the elderly healthcare voucher, an account of which will only be given by the end of this year. We have fought to increase the value of the elderly healthcare voucher to \$1,000 for a very long time. The current value of the elderly healthcare voucher is \$250 per year, which is really a joke. The charge of visiting a general practitioner in a housing estate for treating a common fever or cold is about \$130 to \$150. Basically, the value of the healthcare voucher will be exhausted after two such visits. Thus, with respect to the issue of healthcare for the elderly, should the Government be more sympathetic and reasonable? I have no idea how much more the elderly will benefit from the earmarked amount of \$1 billion, or how much more the value of the healthcare voucher will be increased with the provision of the amount. But we really hope that the Government will at least take the first step to increase the value of the voucher to \$1,000.

There is another issue faced by the elderly. Many of the elderly are of the view that the living standard of Hong Kong is high while the living environment is undesirable. Moreover, some elders do not have any family members to look after them. Since this is the case, some of them wish they can live in their hometowns after retirement. At least relatives and friends in their hometowns will help them lead a happier life. As we all know, in recent years, due to the exchange rate, together with inflation and soaring prices in the Mainland, those elders who had retired in their hometowns some years ago are generally facing difficulties in life. As a matter of fact, they are hoping that support will be given to them.

They are not asking too much. They believe the best support for those living in the Mainland is the eligibility for the Old Age Allowance of \$1,000, commonly known as the "fruit grant", to which they are originally entitled in Hong Kong. It will be such an improvement for them if each person is given an allowance of \$1,000 to subsidize his food expenses in the Mainland. They will also be able to lead a more stable life.

Unfortunately, the Government is penny pinching. According to the limit of absence in the past, the elderly must reside in Hong Kong for 120 days in order to receive a full-year "fruit grant". The Policy Address has made a response by substantially relaxing the limit of absence to 60 days. But I would like to ask, does this limit of 60 days really render a great help? Among these elderly people, many of them no longer have permanent residing places in Hong Kong.

Even if they had residing places in the past, they may have already given them to their children or relatives, who may have established their own families. Thus, when they return to Hong Kong, they really have nowhere to stay. The Government requires them to reside in Hong Kong for 60 days. Where are they going to stay? They have practical difficulties in complying with the requirement.

The Government has not taken into account their situation when it formulates its policy. Further, I understand that according to the Government, a relaxation to complete removal may result in a large number of elders (not necessarily the elders who reside in the Mainland) coming back to Hong Kong to claim the "fruit grant", which will increase the burden of the Government all of a sudden. However, I would like to ask, what is the difference between 60 days and 30 days? Why can the Government not lower the limit to the minimal level? Why does the Government insist on penny pinching with the elderly in poverty and require them to reside in Hong Kong for 60 days?

With respect to this issue, I do not see a human touch or a people-based approach in the Government's policy. I can only see that the Government is bickering with the elderly. The Government is saying, "As you are seeking a judicial review, we will do nothing until the case is closed". A judicial review is sought simply because of the limit of absence. If the limit of absence is removed, there will not be any judicial review at all. So how will this affect the case?

I think this is just an excuse. Regarding the issue of the "fruit grant", I hope that the Government will be more sympathetic and consider the subject more from the perspective of practical difficulties faced by the elderly. I believe the Secretary knows that many elders have found it difficult to continue living in the Mainland. Over the past few years, the number of elders asking the Hong Kong Federation of Trade Unions (FTU) to arrange for their return to Hong Kong is on the rise year on year.

With the incessant rise of exchange rate and goods prices in the Mainland, I believe this problem will become increasingly serious. It is my wish that the Government will give further considerations to this issue.

Apart from working poverty and elderly in poverty, the third phenomenon of poverty I refer to is inter-generational poverty. This problem of inter-generational poverty is prevalent in Hong Kong. Many families in poverty do not have the means to nurture and educate their next generation. As a result, their next generation can only live and work at the grass-roots level, unable to break away from poverty.

To a certain extent, the Policy Address has responded to the issues of education and youth employment. However, not only are these responses not vigorous enough, they are also very vague.

A very disturbing phenomenon has currently emerged in our society, and that is, the path of future for our youth is increasingly narrow while social mobility has come to a standstill. Unemployment rate for youths is higher than that of other age groups. It is very difficult for them to find a job. The same happens to university graduates. Even if they are able to find a job, their remuneration has remained at a relatively low level for a long time, which results in their this is different from the days when we were young. At that time, when a young person graduated from university, his whole family had great expectation. They hoped that he would be able to have achievements as soon as possible, so that not only he himself would break away from poverty, he would also help the family improve their lives. These were the circumstances of the days when we were young. We shared the same vision, which was usually achieved. Many of the elites of our society today grew up in poor families when they were small. But nowadays, many of our young people who have been working for four to five years after university graduation are still earning a wage of slightly more than \$10,000. These examples can be commonly found.

There are many young people of this category around us. What is their way out? Facing a difficult environment without a path for the future, will they not have any grievances? What is the view of the Government when faced with these problems? As a matter of fact, the housing problem, heatedly discussed among us currently, is also a huge burden for the young people. A university graduate, who has been working for a few years after graduation, may have just finished repaying or is still repaying his loan. Even if he has a salary of about \$13,000, can he afford getting married and resolving his housing problem?

With respect to the housing problem, the Government has not taken the need of young people into account. Similarly, in respect of paving a path for the future, the Government has not considered the need of young people. Many young people have already started waiting for public rental housing (PRH) before they set out to work in society. According to data, currently there are more than 24 000 relatively young and single applicants on the Waiting List for PRH. This has aroused many feelings in me. The generation of my age also came from and grew up in PRH. We lived in resettlement estates. Back then, we wished to live in private housing, so we exhausted all means through our own efforts to move out of PRH. That was contrary to the current situation when many young people put their names on the Waiting List and try to live in a PRH flat by every possible means. I would like to ask again, has our society experienced a progress or retrogression? Of course, this is not only an issue to be dealt with by Secretary Matthew CHEUNG, but also an issue of whether the entire socio-economic structure is able to provide a way out for our young people.

I would like to return to a point I mentioned just now, that is, the six economic areas proposed by the Government last year. Regarding the proposal, why has the Government again become a "Gibraltar monkey" — "fervent at the beginning but apathetic in the end"? Has the Policy Address given an account of it? Thus, in my opinion, with respect to the issue of poverty, it is imperative for the Government to genuinely study what initiatives should be implemented. The current stop-gap measures adopted in a piecemeal approach are not helpful to our entire society. Of course, to be fair, on the whole, this Policy Address can be said to be acceptable because it has at least responded to some of the aspirations of the labour sector on issues such as a minimum wage, a study on legislating for standard working hours, and transport subsidies. However, the greatest shortcoming of the Policy Address is certainly found in the issue of housing.

Many colleagues have already expressed their views on housing. I am not going to say any more about the subject. However, it is my view that the housing policy of the Hong Kong Government is incomprehensive and far from satisfactory. At least it is a major deficiency. Regarding "My Home Purchase" (MHP) Plan, as a matter of fact, we do not object to its implementation. But why can the Government not help people of the sandwiched class with genuine need to resolve their housing problem at the same time? Many people have pointed out that the MHP Plan is only able to help families with a monthly income of \$30,000 to \$39,000. But then how are families with a monthly

income of \$14,000 or \$15,000 to \$20,000, who are not eligible for PRH, going to solve their housing problem? The Government has not responded to this question at all.

Moreover, I would like to talk about the Community Care Fund. Many people have already expressed their views on the issue. I am of the view that from the perspective of recipients, all charity funds should be welcomed. The question is, the Government should announce what the Fund is about, what it is going to do, and how it is going to operate as soon as possible, so that clear information will be provided to the public. It is only through this that people will not have wild guesses, like what they are doing now, making negative criticisms before the Fund is established. In my opinion, first, this is unfair to the Fund. Second, this is similarly unfair to the needy people who wish to have more channels from which assistance can be provided. I am of the view that the setting up of another Fund will provide one more channel of assistance to those who are currently not benefited from the existing statutory welfare initiatives, and should therefore, be welcomed. Thus, I hope that the Government will expeditiously provide more information on the Fund. At least it should let us know what this Fund is about and what kind of people it will help. Letting people know its scope of work and future mode of operation will help reduce negative criticisms.

President, the FTU is of the view that this Policy Address, on the whole, is acceptable. However, the Government has not done enough on the issue of housing. It has not responded to the fervent aspiration of society — resuming the Home Ownership Scheme (HOS). This aspiration is not only a consensus reached by the political parties, but also a unanimous demand of many members of the public presented to us recently when we visit local communities for consultation. We strongly urge the Government to reconsider this housing policy. Therefore, regarding the Motion of Thanks on this Policy Address, the FTU will proactively consider supporting the amendment relating to resuming HOS. Thank you, President.

PRESIDENT (in Cantonese): While Members are incessantly mentioning a certain characteristic of a "Gibraltar monkey", I think you do remember, this is also the characteristic of the human race. *(Laughter)*

MS MIRIAM LAU (in Cantonese): President, poverty alleviation is a livelihood issue of our great concern. Nevertheless, the Policy Address has placed the issue behind the issue of housing. Earlier, I had described the housing initiatives of the Government as inadequate to address the pressing problem. With respect to alleviating the hardship of those in poverty, the Government plans to collaborate with the business sector in setting up a Community Care Fund to which the commitment from both parties will reach a total amount of \$10 billion. Different from the housing matters, the Fund appears to be "flooded by cash". However, the key lies in how the Fund can be used appropriately and implemented successfully so that it can achieve the aim of helping those in genuine need.

At present, this Fund is like an empty shell that will only be completed in the very distant future. We only know that the purpose of the Fund is to help those who have slipped through the net of Comprehensive Social Security Assistance (CSSA), and the "n noughts". I believe all of us are hoping that the head of the Fund, the Chief Secretary for Administration Henry TANG, will announce more operational details as soon as possible, so that we may be able to learn about and render support to the operation of the Fund.

On the other hand, I must point out that the Community Care Fund will, at the most, fulfil the function of alms-giving. As for the genuine work of poverty alleviation, the Policy Address has nothing to offer in the area. As a matter of fact, the fiscal position of the Government is extremely abundant. According to the latest figure in August, our fiscal reserve stands at \$506.8 billion. As at the end of August, the total asset value of the Exchange Fund has reached \$2,276 billion. Over the past six financial years, the total surplus recorded by the Government amounts to \$245 billion, with the average figure of our annual surplus amounting to \$40.8 billion. In fact, the Government is equipped with the necessary capacities and conditions for planning of a longer term. This is particularly so with the policy of poverty alleviation, which can be more proactive.

In respect of families of working poverty who wish to be self-reliant, they need more support provided by the Government, so that they may lead more dignified lives. The Administration has introduced a Working Incentive Transport Subsidy Scheme without giving any details. We do not know how to apply for the subsidy. We have heard that this subsidy will benefit a number of

full-time workers only. When we visited local communities for consultation, many residents had conveyed to us that part-time workers should also be taken care of. At present, many part-time workers have nothing to fall back on. They are the "n noughts". Is it possible for the Government to provide some kind of transport subsidies to these part-time workers, such as half of the subsidy amount? I hope that the Government will consider this.

The Liberal Party had earlier put forward a proposal to the Chief Executive in which we asked the Government to provide assistance to over 100 000 families of working poverty who are not eligible for CSSA but their family income falls below half of the median household income. Similar to low-income CSSA, this assistance of not more than \$2,500 per month will serve as a livelihood subsidy aimed at enhancing quality of life. It is regrettable that the Government has failed to change its conservative attitude and has declined our proposal. According to the rough estimate of the Liberal Party, even if all of these eligible applicants apply for the CSSA, the additional expenditure for the Government is about \$2 billion a year at the most. With our current financial position, the Government can absolutely afford the amount. I hope that the Government will seriously consider our proposal in this regard.

Moreover, another priority of the work of poverty alleviation is to strengthen training. The Liberal Party has also put forward a series of proposals, including increasing subvention for continuing education, strengthening training for various industries, introducing on-the-job training for middle-aged people, and relaunching small and medium enterprises training fund, and so on. Our purpose is to teach people how to fish so that they will never go hungry. In other words, to strengthen their basic skills so that they will be able to climb up the social ladder. However, the Policy Address has only mentioned setting up a pilot one-stop employment and training centre in Tin Shui Wai. Insofar as other areas are concerned, nothing has been mentioned. This is really disappointing. I hope that the Government will have genuine concern for this matter, and make efforts to train our grassroots.

Another subject of great concern to society is the issue of elderly care. I am pleased that the Government has finally accepted the proposal of the Liberal Party and will consider providing more tax concessions with a view to encouraging children to live with parents. This initiative will not only uphold the policy objective of "ageing in the community", but will also encourage

parents and children to look after each other, so as to promote family harmony. This can be said to be "killing several birds with one stone". I hope that concrete measures relating to the subject will be introduced by the Government in next year's Budget.

The Liberal Party has all along strived for the abolition of the limit of absence, so as to allow elders who are receiving "fruit grant" or elderly CSSA to continue the receipt of these benefits upon returning to Hong Kong at least once a year. But the Government has again dealt with one part without attending to the rest. The limit of absence is only relaxed from the existing 240 days per year to 305 days. The remaining 60 days left in the limit gives an impression that this is some kind of bargaining in the market. I hope that the Government will not engage in penny pinching. It should be more generous, and create less hassle for the elderly.

However, we are rather frustrated and disappointed that the Government has not accepted the proposal put forward by the Liberal Party which allows more low-income elders who are not recipients of CSSA but have passed the simple means test to receive an additional subsidy of \$500 on top of the basic "fruit grant" of \$1,000. As this group of elderly living in poverty is waiting for our assistance, I hope that the Government will seriously consider the proposal. Even though the proposal cannot be implemented this year, I hope that it will be considered in next year's Budget.

Moreover, healthcare expense is a major problem for the elderly living in poverty. Since this is the case, we have proposed that the value of the elderly healthcare voucher should be increased from \$250 per year to \$1,000. The Government has indicated that the scheme will be reviewed and \$1 billion will be earmarked for reserve. I hope that the Government will no longer be miserly and will really bring good news to the elderly.

In respect of the subsidized residential care places for the elderly, the current provision is grossly inadequate. Many elders had passed away before places could be allocated to them. For instance, in 2009, over 1 800 and over 2 700 elders passed away respectively while waiting for subsidized care and attention places and nursing home places. Surely it does not mean that we hope this situation of "waiting till death" will go on.

Thus, the Government should really step up its efforts to improve the provision of residential care places. It should not be vague, as it was in the report, indicating that it will provide additional places by building new residential care homes and making full use of the space in existing homes, while concrete initiatives have not been mentioned. The Liberal Party opines that before the Government puts forward an improved policy of residential care services, it should consider introducing an "elderly voucher" with a value of \$5,000 a month, and putting in place a matching service platform, so as to allow elders to use the "elderly voucher" for free selection of elderly services or home care services suitable for them during the two or three years when they wait for allocation of residential care places and until places are officially allocated to them. This will accomplish our objective of providing "a sense of security" for the elderly.

President, I so submit.

DR PAN PEY-CHYOU (in Cantonese): President, I would like to talk about the problem of disparity between the rich and the poor in the context of the Policy Address. As indicated by Mr WONG Kwok-kin of the Hong Kong Federation of Trade Unions (FTU), we support a number of good proposals in the Policy Address. However, in the capacity of a Member who represents the labour sector, and as a trade union rights activist, I cannot help but express my disappointment at the Policy Address, which has failed to fully respond to the problem of disparity between the rich and the poor, and the incessantly widening wealth gap.

As a matter of fact, the incessantly widening wealth gap is a deep-rooted conflict currently faced by society. The population receiving the lowest income is continuously on the rise. According to the statistics of the Government, from January to September 2009, if a household with an income lower than the average CSSA payments is used as a criterion, the poverty population stands at 846 000 persons, which accounts for more than 10% of the population in Hong Kong. Compared to the figure of 2008, the poverty population has increased by 132 000 persons. Is this increase just an economic cycle? We need not worry if it is just an economic cycle. However, in reality, for more than a decade, the figures have indicated clearly that this is a long-term trend. According to the information recently provided by the Hong Kong Council of Social Service, over

the past decade, the median household income of the low-income household group has dropped from \$10,000 in 2001 to the recent figure of \$9,000.

Let us think about this. Over the past decade, goods prices have been on the rise while the income of the lowest-income families has dropped continuously. What is the reason behind this? In fact, there are various reasons. In my opinion, the most important reason is the globalization of economy, which has resulted in the northern migration of industries in Hong Kong. Originally there were many workers with skills and special expertise in Hong Kong. Now that there is a northern migration of their jobs, their original skills and expertise are no longer of practical use. As a result, they can only take up low-skilled or non-skilled jobs. Several security guards are employed in the building where I live. I am very impressed by one of them. He is in his thirties, tall and strongly built. Wearing clean and tidy uniforms, he is always soft-spoken and polite to the residents. Based on his manners and serious attitude, I believe this is not the kind of job he took up in the past. Unfortunately, even though he is educated, he has to accept a job which currently requires the help of a minimum wage. There are many such examples around us. The phenomenon of supply exceeding demand is prevalent in our low-skilled labour market. Under the law of the market, it is inevitable that wages will drop.

Last year, the Government had eventually responded to the aspiration of the labour sector, the effort of which is commendable. As Members of the Council, we should, in fact, monitor the Government. Handing out praises is not our responsibility. But I think I should express them here. This Council and the Government had completed the work of enacting the principal legislation of a minimum wage through collaboration and coordination. However, can we simply rely on a minimum wage to alleviate the problem of disparity between the rich and the poor? I believe we cannot do so.

As a matter of fact, the groups of the lowest income in Hong Kong need more resources and support. Someone may say one should resort to self reliance. There is nothing wrong with this theory. I believe many of our Members are diligent and hardworking. But we have to understand that many people are bound by limitations. Perhaps their perseverance to sustain them to use their free time as much as possible to pursue further education, equip themselves and strive to climb up the social ladder is not enough. But should

they endure the misery of poverty and face a future of getting poorer because of their limited abilities and gifts? Obviously the answer is in the negative.

The Government knows clearly that the problem of wealth gap has become increasingly serious. Nevertheless, it is reluctant to explore solutions and resolve the problem in a comprehensive manner. The Government has repeatedly emphasized the theory of teaching people how to fish; that is, to promote social mobility through education and training. Basically nobody will consider this incorrect. I am of the view that this is one of the directions from which we can resolve the problem. And it is a right direction. However, in the past, the Government as a matter of fact, first of all, those who learn how to fish will have to pay tuition fees; second, they have to buy their own fishing rods and baits.

What I am referring to is that, for more than a decade, the Government has been providing many self-financing degree and associate degree programmes. In order to equip themselves, to strive for further progress, and to fulfil the wish of becoming outstanding, many young people pay an annual school fee of tens of thousands or even over one hundred thousand dollars to study these self-financing degree programmes. In the end, due to the problem of market disequilibrium, there are too many university students, too many degree holders, and too many associate degree holders. When they have finished the programmes, they are already in debts. Meanwhile, they can only find a job with a monthly income of several thousand dollars; just enough to cover their own transport expenses, two daily meals and a meager amount for their parents. After paying for all these, not much is left. After five or six years, the condition remains the same. They do not experience drastic rise in wages. These people have studied diligently but are burdened with debts. Expectations are not fulfilled. How can they not vent their grievances?

In order to increase expenditure but avoid offending the rich and the large enterprises, the Government has always upheld a low tax regime. I am also a beneficiary of the low tax policy. I do not have to pay a lot of taxes. In the past, when I was living in foreign countries, the amount of tax I had to pay was more than double of my present payment. However, the Government still finds itself incapable of coping with the expenditure. What kind of policy can it adopt? The answer is the high land price policy. This will allow property owners and investors in real estates and properties jointly contribute money to the

Government. To use a nasty term, this kind of high land price policy is a kind of drugs. The Government has urged people not to take drugs, but it is addicted to drugs. Why is it addicted? It is because it has failed to quit the habit. In the past, it had attempted to do so, but just the mention of quitting the habit — "85 000 flats only" — the entire society instantly shook and trembled, while all other symptoms surfaced. In the end, it could not help but take up the drug again.

After the financial tsunami, asset-price bubbles have now emerged, resulting in the incessantly soaring property prices. Meanwhile, a group of local residents who have been working for years can only witness the continuous rise of property prices. No matter how hard they try to save up their money, they cannot afford buying properties. While the rich can afford anything, the poor do not have a tiny place to live in. How can there not be strong grievances in society?

The Government has put forward the initiative of setting up a Community Care Fund in this year's Policy Address. We think this is a good idea. Although the Government has not provided details about the Fund, I believe the response of the business sector as a matter of fact, the business sector also wishes to do something for the community; and wishes to deliver a message, and that is, we should care about the poor. However, how will the Fund be implemented? Will our reliance on this kind of charity work resolve the problem?

As a Member representing the labour sector, I was asked by a lot of people why I had joined the labour sector. I think the starting point is that I am a member of the high-income middle-class, although my income may not be comparable to the government officials seated here. However, whenever I think about the fact that there are so many poor people whose skills and earning power are insufficient, and whose wages are incessantly dropping, I believe, as a member of the public, I should help them if I am able to do so. I can use my free time to do as much voluntary work as possible, so as to help the needy people. Nevertheless, I am of the view that the entire society cannot simply rely on kind hearts and charity work. We really need to explore what can be done from the perspective of the system.

The current situation is that the burden of high land price policy is borne by property buyers and mortgagors, and of course, some of the speculators. It is not borne by the large real estate developers, who continue to reap huge profits because they have already transferred the costs. Thus, the overall tax the expenditure of the Government is, in fact, borne by the middle class, and completely borne by them. Large enterprises with huge profits are enjoying the low profits tax. Have they genuinely made adequate commitment to society? I think the Government should really think about this.

Thus, I think the Government should revamp its policy direction. This may not be achieved in just one policy address. However, I would like to ask our government officials who are enjoying handsome salaries to ponder about whether our objective is to build a fairer society. I would like to ask whether more public expenditure should be borne by those who are capable, including people like you and I. That is why over the years, the FTU has all along advocated the levy of tax on the basis of a progressive tax system. The objective is to allow those who are capable to pay more. We understand that a high tax regime is not what the business sector wishes to see. We also understand that they are worried this will create difficulties for their businesses, or capital will outflow to other places. But when we take a look at other places in the world, we will find that the progressive tax regime is a norm. In fact, the adoption of low tax rates and a simple tax regime, as practised in Hong Kong, is an exception. It is, therefore, my wish to deliver this message here. These are my views on the Policy Address.

Thank you, President.

MR WONG SING-CHI (in Cantonese): President, this session focuses the discussion on the problems of social welfare, labour and families. President, in respect of welfare services, I am not asking the Government to put forward some patch-up measures in the Policy Address; instead, I am asking the Government to genuinely indicate a clear direction. As a matter of fact, tackling the problem of disparity between the rich and the poor should be accorded top priority. And the method of tackling should not be limited to slightly increasing the existing welfare only. Since we had been howling and wailing for a number of years, the Government had responded by saying that our views had been accepted, and that welfare items would be slightly increased. What we are demanding are not such

cosmetic changes which represent a lack of direction and commitment. Thus, President, I have pointed out in my amendment that I express regret at the Government's lack of commitment and failure to make earnest efforts to alleviate poverty.

According to the ranking of the world's richest countries and regions published by the American magazine *Global Finance* earlier, Hong Kong ranks seventh in the world. When presenting the Policy Address, the Chief Executive said, "Social tension in Hong Kong stems partly from the wealth gap. The most fundamental way to ease such tension is to enable the community to benefit from economic development and share the fruits of prosperity. Past experience has shown that Hong Kong's poor can have their living conditions improved once the economy embarks on a solid recovery." Is that the case in reality? I think the Chief Executive has eyes on the dominant part only; that is, the part of the rich, and fails to see the poor in the lower part. This is certainly not the actual picture in Hong Kong. Those corporations that enjoy huge profits and the rich are taking with them stacks of money to come shopping for luxury flats in Hong Kong. They are not at all cautious with spending money. However, the per capita income in Hong Kong, particularly the per capita income of the lower class, has all along been dropping. The so-called trickle-down effect refers to drops trickling down from a large funnel when the upper part of the funnel overflows with enormous profits. However, this concept is basically outdated. Without long-term poverty alleviation strategies, this Government has really disappointed members of the public.

The work of poverty alleviation involves two areas. The first area aims at resolving working poverty while the second area targets at providing retirement security for the elderly. It seems that both areas have not been mentioned by the Chief Executive in his Policy Address. I hope that the Secretary will formulate follow-up policies and inform us clearly in the next one or two years.

According to the definition adopted by the International Labour Organization, working poverty refers to the situation where a person's income fails to make his personal and family income rise above the threshold of poverty. There is neither an official poverty line nor a poverty threshold in Hong Kong. A statistical research on low-income families in Hong Kong has indicated that when the monthly income of a family is lower than half of the median household income of a family with the same number of family members, this family is in the

category of a family in poverty. Based on this calculation, currently 200 000 families with a total number of 700 000 people are categorized as working poverty in Hong Kong. There are many children, elders, persons with disabilities in these families. Most of the family members of these families are facing various difficulties. On average, each employed family member has to support two family members. When compared to those families in which each employed family member has to support 0.8 persons only, these families of working poverty are more stressful.

Last month, the Hong Kong Caritas Youth and Community Service interviewed 93 working families from districts such as Kowloon City and Tuen Mun. Families who were recipients of the Comprehensive Social Security Assistance (CSSA) were not included. The survey had found that 68% of interviewed grass-roots families had a monthly income of under \$10,000. From last year to this month that is, last month, the income of nearly 80% of the families had shown no increase. But there has been a drastic surge in property prices and our economy. This shows that the observation of the Chief Executive is basically wrong. Furthermore, 40% of the respondents were unable to make ends meet. The lower class has given a failing grade to this Policy Address. The poor are of the view that this Policy Address has basically failed to help them.

The Democratic Party has proposed that the Government should set up a system of subsidy for low-income families, that is, a system of working credit, splitting the low-earning CSSA cases from other groups. But the Administration has not accepted the proposal. Given the time constraint, I am not going to elaborate on the details. Basically we wish that the Government will provide subsidy to each family of the working poor that finds it difficult to make ends meet. What are the reasons for the Government to continue with its patch-up measures that have come under severe criticisms, instead of adopting concrete policies to help these families?

Moreover, the livelihood issue of the elderly retirees has always been a matter of concern to the Democratic Party. Many members of the public and community organizations have also pointed out that the provision of a universal retirement protection scheme is most pressing. But up till today, to the disappointment of many members of the public, the Government has not mentioned that it will conduct a study on the subject. We can see that there are

problems relating to the care services of the elderly. But the Government has only carried out the work it had undertaken to do in the past, and has only slightly expanded its existing services. Currently the elders have to wait for 30 to 40 months for residential care places. In our present-day society, why do elders who are unable to take care of themselves and do not have family members to look after them have to wait several years for residential care places? As Hong Kong people, we feel sad and shameful when we hear about these situations. It has always been said that it is imperative to look after our families. But when so many members of our families are facing difficulties, it seems that our Government does not have any solutions to resolve the problem.

The Democratic Party has all along asked the Government to alleviate the financial burden of families with disabled members. At present, many families have difficulties in looking after disabled members and elders. While they are waiting for places subsidized by the Government, they can do nothing but use the CSSA payments to meet the expenses of putting the elders and persons with disabilities in private homes. Basically the CSSA payments of \$3,000 to \$4,000 are unable to support elders, not to mention putting them in private homes. It will be helpful to alleviate the burden of family carers one way or another if each of them will be granted \$1,000 or similar subsidy. We have put forward this proposal to the Government. However, the Government has not adopted or even considered our proposal. Why is that so? Why does the Government remain so complacent and conservative, still believing that if the consortia and tycoons are reaping huge profits, the poor will be benefited?

The reality is not like that at all. Just take a look at the Café de Coral, which is making a profit and not operating on a deficit. Its boss, a member of the Provisional Minimum Wage Committee, actually made a statement at a meeting, claiming that after the minimum wage rate was set I believe he knows the loopholes in the legislation of a minimum wage very well, so he uses this advantageous position and conditions to find loopholes in law for labour exploitation again.

Let us consider this. The Government has asked this group of people to help formulate the policy. But how can we accept that? I had written to the Chief Executive and the Government, urging them to think more clearly about such a move in the future. It must not allow a certain group of people to take advantage of their work to learn about all the details; after which they not only

fail to dutifully carry out their responsibilities, but also exhaust every possible means to take advantage of loopholes in law for labour exploitation. How can we accept this situation? The Government acts like this all the time. It always appoints these people to be members of committees, allowing them to benefit after the job is done. If this is allowed to go on, there will not be harmony in the entire society.

The Democratic Party has put forward a number of concrete recommendations regarding this year's Policy Address. The Government always says that it does not have sufficient recurrent funding, and tells us not to think of using recurrent funding to meet the expenses of certain welfare benefits. So we rack our brains and put forward the proposal of setting up three funds of \$10 billion each: firstly, a maintenance fund for the retired elderly; secondly, a fund for developing residential care homes for persons with disabilities — these funds will be able to help the grassroots; and thirdly, a subsidy fund for healthcare and medicine. However, it seems that the Government has turned a deaf ear to our proposal.

I had asked a question on the waiting time for residential care homes for persons with disabilities at this meeting. The answer from the Administration indicated that the waiting time for residential care places for moderately mentally handicapped persons is 79 months, which means they have to wait for six to seven years. Severely mentally handicapped persons have to wait for 68.4 months. They also need to wait for six to seven years. Severely physically handicapped persons have to wait for 61.9 months. The waiting time for other categories is 30 to 40 months. With respect to development of residential care homes, it seems that the Government only provides 300 or 200 places each year. As for the bought places in private residential care homes, only 100 places are available currently. I do not know why the Government is still acting in this way.

The Chief Executive has proposed to set up a Community Care Fund. We doubt whether the objective is fundamentally to help the business sector get rid of the images of labour exploitation and unscrupulous employers. But we can see that the Community Care Fund is not generally supported by the rich. Ronnie CHAN, the Chairman of Hang Lung Properties Limited, said that this was equivalent to robbing, and that he would rather donate money himself instead of being "pressed" by the Government to do so. We can see that in proposing to set

up this Fund, the Government is only looking for some means to get people finance the project instead of committing itself. But the money may not necessarily be used in poverty alleviation. It may be used in electioneering or alleviating the hostility to the rich, instead of resolving the poverty problem. If this is the case, just as I had mentioned yesterday, if the Government increased the profits tax on corporations that recorded profits over \$10 million by 1%, it would have generated an additional revenue of \$6 billion to \$7 billion annually. In this way, the part of the business sector's contribution to the Community Care Fund will have been resolved. However, the Government has refused to consider that.

President, on the issue of labour, we have already legislated for a minimum wage. But after its enactment, we can see that the business sector is exhausting every possible means to continue exploiting loopholes in law to achieve its objective of reducing the actual income of wage earners. This is really infuriating because the people exploiting loopholes are exactly those who had helped the Government set the minimum wage rate. Is this not outrageous?

President, this year's Policy Address has mentioned about embarking on a study on standard working hours. I hope that the Secretary will implement the plan and seriously consider the subject.

At last, one merit can be found in the Policy Address, and I am referring to "gaau jun" (the English translation of which is transport subsidy; the term "gaau jun" in Cantonese means "plastic bottle") — not glass bottle or soft drink bottle but transport subsidy. The initiative allows the public to feel a little relieved. However, the Government is being forced to implement this initiative. It is not on its own volition to do so. Under the overall transport subsidy scheme, this initiative is fundamentally a wage subsidy. Given that the Government has taken the first step forward, why does it not take the second step, so as to secure a reasonable level of family income? The Government should not only offer petty favours, providing transport subsidy of a few hundred dollars only. And we still have to study how the details of the scheme can help the needy wage earners.

President, we still have to discuss a very important concept, and that is, the family-friendly policy. The Democratic Party has urged the Government to designate a "family day". Up till now, it seems that the Government has not addressed the issue. I hope that the Family Council, led by the Chief Secretary

for Administration Henry TANG and Secretary TSANG Tak-sing, will seriously consider designating a "family day" so that the concept can be genuinely promoted in the future.

Recently we have discussed about the issue of new arrival families. We can see that the Government has encountered difficulties in tackling this issue and has failed to achieve the objective of being family-friendly — many adult children and over-age family members are unable to come to Hong Kong for reunion with other family members. I hope that the Secretary for Security will follow the example of the Government to explore the concept of a family-friendly policy, and identify ways to help families in Hong Kong so that they can live in harmony and happiness.

President, as I still have a little speaking time left, I would like to talk about the youth problem. In my opinion, youth unemployment is a very serious problem. However, the Government has only repeatedly extended the 3 000 temporary jobs by one year. I hope that the Secretary will consider converting these jobs into long-term posts, requiring them to take up not only simple tasks. It is my wish that the Government will not only extend these 3 000 temporary jobs specially catered for young people aged 15 to 29 for one year, but will also discuss with organizations and corporations about the ways to enhance the abilities of these 3 000 young people, and to strengthen the job nature, thereby consolidating these posts as permanent establishments. In this way, a career ladder will be established for them to advance from tackling initially simple and fundamental duties on a temporary basis, to gradually handling work that requires skill, and further on to managerial level. To the young people, this step-by-step progress represents future advancement instead of some stop-gap measures. Organizing courses for young people to study or creating temporary jobs to fill them in whenever unemployment rate is high will be of no help to them at all. Thus, I hope that more can be done by the Government in this regard.

Mr CHEUNG Man-kwong will represent the Democratic Party to discuss the youth education problem in detail later. Right now, I am not going to talk about education, but the risk-adjusted factor for non-means-tested loans. This issue has been discussed for many years. Why does the Government not trust the youngsters who have entered universities? As a matter of fact, there is a popular doggerel in the Mainland, "You are destined to be poor forever if you fail to enter university; but you are instantly poor once you succeed to enter

university." This is because students have to loan a large sum of money without knowing how the loan can be repaid. If the Government continues to bully and oppress young people like this, they will not be happy during their study in university. This will only create an obstacle to the future of Hong Kong, and to our society in which there is keen competition for quality personnel.

Thus, I hope that the Government will make the decision of removing the risk-adjusted factor for non-means-tested loans in this year. This will bring to young people some — some good news, so that they will have peace of mind to study, and come to know that the Government also cares for them. We must not give them a feeling that our society is against them or does not care for them.

President, this Policy Address is the last but one policy address of the incumbent Chief Executive. I hope that he really has a sense of commitment and endeavours to do more for the people of Hong Kong. Thank you, President.

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

MR ABRAHAM SHEK: President, this session is on the subject of a caring society, and a caring society starts from the home. I shall be speaking on the subject of housing for the underprivileged.

The public rental housing (PRH) policy is all the same disappointing. The Government's decision to stick to the prevailing policy of constructing 15 000 PRH units per year to maintain an average waiting time of three years for the PRH units is obsolete, if not, inhumane. According to a study released by The Hong Kong Council of Social Service in early October, the number of people living in poverty in Hong Kong has reached a record high of 1.2 million, or about 18.1% of the total population. This is a sad figure indeed. The whole problem is that we need more PRH units. There are people living in cubicles who are longing for the PRH units. There are new immigrants joining the queue for the PRH units every day and they must wait for seven years to be eligible for the PRH units. Why can we not build more? We are not short of cash.

It is unbearable, if not shameful, for a world-class metropolis like Hong Kong to allow our people to live in cubicles and bed-space apartments for even a

single day, not to mention three years for those who are eligible. Are these signs of a caring society which our Government is now fostering? It must take the first step to care for the people; it must start from the very basic — from the home front. If the Government is able to find sites quickly for the My Home Purchase Plan, I just do not understand why it cannot do the same when looking for new PRH sites. It merely shows the Government's indifference to housing needs of the poorest members of our society. Is this a caring society?

With the widening wealth gap, it is also, I think, high time for the Government to review our PRH policy. The PRH eligibility criteria should be lowered to allow more people who cannot afford private housing to have a decent housing, and they should be given the first priority.

As time is limited, President, I would just like to request the Government to review its PRH policy.

Thank you.

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

(No Members indicated a wish to speak)

PRESIDENT (in Cantonese): If not, I now call upon the public officers to speak.

SECRETARY FOR LABOUR AND WELFARE (in Cantonese): President, I wish to thank Honourable Members for their many valuable opinions on this debate session of Investing for a Caring Society.

Livelihood issues are one of the highlights in the Policy Address this year. In the policy areas of labour and welfare, we have taken targeted steps to propose a number of new measures, as well as put in place across the territory certain pilot schemes with marked effect. At the same time, we have undertaken to conduct in-depth studies on subjects of public concern, as well as look into policies with far-reaching impact. I will focus on giving responses to Members' remarks and concerns.

I will discuss labour issues first. A remark is always on my lips, and that is, employment is the basis of livelihood and the foundation of harmony. This is because I firmly believe that employment is the prerequisite for improving people's livelihood.

If everything goes smoothly, a minimum wage will come into full force in the first half of next year to provide wage protection to grass-roots workers of Hong Kong, representing a landmark step in safeguarding our labour rights and interests. Legislating for a minimum wage is a massive project. With its implementation around the corner, instead of sitting back and relaxing, we have made ceaseless and continuous efforts to launch the huge-scale Work Incentive Transport Subsidy Scheme in the Policy Address this year to offer all eligible low-income workers in the territory, including part-time workers — I have to clarify once again that full-time and part-time workers will be treated the same as both Mr LEE Cheuk-yan and Ms Miriam LAU have expressed concern on this issue — a monthly transport subsidy of \$600 a person. At the same time, we have initiated — I stress that we have initiated — to conduct a policy study on standard working hours. It can thus show the Government's genuine care and concern for grass-roots workers, and that we have not dodged the issue at all.

Members have put forward just now many proposals for the Work Incentive Transport Subsidy Scheme. I certainly will give these proposals careful consideration. The Scheme covers the whole territory. As long as the requirements are met, every worker will receive \$600 a month without any prescribed time limits. It can thus show the Government's commitment and heart to help grass-roots workers. We understand that travelling expenses to and from work have put pressure on many low-income earners. It is hoped that concrete assistance as well as work incentives will be provided through this Scheme. We will give an account of the specific proposals and details of the Scheme to the Legislative Council Panel on Manpower before the end of this year.

Regarding standard working hours, some Members have opined that it is necessary to regulate by legislation as soon as possible while some have opined that as the matter carries significant weight and produces far-reaching effect, careful thinking is necessary. It shows that the issue is actually highly controversial. The setting of standard working hours is indeed a very complex

issue, involving complications possibly far beyond the setting of a minimum wage.

Our policy study will be conducted at three levels: Firstly, we will refer to the experiences of foreign countries, especially those that have put standard working hours in place for quite some time, in order to identify the experiences that we should make reference to and the lessons that we should learn. Secondly, it is necessary for us to collect data on the distribution of working population of Hong Kong, the number of working hours in different trades and work types at present, workers' background, and so on. Comprehensive, objective and detailed analysis will then be carried out. At the same time, we have to consider whether there are changes in the number of working hours in different trades and work types subsequent to the introduction of the minimum wage. Data are the most solid materials for reference. We must acquire adequate data before in-depth and meaningful discussions can be made and a consensus be reached. Lastly, we must communicate with the stakeholders, which include the Labour Advisory Board, labour unions, labour groups, chambers of commerce, employer groups, members of the public, as well as Honourable Members through the relevant Legislative Council panels to maintain constant interaction and communication.

To sum up, we will ensure a balance in the health, family and work of workers on the one hand, and take into account whether the business environment of Hong Kong as an international metropolis will be affected on the other. I will do my utmost to complete this important study during my term of office.

President, caring for the old and young, looking after people with disabilities and rendering support to the underprivileged is the core of the welfare initiatives of the SAR Government.

Honourable Members are well aware that the Government's policy objective in elderly care is "supporting ageing in the community as the core, institutional care as back-up". This also helps fulfil the wish of the majority of the elderly to stay home if circumstances permit. We have kept exploring in this direction and making every effort to improve. I have a piece of good news to share, and that is, next year, we will significantly — I stress the term significantly — increase the number of places of subsidized community care services, meaning

visiting services such as meal delivery and other support. The present number of places will be significantly raised, and a result will definitely be seen next year.

Second, the Integrated Discharge Support Programme for Elderly Patients, a collaboration programme between the welfare and healthcare sectors, has received positive comments and achieved effective results since its implementation. It is proposed in the Policy Address that the coverage of this service will be extended step by step from the current three districts to all 18 districts in the territory in two years' time, and it will be made a regular service as well. The number of elderly persons served will then increase from the current around 8 000 people a year to 33 000 people a year.

Many elderly people originally living in the community have to be admitted to hospitals due to problems such as suffering from a stroke or bone fracture. After they are discharged, they are unable to return to a normal life immediately perhaps due to inadequate family care or living alone. They are then forced to be re-admitted to hospitals or moved to residential care homes early. In fact, if they can receive proper support in the short critical period immediately after discharge, that is, the so-called "golden recover period", they have a very big chance to recover properly and actually spend their twilight years at home. The pressure on the waiting list for residential care homes, that is, the downstream services, will then be eased.

The Integrated Discharge Support Programme for Elderly Patients, the "through-train services after discharge" as we call it, covers the drawing up of discharge planning and training before discharge, and the provision of intensive rehabilitation and home care services immediately after discharge, with the aim of speeding up the recovery of elderly patients and helping them readjust to home life.

On the other hand, to ease the pressure faced by elderly people on the waiting list for subsidized nursing home places and their carers, additional resources will be allocated to launch a pilot scheme in Kowloon early next year to provide these elderly people during their wait with tailor-made home care services which are of a very comprehensive nature, including meal delivery, home care service, home-making service, physiotherapy, occupational therapy, and even healthcare support. We hope that the provision of these services will ease the pressure faced by the elderly people and their family members. In fact,

their family members and carers have to face enormous pressure. They commit and give a lot as well. The pilot scheme will run for three years. If it proves successful, consideration will be given to implementing it across the territory.

We will continue to examine proactively with the Elderly Commission the future long-term development of subsidized chronic care services for the elderly, especially how to provide solid supporting services to help them age at home. The consultancy study of how to improve community care services to help the elderly age at home is now progressing in full steam. We hope that the report will be completed in the first half of next year. We also earnestly hope that the study will shed new light on and bring new ideas to this subject.

Moreover, the Government will also consider offering more tax concessions as incentives for children to live with their seniors at home, so as to create better conditions for ageing at home.

This series of measures fully demonstrate the SAR Government's determination in doing its utmost in every aspect to achieve the target of ageing at home.

Doing a good job in ageing at home does not mean we do not have to spend effort on residential care services. Many people criticize the Government for being mean and that the Government aims to "save money" to do away with residential care services if ageing at home works. This is absolutely not the case. I must clarify that we are adopting a two-pronged approach, like walking with two legs. One is working upstream, and the other downstream. If the work is satisfactorily done upstream, naturally less pressure will be put downstream. We will certainly pay due attention to elderly people in need of residential care services. We will certainly take care of frail elderly people with no one to turn to. Hence, we will make equal effort in working upstream and downstream. We are aware that the waiting time for subsidized nursing care places is as long as 40 months on average, which is a matter of public concern. Therefore, we will continue to explore various channels, such as building new homes, utilizing space in the existing subsidized homes to increase the number of nursing care places, and providing continuous care places, to avoid the moving of elderly people with poorer health and allow them to continue to stay at one home. Moreover, we have decided this year to further increase the supply of higher-quality subsidized places (EA1 places) through the Enhanced Bought

Place Scheme, with the aim of upgrading the overall quality of privately-run residential care homes. This also serves as a response to the comments made by Dr Joseph LEE yesterday. He said that emphasis should not only be put on quantity but also on quality. In fact, we place quality and quantity side by side and give them equal emphasis. We would also take this opportunity to vitalize the market of privately-run residential care homes. At present, there is room for further improvement to boost the confidence of the service users.

Moreover, Dr Joseph LEE asked last evening about a pilot scheme, that is, the pilot scheme to provide visiting pharmacist services. I am most willing to give an account in this regard. The scheme was announced last year and put into practice in June this year. Twenty-six residential care homes have participated in the first stage, with 25 joining next year, and another 25 joining in the year after next. The work will go on. It is hoped that the pilot scheme will run for three years first with the participation of 76 residential care homes. If the scheme works, it will be further promoted in future, with a view to significantly upgrading the quality of drug administration and elderly care. I would like to thank Dr Joseph LEE for his advice yesterday.

I wish to present some important figures to Honourable Members. In the next four years, the number of nursing care places will significantly increase by 50%. At present, there are 2 191 places. The number will increase by 1 095 places in future. The number of care-and-attention places for elderly people with better health will also see an increase of 621 places. These figures fully demonstrate our continuous and genuine effort in working for the elderly in the hope of providing a greater number of places to ease the waiting pressure.

As our population ages, an increasing number of elderly people will suffer from dementia, which is another matter of public concern. This year, apart from increasing the existing Dementia Supplement for subsidized residential care homes in taking care of elders suffering from dementia, grants will be given for the first time to subsidized day care centres for the elderly to facilitate the employment of more staff and the purchase of relevant professional services to provide better care for elders suffering from dementia.

If anyone doubts whether the Government attaches importance to investing resources in elderly care services, I will simply share with you two figures. During 1997 to 1998, a total of \$1.6 billion were allocated to the elderly care

services under the Social Welfare Department (SWD). This year, the funding is \$4 billion. The amount has increased by 150%, that is, one-and-a-half times in 10 short years. This clearly demonstrates our commitment. We have continued to allocate resources to do a good job in elderly care services.

I wish to talk about the Old Age Allowance. Honourable Members are aware that, in order to allow elderly people to have more time to leave Hong Kong for the purpose of travelling or visiting relatives without jeopardizing their receipt of the Old Age Allowance, that is, the "fruit grant", we propose to substantially relax the limit of absence from Hong Kong from the present 240 days to 305 days a year, thus enabling elderly recipients to receive a full-year allowance as long as they have resided in Hong Kong for 60 days a year. For those who have resided in Hong Kong for less than 60 days a year, they will receive a *pro-rata* allowance calculated on the basis of their actual number of days residing in Hong Kong. The new arrangement will also apply to the Disability Allowance.

Some Members ask: Why are the elderly people required to reside in Hong Kong for 60 days? Why can the period not be shortened? Actually, the 60-day requirement is established having regard to the definition of "mobile residents" adopted by the Census and Statistics Department in the compilation of the population size of Hong Kong, that is, instead of residing in Hong Kong permanently, these residents are mobile. I wish to explain why the 60-day requirement is set. It is not something we make up out of thin air. Instead, we do it with grounds.

I fully understand that many views, including those of a number of Members, elderly people and political parties, suggest that the authorities should remove all restrictions on absence from Hong Kong both before application and after approval of the Old Age Allowance. The Chief Executive has already clearly explained in the Policy Address that this is a sensitive moment as the relevant policy is now challenged by a judicial review, further and serious consideration can only be given after the entire proceedings have concluded and the situation has become clear.

The proposal of residing in Hong Kong for 60 days is a positive and practical response of the Government that strikes a balance among law, reason and mercy, showing its great effort to offer elderly people as much convenience

as possible in the face of the challenge of a judicial review. It is hoped that Honourable Members and the elderly can understand.

We will give an account to the Legislative Council Panel on Welfare Services as quickly as possible. Then we will apply to the Finance Committee for funding. It is hoped that the measure will be implemented in the first quarter of next year, that is, expeditiously in early next year and no later than the first quarter, so that more elderly people will be benefited.

In the long term, as the relationship between Hong Kong and Guangdong grows closer, we think it is necessary to study from the perspective of regional integration ways to assist elderly people who wish to retire in Guangdong. There is, in our view, a constructive suggestion with insight in the community. The Democratic Alliance for the Betterment and Progress of Hong Kong proposed that a maintenance allowance for elderly people who have retired in the Mainland should be introduced. As the present "fruit grant" is limited by so many restrictions and checked by so many policies, is it possible for us to break free from the old framework and come up with a new idea? We are very willing to listen with an open mind to the views of every Honourable Member. We will listen attentively and seriously explore the feasibility of the proposal. Consideration will be given in various aspects as this proposal has legal, financial and technical implications that require careful examination. The Steering Committee on Population Policy led by the Chief Secretary for Administration will also focus on the study of arrangements facilitating elderly people to retire in the Mainland, such as medical support, and so on. Actually, the biggest issue faced by elderly people in retiring in the Mainland is medical services. This is a matter of concern of many elderly people. What kind of support is provided? The Committee led by the Chief Secretary for Administration will follow up to examine the whole set of arrangements.

It is common knowledge that people with disabilities have a great demand for various rehabilitation services. I must salute the family members and carers of people with disabilities. They make a lot of mental and physical efforts in looking after people with disabilities attentively. They have to face enormous pressure all the time. Hence, we will continue to provide additional places for pre-school, day and residential rehabilitation services to meet the various needs of people with disabilities.

Everyone is aware that there has long been a pressure point of the supply of residential care places. It is anticipated that the supply of subsidized residential care places will substantially increase in the next two years. Mr WONG Sing-chi has referred just now to the answer I gave to his question the day before yesterday. At present, the waiting time for people with severe physical disabilities is 61.9 months, but the waiting time last year was 112 months. Members can see from the 112-month waiting time last year to the 61.9-month this year that we have kept striving for improvement. The 61.9-month waiting time is still too long. Therefore, we have to keep pushing ourselves for improvement. Members should not forget that apart from reducing the waiting time from 112 months last year to 61.9 months this year, 955 residential care places will be added this year. These residential care places will to a certain extent improve the waiting time in two years' time, easing the pressure faced by people with disabilities and their family members. Moreover, sites have been earmarked in three future development projects for the construction of this kind of residential care homes. We will certainly not let any opportunity or any site slip from our hands.

Apart from steadily increasing the number of subsidized residential care places, we are now pushing ahead the legislative work of the Residential Care Homes (Persons with Disabilities) Bill. We are now at the stage of scrutinizing the relevant Bill. In order to dovetail with this licensing scheme, the Pilot Bought Place Scheme for Private Residential Care Homes for Persons with Disabilities was introduced in October, with a view to encouraging private residential care homes for people with disabilities to provide high-quality places to help the market develop residential care homes of different types and operation modes. At the same time, people with disabilities will be offered an alternative service option and the supply of subsidized residential care places will be increased. We are really walking with several legs and going ahead in an all-round manner.

I have just mentioned that the severely physically handicapped and the severely mentally handicapped need more care and support. We now hope that a pilot scheme will be introduced during their wait for residential care services. The three-year scheme will first be launched in Tuen Mun and Kwun Tong early next year to provide residential care services and enhanced home care services which are home based to the severely physically handicapped who are living in

the community and are on the waiting lists for such places in order to ease their pressure.

The Policy Address this year has discussed autistic children at length. We will continue to increase the number of pre-school places under the SWD to offer these children early intervention and training services as soon as possible, so as to increase their opportunity of enrolling in ordinary schools and participating in daily activities, and to assist families in coping with their special needs. Our medical social services will also be strengthened to dovetail with the services provided by the professional team of the Hospital Authority (HA) for autistic children and their parents. The HA will also tie in with our strategy to increase the 3 800 places for autistic children by 2 000 places. Hence, the number of training places in our whole system, including schools, pre-school education and the SWD will see a significant increase. Moreover, the number of centres will also increase. It shows that we have a mindset of paying all-round concern to the needs of different people.

Regarding mental health services, the Policy Address last year undertook to introduce district-based one-stop services across the territory. This pledge was realized in October this year. Community mental health support services have undergone reconstruction, with a total of 24 service points established in various districts in the territory to provide one-stop services.

Our manpower will be strengthened to tie in with the case management programme launched by the HA to offer appropriate support to patients with severe mental illness who are living in the community. Our psychiatric medical social services will also continue to be enhanced to provide assistance to people with mental health problems and their family members.

Securing permanent accommodation is now the major issue before us. Mr CHEUNG Kwok-che criticized that we had no planning. This is not the case at all. We actually have a sound planning. At present, the Wellness Centre at Tin Chak Estate in Tin Shui Wai is a permanent accommodation. Another five Training and Activity Centres for Ex-Mentally Ill Persons will be transformed into Integrated Community Centres for Mental Wellness. Besides, the rest of the Centres are turned into service points by making use of the facilities of the service providers in the existing service buildings or in the districts, such as

halfway hostels and other rehabilitation service accommodation, to provide services and activities in a flexible manner.

Of course, we hope that great support from the people in the district can be sought to establish Integrated Community Centres for Mental Wellness, so that a greater number of ex-mental patients and people in need can obtain convenient and comprehensive mental health services and support.

On the other hand, we will, at the same time, strengthen our support to parents who temporarily cannot take care of their children because of work or other reasons. We have decided to extend the coverage of the Neighbourhood Support Child Care Project, that is, the Community Childcare Provider Scheme from the current 11 districts to all 18 districts in the territory to provide more children and families in need with flexible child care services. The Scheme helps reduce instances of leaving children home alone, fosters mutual help in the neighbourhood, and promotes social harmony, which can be described as serving several purposes at the same time.

There is another highlight in the Policy Address, which may have escaped Members' notice. It is the extension of the Comprehensive Child Development Service currently serving half of the population to all 18 districts in the territory, that is, the entire population in the territory. This is a significant service. Maternal and Child Health Centres under the Department of Health serve as the platform for service units to identify high-risk pregnant women, mothers with postnatal depression and newborns to five-year-old children with problems in health, development or behaviour.

After problems are identified, children in need and their family members will be referred to suitable health or welfare units for follow-up services to facilitate early correction, so that a sound foundation for the future development of the children will be laid, and the various problems that may possibly emerge in the process of growing up will be avoided. The strategy we adopt is to nip in the bud. Resolving the problem early at the source is always better than taking remedial actions downstream. Besides, the target of this service usually comes from poor families. It is bound to help alleviate inter-generational poverty.

Youth unemployment is both a matter of public concern and a major focus of the Government. Hence, it is announced in the Policy Address this year that

the 3 000 temporary work opportunities created during the economic downturn in the year 2008-2009 will be extended a year. This special measure aims to assist young people to gain work experience and enhance employment competitiveness, so that they can secure a job in the open market. In fact, over the past two years or so, 30% of the participated young people have secured a job, proving the success of the scheme.

The Labour Department has also organized a one-year special training programme for under-educated young people with problems in emotion, behaviour and studies to assist them to seek employment.

In order to early identify and help students resolve their personal problems, pilot Cyber Youth Outreach Projects will be introduced to cater to their likes. We will make use of the Internet to reach young people in need, particularly marginal youths and hidden youths, to provide them with timely intervention and support. This three-year scheme is funded by the Lotteries Fund.

In the meantime, the SWD will commission an independent consultancy study to assess the effectiveness of the pilot scheme and whether the service mode can integrate with the existing youth services. The study will also give concrete suggestions on the way forward to develop more suitable services to help young people in future.

Mr TAM Yiu-chung proposed last evening in his speech that the Education Bureau should further relax the criteria for vetting and approving applications under the School Textbook Assistance Scheme to allow more students to receive full grant. Information provided by the Education Bureau shows that in the 2009-2010 school year, over 280 000 primary and secondary students were provided with textbook assistance, representing 36% of the student population. The amount of assistance disbursed was around \$440 million. Among these students, 29% of them received full grant. The Education Bureau points out that the existing mechanism for income test applies to all subsidy schemes ranging from kindergarten to post-secondary education. Any proposals of relaxing the vetting and approval criteria will involve an extra spending of hundreds of millions dollars a year. The Education Bureau needs to give detailed consideration to the resources involved, as well as the priority accorded to various policies and measures. The Education Bureau will certainly follow up with Mr TAM's proposal.

President, some Members have criticized that the force to combat poverty in the Policy Address this year is inadequate and on a piecemeal basis, failing to face squarely the wealth gap in society. In fact, the Chief Executive has clearly announced at the very beginning of the Policy Address the overall strategy to address the issue of poverty, which includes boosting the economic growth of Hong Kong; heavily investing in education to facilitate social mobility; providing employment support to enhance the quality of the workforce and ensure reasonable wage levels for workers; and setting a stable and sustainable safety net for the needy and the underprivileged. Many measures in the Policy Address are formulated with the aim of putting this strategy into practice.

I would like to share with you a figure in this financial year. The Government's recurrent public expenditure on the four major policy areas of social welfare (including the Comprehensive Social Security Assistance and Old Age/Disabilities Allowance, that is, social security), education, health and housing has amounted to \$139.2 billion, representing over 57% of the total recurrent public expenditure of the whole SAR Government. Besides, the Government has always provided many free or heavily-subsidized services in areas such as education, health and housing. Hence, the measures proposed in the Policy Address can be said to offer further support to the grassroots and the disadvantaged to help improve their living.

President, the work in the areas of labour and welfare proposed in the Policy Address this year can be described as pragmatic, positive and daring. Some proven effective measures I mentioned earlier, such as the "through-train services after discharge", the Comprehensive Child Development Service, the Community Childcare Provider Scheme, and so on, have turned from trial-based to implementation-based. This is a fruitful year for the implementation of trial-based schemes. This is a year of good harvest. We have specifically responded to the aspirations of the public in providing work incentive transport subsidy and have taken the initiative to conduct a study on standard working hours. We will continue to improve the relevant services, exploring and formulating future planning with foresight.

President, I so submit. Thank you.

SECRETARY FOR HOME AFFAIRS (in Cantonese): President, I wish to thank Honourable Members for their views expressed in this debate session of Investing for a Caring Society. I would like to respond to Members' comments on the work of the Family Council. The Council will organize a series of family education activities in the coming year, including parenting education, to consolidate the concept of family, advise on the way to get along with each other, improve communication skills, and so on. The Council will continue to actively mobilize all sectors of the community through the Happy Family Campaign, Happy Family Info Hub and the soon-to-be-launched Family Friendly Company Award Scheme to jointly promote family core values and foster a family-friendly environment.

The Family Friendly Company Award Scheme aims to commend companies that put family-friendly measures in place. For instance, some companies allow more flexible working hours to facilitate staff to take care of their family. And some companies of a certain scale even provide child care services and nursery classes for their staff's children. All these efforts deserve recognition. I hope that this Scheme will encourage the business sector to show more concern to the family commitment of their staff, so that a prevailing family-friendly environment will be fostered in society.

Regarding the support for poor families and families with elders and disabled members, Secretary Matthew CHEUNG has given a detailed account earlier.

Honourable Members also talked about social enterprises. I wish to thank Members for their views. A social enterprise is a business concern. If an enthusiast wishes to develop a social enterprise with success, other than having a social target, he must acquire entrepreneurship. Rather than seeking constant support from the Government, market forces coming from partners, suppliers and consumers are actually more important.

Hence, in the coming year, through measures such as Be a Friend to Social Enterprise, social enterprise award scheme, systematic training programmes and social enterprise fairs, we will encourage the business sector to render support to social enterprises, commend the success of social entrepreneurs, foster the spirit of social enterprises and promote socially responsible consumption.

A number of Honourable Members talked about the establishment of the Community Care Fund announced in the Policy Address. The establishment of the Fund aims to encourage the display of the spirit of care and help, and to realize the concept of sharing prosperity for a caring society. Any acts of enthusiastic support for others and any input in community welfare initiatives deserve recognition. As mentioned by Mr WONG Kwok-kin, the setting up of various funds to give support to the needy is something good after all. Hence, there is no need to make deliberate speculation in a negative manner. The Chief Secretary for Administration and colleagues in the Government are now actively gauging the views of all sectors of the community on the operation mode and other related details of the Fund. The major target is to render direct help, minimize red tape and administrative fees, and streamline the vetting and approval procedures. We hope that specific recommendations on the arrangements of the Fund will be proposed as soon as possible.

President, I so submit.

SECRETARY FOR SECURITY (in Cantonese): President, the Chief Executive announced on 7 July last year that a five-pronged approach, spanning social mobilization, community support, drug testing, rehabilitation and law enforcement would be adopted to step up the control in youth drug abuse problems, with a view to upgrading the effort to a territory-wide campaign against drug abuse.

We are very pleased to see that this territory-wide campaign against drug abuse has achieved initial results by the positive responses and concerted efforts of all sectors of the community in the past year or so. We have learnt from the statistics of the Central Registry of Drug Abuse that in the first six months of this year, the number of reported drug abusers in the territory has seen an overall drop; and the number of reported young drug abusers under the age of 21 has even reduced by around 20% compared with that of the same period last year. However, as I promised at the special meeting of the Panel on Security held on 19 October, we will definitely not be complacent, nor will we treat the issue lightly.

Among the anti-drug initiatives over the past year, the Trial Scheme on School Drug Testing in Tai Po can be described as the focus of public concern.

The number of reported young drug abusers in Tai Po last year has reduced by almost 30%, which is a more significant drop compared with the average reduction rate of the number of young drug abusers in the territory. The preliminary results of the consultancy study conducted in synchronization with the Trial Scheme on School Drug Testing have indicated that the Scheme has helped strengthen students' determination to stay away from drugs, as well as triggered young people troubled by the drug problem to take the initiative to seek assistance. Hence, the number of cases seeking help from the relevant counselling centres has drastically increased in the same period. Regarding prior concerns about negative impacts such as creating a labelling effect on schools and students, and damaging the relationship between students and parents/teachers, the preliminary results of the study have indicated that these worries have been unfounded.

We will not over-simplify the situation, placing all the credit on the Scheme for the results of the combat of drug abuse achieved in Tai Po. However, we do see that a new anti-drug atmosphere has started to brew in schools. To consolidate the results gained in secondary schools in Tai Po, with the support of principals and parents, the Government has decided to adopt the advice of the Action Committee Against Narcotics to extend the Trial Scheme on School Drug Testing in Tai Po for one year, in order to further the anti-drug effort among young people and accumulate more practical experience.

Families and schools are the battle fronts for fighting drug abuse. In view of the increasingly hidden nature of the current youth drug problem, it is necessary for us to strengthen and solidify these two defence lines. In addition to families, the Chief Executive has announced in the Policy Address that the number of social work professionals in all secondary schools will be increased by as much as 20%. Focusing on anti-drug social work services in schools not only can step up early identification and help students solve the drug problem, but also can reach parents of high-risk students to render joint support for students in need.

As to young people unfortunately troubled by the drug problem, different modes of treatment and rehabilitation services are now available to help them give up drugs. Innovative and effective services must be developed in tandem with the latest trend of the drug abuse problem. We have planned to invite all

sectors shortly to propose to us innovative and effective drug rehabilitation programmes to help us better plan the appropriate support arrangements.

Moreover, with the support of the Beat Drugs Fund, assistance will be given to drug treatment and rehabilitation centres yet to meet licensing requirements to expedite their improvement works. Also, suitable sites will be identified for their early relocation.

There is a trend that youth drug abusers are getting younger. In the process of drug treatment and rehabilitation, it is necessary for us to strengthen the provision of education services to school-age youngsters. Starting from the 2010-2011 school year, the Education Bureau has increased subsidies by as much as 40% to enable school-age youngsters receiving residential care services in drug rehabilitation and treatment centres to receive short-term regular education that suits their needs.

The Beat Drugs Fund is an important measure to mobilize the community to combat drug abuse. Since the establishment of the Beat Drugs Fund in 1996, almost \$300 million have been allocated so far to support over 550 different community anti-drug programmes. We are very happy to see that the Honourable Members have supported the funding proposal of injecting \$3 billion to the Fund in May this year, so that the Fund is adequately financed to provide support for different sectors and organizations to carry out meaningful and effective anti-drug work at the district level.

Other than efforts in the above areas, the law enforcement departments will, of course, continue to try their utmost to intercept the supply and sources of drugs. In 2009 and the first six months of this year, the Hong Kong police and the Customs and Excise Department seized a total of 1 461 kg and 74 000 pieces of drugs of a market value of around HK\$743 million.

In the area of intercepting drug inflow, our law enforcement authorities have always maintained a close contact with their Mainland and overseas counterparts in exchanging intelligence and holding joint operations to combat cross-border drug abuse and drug trafficking activities. As the varieties of drugs come thick and fast, we will join hands with Mainland and overseas law enforcement units to closely monitor the latest trend of drug abuse and drug trafficking, and adopt appropriate tackling measure. In fact, we have prepared to

consult the Panel on Security in November about our proposed regulation of several emerging drugs. We hope that the relevant subsidiary legislation will be submitted to the Legislative Council for scrutiny in the first quarter of 2011. We hope that Honourable Members will support our legislative proposals at that time to put in place statutory regulation of emerging drugs as early as possible.

President, despite the fact that initial results have been yielded in our fight against drug abuse in the past year, I wish to reiterate here that the Government will never be complacent or reduce its vigilance. Quite the opposite, combating drug abuse is an ongoing job. We will continue to put in place comprehensive and sustainable anti-drug policies. And we are happy to continue to listen to the views of the public to join hands with all sectors to promote anti-drug initiatives.

President, I so submit.

PRESIDENT (in Cantonese): The third debate session is now concluded. We now proceed to the fourth debate session on the theme of "Optimizing our Demographic Structure and Attracting Talent". This session covers the following three policy areas: education, health services and security (immigration policy).

MR ALBERT HO (in Cantonese): President, the voluntary Health Protection Scheme is the focus of the healthcare section in the Policy Address. However, in order to understand how the SAR Government looks at public health, we must have an overall idea of the relevant policies such as the medical industry, the Mainland/Hong Kong Closer Economic Partnership Arrangement (CEPA), and so on. While these policies expand the client base and cash flow of insurance companies, and drum up business for private hospitals and medical groups leading to a substantial increase in the income of private doctors, we may have to pay the price if there is a serious manpower drain in the public health sector, and a subsequent drop in its service quality.

It is pointed out in the Policy Address that the Government is developing the medical services industry to attract non-locals to use the medical services in Hong Kong. At the same time, four sites have been allocated at discounted prices to operators to build private hospitals. Secretary Dr York CHOW has

indicated that the treatment of illnesses such as heart disease and cancer is the principal item. The training of top specialists for performing these items may take as long as 15 to 20 years. It is pointed out in a 2009 paper of the secretariat of the Task Force on Economic Challenges that due to a drain in manpower in the public health sector, the development of private medical services will lead to a drop in service quality in the public health sector. However, the Government has not put forward any specific plans or timetables for the training of specialists. Neither has it proposed ways to attract foreign top healthcare personnel to work in Hong Kong.

On the contrary, the Policy Address this year proposes the way to export medical personnel. In the policy agenda this year, it is stated that "work in collaboration to promote and implement the new liberalization measures under the CEPA to expand and open up the medical service market in the Mainland with a view to facilitating healthcare service providers in Hong Kong to provide diversified medical services in the Mainland". Hong Kong has only 1.4 doctors for every 1 000 people, which is far lower than the ratio of 3.1 doctors in the Asia-Pacific Economic Cooperation countries. The rate of manpower drain in public hospitals this year sees a new high in four years. In the district of Hong Kong Island alone, the rate is as high as 9%. To attract non-locals to use medical services in Hong Kong and to help local doctors practise in the Mainland will even further lower the overall ratio of healthcare personnel in Hong Kong.

President, the recently-announced voluntary Health Protection Scheme will further aggravate the problem of insufficient manpower in the public health sector. Under the Scheme, members of the public will be subsidized for the purchase of health insurance. Those who have taken out health insurance will use medical services more frequently, leading to a greater demand for private medical personnel. To solve the problem of manpower drain in the public health sector, the salaries of its staff have to be raised to persuade them to stay, causing medical costs to rise. However, at the same time, we have to remind the Government of the advice given by government consultants, pointing out that with reference to the experiences of foreign countries, private health insurance takers are always found to continue to rely on publicly-funded hospital services. Hence, when the manpower of the public health sector drains and the medical costs rise while the number of service users does not drop, the overall quality of medical services will see a decline. Grass-roots people who have to stay in the public health sector, in particular, will possibly be made victims of the Scheme.

The Chief Executive is well aware that developing the medical services industry, promoting the Scheme as well as helping doctors practise in the Mainland will possibly lead to "a scarcity of doctors". Professor FOK Tai-fai, Dean of Medicine of The Chinese University of Hong Kong has advised that it takes six years for medical students to complete their undergraduate training and another year for residency. And it takes six years for specialist training. Even when the number of places increases in 2012, many of the specialists will not be of service until 2025. However, the Government has not adjusted the timetable of implementation in the light of the time factor for training up talents. Not a single word is mentioned in the Policy Address about the specific plan and timetable of how to increase the number of medical students, or the ways to attract foreign outstanding or top medical personnel to practise in Hong Kong.

The doctor profession has opposed increasing the number of doctors in the hope of fighting for the rights and interests of the profession. However, a shortage of doctors and a rise in their salaries and the medical fees are inevitable consequences. I believe everyone agrees that this is a judgment based on common sense. However, the Chief Executive and the Food and Health Bureau have ignored such consequences as manpower drain in the public health sector and future aggravation in medical inflation, and kept introducing policies that are beneficial to professional bodies and consortia. They have disregarded the possible impacts of these policies on the grassroots and the further widening of the wealth gap. I believe the Government must face this issue, particularly the accusations of the grassroots who have to bear adverse consequences in future.

President, another query against the Scheme is: Why should \$50 billion from the public coffers be allocated to subsidize the more well-off people to purchase health insurance to enable them to have an additional protection? These people can rely on government subsidies to take out insurance. At the same time, they can also continue to enjoy public medical services. However, many services in the existing public health sector are in need of subsidies urgently, but the Government totally ignores them. For instance, eleven life-saving drugs for cancer treatment in the Drug Formulary are not subsidized by the Government at all because of their high costs despite their proven efficacy in extending patients' life at least for a period of time. As a result, many patients can only wait helplessly for their lives to end even though drugs are available.

President, \$170 million were spent on the purchase of these 14 drugs for cancer treatment last year. The Government has witnessed some patients and families, though well off, exhaust all they have, savings and assets, because of an illness, and some even have to give up treatment because they cannot afford it financially. Are these what a caring government wishes to see? We have a wide wealth gap in society. The public health sector appears to have provided complete medical protection. However, this safety net actually has a hole in it. I have mentioned earlier that some middle-class people are left penniless just because they have unfortunately got a serious illness after retirement. However, the Government does not offer them any assistance at all. Hence, the Democratic Party has demanded this year the allocation of \$10 billion from the huge revenue generated by land sale for the setting up of a drug subsidy fund to subsidize the public to purchase these expensive but effective drugs, including the 14 drugs for cancer treatment I mentioned earlier. I hope that the Secretary will give a response later to indicate whether it has a conscience.

Regarding primary healthcare, the Government has spent around \$200 million on the reform of the primary healthcare system. We will wait and see if the Government's primary healthcare services will really be enhanced, or the Government just employs a series of market measures to, on the surface, subsidize the public to use private medical services, but in reality, lessen its commitment, resulting in the private medical operators being the final winner and the poor failing to get any real benefits after all.

MR CHEUNG MAN-KWONG (in Cantonese): President, this year, the Policy Address delivered by Chief Executive Donald TSANG has focused on housing and elderly issues, as well as the wealth gap. Education is no longer one of the highlights but has even become a target of "being slashed". In the past, Donald TSANG stressed that education accounted for one-fourth of the government expenditure. This year, expenses on education have quietly "shrunk", representing just a bit over one-fifth of the total.

The proportion of education expenses has drastically fallen from 24.1% last year to 20.2%. In terms of GDP, it is a drop from 4.5% to 3.6%. This year, although the recurrent expenditure on university education will increase by \$1 billion, and a fund of \$2.5 billion will be set up for the development of self-financing post-secondary education, the major trend of contracting the

resources for education is hard to be diverted. In terms of attaching importance to education by increasing resources for education, Donald TSANG is not doing as good as TUNG Chee-hua. It is because TUNG Chee-hua did not cut any education expenses even after the financial turmoil.

The change of the subsidized university programme from three years to four years has used up all the Government's contracted resources for education. The savings resulted from a decline in primary and secondary student population have been used to subsidize the expansion of university education. The increase of \$1 billion in the recurrent expenditure of university education is actually achieved at the expense of school closures and reduction of classes in primary and secondary schools. As a result, basic education has become the biggest loser. Donald TSANG's strategy for education investment is contracting education expenses and subsidizing tertiary education with basic education, and then subsidizing healthcare expenses with education resources. Donald TSANG's policy objective is to start the expenditure cut with education and to make students suffer first. In the coming days, basic education will be open to exploitation. However, basic education is universal education. Its quality, good or bad, will affect every student. How could its resources be cut so easily?

The community attaches great importance to education, expecting that a decline in student population will optimize the quality of education in Hong Kong. Several years ago when the size of primary student population got smaller, the Government was not willing to implement small class teaching. Instead, 140 primary schools were "killed". Since 2001, 130 000 primary school places have been cut so far. From 2001 to 2009 alone, the savings resulted from reduction of classes have accumulated to as high as \$6.8 billion. Primary schools have experienced blood and tears. In the era of Arthur LI, the Education and Manpower Bureau exaggerated the cost of small class teaching in primary schools, saying that an additional \$3.1 billion had to be spent each year and that it was an "expensive" road of no return. However, when small class teaching was formally implemented in primary schools last year, the Financial Secretary announced that the expenses involved were only \$170 million. Expenses on primary school education last year accounted for only 21.5% of the total education expenditure, which is lower than the expenditure level 10 years ago. How can it be regarded as expensive? Evidences show that the "expensive" detour of no return, a term coined by Arthur LI about implementing small class teaching in primary schools, is just a lie to intimidate, which is collapsed by itself

without any outside forces. Today, according to Secretary Michael SUEN, the implementation of small class teaching in secondary schools is even more expensive, costing \$40 billion, an even more exaggerated figure than the one presented by Arthur LI. This is just alarmist talk, a secondary school version of "crying wolf".

It is even more saddening that secondary schools are going to suffer the same fate of primary schools in experiencing school closures and reduction of classes because the peak of reduced student population has moved from primary schools to secondary schools. In the seven years between 2009 and 2016, the Form One student population is expected to see a sharp drop of 30%. The Government has to close schools accepting band-three students in exchange for the survival of other schools. After calculation, resources drawn from school closures in these seven years will surprisingly amount to \$13.85 billion. Ten years of secondary school closures is basically a planning blunder of the Education Bureau by "building schools on the one hand and closing schools on the other hand". However, the pain is borne by teachers and students collectively. The under-achievers, who are forced to turn to another school for their senior secondary education, will have to face more difficulties in their studies. Since secondary schools have to accept students of different bands, greater diversity in student ability will cause greater difficulty in teaching. Teachers affected by reduction of classes will face an uncertain future and are forced to stray from their teaching duties to do publicity in shopping malls and even go to Shenzhen to recruit students in order to boost the student intake. Policies on education reform, such as school-based assessment, school self-evaluation and external school review as well as the medium of instruction, are twisted to be the indicators for "killing off" schools. The situation of secondary schools will be volatile and never will there be days of peace.

The education sector has originally intended to stage a major demonstration to "fight for small class teaching and against school closure in the secondary school sector" on the Sunday ahead of the policy debate. In the end, the demonstration has to be postponed to next Sunday due to the typhoon. The date of demonstration may alter but the community's determination to fight for small class teaching is immovable. A survey conducted by the Hong Kong Institute of Family Education reveals that 80% of parents believe small class teaching can better handle student diversity, and urge the Hong Kong Government to, from next year onward, implement small class teaching in secondary schools with a

class size of 25 students immediately. In just three weeks, 5 000 units have responded by participating in a joint signature campaign on small class teaching initiated by the Hong Kong Professional Teachers' Union (PTU). Many of these units are parent-teacher associations, primary schools, retired teachers, tertiary lecturers, students of The Hong Kong Institute of Education (HKIEd), and even colleagues of the Legislative Council. The signature drive for small class teaching in secondary schools organized by the PTU is still underway. There are over 15 000 signatures collected so far. Over half of them are signed by parents who are the largest group. It can thus be seen that the fight for small class teaching in secondary schools is generally supported by parents and the community.

Our fight for small class teaching in secondary schools aims to better utilize the vacant school places. It does not mean to be a one-off exercise. Instead, it will be implemented in secondary schools by districts and in phases. The recurrent expenditure on the measure in seven years is around \$8.2 billion. In other words, as long as the savings of \$13.85 billion from the reduced student population is made available, in addition to the implementation of small class teaching in secondary schools, as much as \$5.65 billion will be left for other initiatives aimed at enhancing education. We urge the Government to pull back before it is too late and stop closing schools and slashing basic education. It should grasp this golden opportunity of a declining student population size to implement small class teaching so as to maintain stability in schools, including increasing the number of teachers and improving the teacher-student ratio to do a good job in teaching students.

Regarding the second year of the new senior secondary curriculum, a number of issues are awaiting rectification. For instance, the contents, workload, assessment and recognition of the new elements, such as Liberal Studies, Other Learning Experiences and Applied Learning, have sparked much debate. Among them, a survey conducted by the PTU found that the level of pressure experienced by 30% of Liberal Studies teachers is at the top end of the scale because Liberal Studies is a new and demanding subject and diversity in student ability is relatively great. Whether it is the preparation for teaching materials or the exploration of individual topics, they put a great strain on teachers. The authorities should provide concrete support to the implementation of group teaching for Liberal Studies, and increase the number of regular teaching posts for Liberal Studies to maximize the effect of education. At the same time,

the authorities should listen to the views of front-line teachers to slow down the pace of the education reform, and abolish or postpone items of secondary importance or with doubtful effect such as school self-evaluation and external school review to move education back to the right track.

President, small class teaching in primary schools was started last year. At present, around 70% of primary schools have it implemented. The authorities should urge the districts and schools that meet all requirements to implement small class teaching with a class size of 25 students as soon as possible so that all children can enjoy the benefits of small class teaching. The authorities should put emphasis on the support for small class teaching, instead of gradually reducing their manpower support. Last year, the authorities originally planned to cut 700 contract teachers for small class teaching. After our fight against it, only 300 places were retained and the term of contract was only for one year. On the contrary, primary schools maintaining big classes of 30 students each could increase regular teaching posts according to the establishment. It can thus show that the Government's conflicting policy has encouraged big class teaching and dealt a blow to small class teaching. The authorities should review their measures and render adequate support to schools for the implementation of small class teaching.

Both the education and welfare sectors have had serious concern about student counselling in primary schools. At present, 1.65% of senior primary students have abused drugs. Over the past three years, the number of new arrival primary students has been close to 15 000. Many of them have had problems to adapt and study. And the mental health of 20% of senior primary students has reached an alarming level. However, primary schools have been provided with insufficient counselling personnel. In particular, the 167 schools operating fewer than 17 classes are granted only half of the amount of student counselling allowances. In other words, these schools can only employ one-half of a counselling teacher to handle a large number of student and family problems. Even though these teachers have the heart, they do not have enough strength. In this regard, the Government should pay attention and provide a solution.

Although early childhood education is another popular topic in education this year, the Policy Address has not mentioned a single word about it. The Government has commissioned the Education Commission to conduct a one-year review of the pre-primary education voucher scheme and the results will be

released soon. However, the early childhood education sector has criticized that the review has been carried out behind closed doors and public consultation has never been conducted. Hence, I have requested the Chairman of the Legislative Council Panel on Education to hold a hearing on kindergartens before the release of the review report so that parents and the early childhood education sector can express their views.

Early childhood education has long been neglected. Even with an annual subsidy of \$2 billion for the voucher scheme, it accounts for only 4.7% of the education expenditure, which is pitifully scanty. Besides, the voucher scheme promotes education by market mechanism, leading to a lot of problems. For example, under the scheme, the salary scale for kindergarten teachers is abolished and their salaries are determined by the market. As a result, kindergarten teachers instead of having a pay rise after training, close to 10% of them receive salaries that are even below the starting point of a qualified kindergarten teacher. The salary of whole-day kindergarten teachers is only around \$9,000. And not few of them even have a salary below \$6,000. A question in a recent survey conducted by the HKIED has asked kindergarten teachers whether they will stay in the profession after two years' time. And 30% of them have responded that they have not decided whether they will stay on after training. It is a waste of talent to the extreme. While kindergarten teachers cannot see a professional future and have to face excessive work pressure, the rate of manpower drain naturally surges. The voucher scheme has led to the introduction of external school review and vicious competition in recruiting students, turning the policy into something else with a deteriorating quality. The voucher scheme has also generated a large amount of administrative work, constantly minimizing the room for teaching. The working hours of kindergarten teachers are getting longer and longer. Close to 80% of them say that they have used up all their energy but the workload has kept rising, which has even offset the effect of kindergarten teacher training. This really sounds an alarm for early childhood education.

The voucher scheme, which has been introduced for less than four years, are riddled with problems, showing us clearly that a free market cannot promote quality early childhood education. The voucher scheme originally aims to reduce the burden of parents but the subsidies for school fee remission are offset. In the end, some grass-roots families have to pay higher rather than lower school fees. Besides, with independent private kindergartens turning into non-profit-making kindergartens for the sake of redeeming the vouchers, they

lose the space of survival due to a lack of rental subsidies. Moreover, the voucher scheme fails to treat all children in the same manner. All the above show that the voucher scheme is riddled with diversified and complex problems. The scheme is afflicted with all kinds of ills. The problems cannot be resolved by piecemeal measures only. The Democratic Party formally proposes that 15-year free education should be provided in Hong Kong, including kindergartens in subsidized education and directly subsidizing the salaries of kindergarten teachers. Only in this way can the problem be solved at the root and the quality of early childhood education be enhanced.

President, the Department of Health has confirmed that the number of autistic children has seen a sharp sixfold rise from 218 in 2002 to 1 452 last year. At present, over 2 000 of them are studying in mainstream schools. Due to a lack of resources and support, they face many difficulties in integrating into their school life and studies. However, on the brink of "the burst of the pot", the Government has finally launched a three-year pilot scheme in 80 primary and secondary schools to assist them to return to mainstream schools. It is estimated that around 40% of autistic school children will be benefited.

However, the authorities seem to forget that, other than autistic students, tens of thousands of students in need of inclusive education also have different special education needs. Despite the small progress pushed by the Council and parent groups over the past decade for the policy on inclusive education, sitting at the class and idling away their youthful years have remained the fate of these students. What is crucial is the lack of comprehensive support for the policy on inclusive education. As a result, teachers suffer, students suffer, parents suffer, and the whole school is a total loser.

Moreover, the Policy Address has not given any coverage on special education. While the minimum student intake for small class teaching in primary schools dropped to 16 students years ago, it is until last year that the Education Bureau adjusted downward the class size for mild mentally handicapped children from 20 to 15 students, 10 students a class in schools for the moderately mentally handicapped and eight students a class in schools for the severely mentally handicapped. However, the class size of schools for the visually impaired, hearing impaired, physically disabled and that of schools for social development has remained unchanged, which is very disappointing indeed.

Although the Chief Executive this year has announced that "there will be 500 more undergraduate places each year", it is just a drop in the ocean that cannot meet the expectation of the 5 000 academically-qualified students who are deprived of a subsidized undergraduate place. In 2012, the university student intake will stand at 15 000 students. However, it still cannot meet the expectation of the 23 000 students achieving minimum admission requirement in the first Hong Kong Diploma of Secondary Education Examination for university education. In fact, the increase in the number of undergraduate places proposed by Donald TSANG aims at tackling the shortage of healthcare personnel. It cannot satisfy the need of local students for university education.

This year, the Government has forgotten the lesson learnt from the "Great Leap" of associate degree holders, as well as the time bomb of graduates being denied access to further studies. The policy on post-secondary education is haphazard. Like the fund proposed by Donald TSANG, only \$120 million of interest derived from it will be used each year. Despite the small amount of interest, it has to be divided into three to serve the purposes of providing scholarships to students of self-financing post-secondary programmes as well as providing grants for the assessment of undergraduate programmes and for enhancing the quality of teaching and learning. However, institutions still have to be self-financing, and students still have to pay expensive tuition fees and even take out a loan to "repay mortgages" for universities. The pain is there all the same. Self-financing institutions can only charge a limited tuition fee. How can they develop quality degree programmes? How can they compete fairly with publicly-funded universities?

Unjust education policy has fuelled the grievances of young people and the public. The Government keeps discriminating against associate degree holders while students are forced to take out high-interest loans to "repay mortgages" for institutions. After graduation, students have to live frugally. They dare not marry; dare not take out a mortgage; dare not have children. In this society of "three dare nots", how can people be content? How can people live and work in peace? How can social stability be achieved?

During the 13 years since the reunification, the Government has not only failed to pay due attention to the property supremacy, but has also given property developers free rein to "use verbal tricks" to sell "inflated buildings". Neither has it done anything to rein in the escalating property price, which has made

people "a slave of their property" for a lifetime. In the past, there was still the Home Ownership Scheme (HOS) for the middle class where they could buy a property at a more affordable and stable price to lead a content life. Today, Donald TSANG "objects to everyone's idea" and refuses to reinstate the HOS. Instead, a "rent-to-buy" scheme is introduced, under which the number of places and the income are all restricted. It is most unlikely that the middle class will be benefited. Take a young teacher as an example. Although he is single and can afford to rent, his income left is not enough for the saving of the down payment. Hence, My Home Purchase Plan actually cannot help him "purchase his first flat". In the case of a teacher couple with higher income, they do not meet the application requirements. They can only struggle in an expensive flat built by property developers.

This is the case of the middle-class teachers. This is also the case of the professionals. They have no public housing flats; they have no HOS flats; they draw no benefits from My Home Purchase Plan; and they have no money to buy private flats. They are another version of the "four noughts". However, they pay tax hundred per cent; they face work pressure hundred per cent; and they face mortgage pressure hundred per cent. It is no wonder that some university students with foresight honestly register on the waiting list for public housing after graduation. However, he may have to worry about his girl friend's displeasure with his doing so. Love is really too heavy to bear!

The middle class suffers tax woes, housing woes and healthcare woes. The Government has recently intended to spend \$50 billion on promoting health insurance to encourage the middle class to turn to the private health sector for medical services, with a view to easing the pressure faced by public hospitals and reducing the burden of the public health sector. However, the real concern of the middle class is that the \$50 billion will be spent on "doing a disservice out of good intentions". They worry that by taking the two-pronged approach of promoting health insurance and developing medical industry, medical inflation will be led to spiral; health insurance premium will be escalated; and private hospital fees will be charged at a high rate.

The middle class, when approaching middle age, witnesses the pain of many of their family members passing away. They cannot help being disenchanted when they remember what have happened. Long queues are everywhere in public hospitals; expensive fees are charged by private hospitals;

and "large premium but small coverage" is the feature of health insurance. In the wake of a serious illness and a claim, the premium will be substantially raised immediately. Cancer patients are even more distressed because the purchase of "life-saving" drugs will leave them penniless. In the past, the middle class could repay mortgage, support their family and provide for their old life after working for 40 years. In the future, the middle class will have to work for mortgage repayment before they are 60 years old, and live in poverty for medical treatment after 60 years old. Old age is not terrible, an illness is. What is more terrible is a chronic illness that gets family members into trouble and results in a miserable death. Should the middle class who has paid tax for a lifetime deserve such a life in old age?

The plight of the middle class in the healthcare system cannot solve the misfortunes of the grassroots. Health insurance will spur the demand for medical services and accelerate the drain of talent in public hospitals. Health expenditure of the Government will be divided into two in future. On the one hand, it will invest in the health insurance market, sparking medical inflation; on the other hand, it will maintain the operation of public hospitals that have already been regarded as only second class. Health insurance stirs up a thousand waves. The Government and the public will face a lose-lose situation at any time while the insurance industry and the doctor profession will surely get a win-win gain. The health insurance of the middle class will at any time be void in old age, resulting in their need to start afresh waiting in public hospitals, and to apply afresh to the Samaritan Fund for the purchase of expensive "life-saving" drugs. Hence, I doubt whether the health insurance scheme will lead us to a bright path or a bottomless pit.

President, the Policy Address has evaded the demand of the education sector for the implementation of small class teaching in secondary schools, the grant of full subsidy to early childhood education and the provision of 15-year free education, and the increase in the number of subsidized undergraduate places. However, it proposes out of the blue to develop a subject on moral and national education, and to examine students on their knowledge of the Basic Law. This is putting the cart before the horse, a means to suppress education with politics.

The response of Donald TSANG on the award of the Nobel Peace Prize to LIU Xiaobo is "no comments". Earlier, he even stopped boats carrying activists

to Diaoyutai to declare sovereignty. Conflicting facts show that the national education proposed by Donald TSANG is the obedient instilling of national conditions, or even the model study of national conditions, instead of the real civic education. "National" and "civic", the difference in one word, however, demonstrates two different education pathways. One is to face the Central Government and the other is to face the civilized world.

Civic education of Hong Kong stemmed from the social movement in the 1980s when emphasis was put on democracy and participation. However, the post-reunification civic education has removed the universal values of democracy, freedom, human rights and the rule of law. Instead, it has only stressed on national identity, narrowing civic education to national education, and further narrowing it to national condition education or national policy education. This is a retrogression of the vision for education. If the nature and quality of national education undergo further changes, reducing it to imperial study; if it evades the country's acts of corruption and its suppression of dissidents to defy universal values of democracy and freedom of the mankind, giving applause in greeting the Olympics and the World Expo while keeping silence in encountering June 4 incident and LIU Xiaobo, only yes-man and simpleton will be produced. The difference in it and civic education is as far apart as heaven and earth.

Civic education in Hong Kong today should embrace vision of the world on the one hand, and feelings for China on the other. However, more importantly, it should present a full and true picture of China and the world — a full and true picture; it should safeguard the natural freedom and rights enjoyed by humans; it should teach students to have a sound understanding of both the bright and dark sides of China in history; it should frankly include values of the human civilization, replacing political instilling with independent thinking; it should allow teachers to show their political stance and provide students with sufficient information to make a free choice.

President, the 10 000-teacher assembly in 2006 urged the then Secretary for Education and Manpower Arthur LI to introduce nine tricks to put out the fire. However, the determination of the Government to relieve teachers' pressure was as short-lived as the morning dew. All sorts of measures, such as territory-wide system assessment (primary schools), school self-evaluation and external school review, senior secondary school reform, Liberal Studies as a compulsory and core subject, school-based assessment for every subject, reduction of classes and

school closures in the secondary school sector, have been launched with a momentum of an avalanche and a force as urgent as a coming storm. The work pressure of teachers is heavier rather than lighter and increasingly intensified. A recent survey conducted by the HKIED has found the non-teaching workload of over 50% of teachers has increased. Under the shadow of school closures, close to 50% of teachers have had a much heavier workload in student enrolment. The workload in student enrolment has increased. The average working hours of primary and secondary teachers are 61 hours a week and 25% of them even work over 71 hours a week. Their work-life balance is upset, with 80% of them feeling physically and mentally tired. Surprisingly, 50% of respondents have considered leaving the teaching profession. The situation is worrying.

A survey jointly conducted by the PTU and the Boys' and Girls' Clubs Association has also found that the nature of crises faced by students is more diversified and complex than before. The difficulties encountered and the pressures experienced by teachers have been growing day by day. The health of 30% of teachers interviewed has gone wrong. Short-term measures in a "toothpaste squeezing" fashion cannot meet the urgent needs and relieve the deeply-felt pains of teachers. The authorities should plan in a practical manner to offer continuous support. Manpower should be increased and the administrative and labour work of teachers reduced. If minimum working hours are to be introduced, teachers should also be covered. I urge the Government to stop the school closure policy that people find disturbing. The authorities must understand that to relieve teachers' pressure is not just a matter of teachers' rights, but the establishment of a reasonable system to promote the healthy development of education and to attract talent so as to enhance quality.

This year is the fourth year I speak for young teachers in the policy debate. The starting salary for teachers is unfair. They receive unequal pay for equal work. Some latecomers even get a higher pay. Last year, again with reference to the market entry point, the salary of newly-appointed graduate masters was reduced by two incremental points. As a result, starting from the new term in September this year, graduate masters receiving three different types of salaries have co-existed in one school. Although they work in the same school and belong to the same graduate master grade, and do the same work, three different types of salary systems exist. Such a three-system-in-one-school scenario and the high-and-low salary structure will create confusion and division among teachers, resulting in a lot more dispute cases. I wish to reiterate that the

Starting Salaries Survey conducted once every three years has brought schools much manmade confusion and unrest. As a result, the loss outweighs the gain. Hence, the priority task of the Government is to adjust salaries in a fair manner. And it should not reduce the entry point of young teachers. School closures are painful, and pay cuts add to the miseries. Improving teachers' work and conditions can attract more talent to join the education sector, which is the direction for the sustainable development of education.

President, I so submit.

MS AUDREY EU (in Cantonese): President, every year, the policy address invariably does not talk much about education. Whenever I ask questions in this regard, the Government always shows me a "wonder pill" or a panacea. It does not matter whether the question is on tertiary education, kindergarten education or integrated education. The Government invariably says that \$2.5 out of every \$10 of its expenditure are spent on education, and that resources committed to education are most considerable, definitely not "holding soft" at all. However, just as mentioned by Mr CHEUNG Man-kwong earlier on in his speech, for the Policy Address of the current year, the ratio is no longer that of \$2.5 out of every \$10. Instead, the ratio is just a little over \$2 out of every \$10. This is in fact some "shrinkage". Surely, in comparison with previous years, there is greater length on education this year. Some of the measures are good. For instance, the textbook assistance for needy students is to be doubled. However, there is still no relaxation on eligibility. As for school places, both funded places at the universities and senior class places have been increased. However, as stated by Mr CHEUNG Man-kwong earlier on, these are still acutely inadequate.

Each year's policy address invariably made mention of national education. This year, several more paragraphs have been put in. It is even mentioned that civic and moral education will be converted into one subject on national education and moral education. Many people have questions. Is this going to be a compulsory subject? Is this a political decision? Why is there no consultation conducted? The Government in fact has no answers for us. In his speech made earlier on, Mr CHEUNG Man-kwong had already talked about the difference between national education and civic education. However, I do not know whether Mr CHEUNG Man-kwong has noticed that the paragraph on national education appears in the chapter on Democratic Development. This

really makes people shiver with fear as we can see that national education in fact means the development of democratic political system. Hence, some people put to Mr Michael SUEN, the Secretary for Education, the question as to whether or not there will be mention of LIU Xiaobo getting the Nobel Peace Prize or the June 4 Incident in the new national education. According to Uncle SUEN, this is to use a partial view to cover the full picture.

President, I once browsed through the Website of the Education Bureau for the contents of moral education regarding the series of national education activities under the theme "Starting a new milestone for The Motherland on the approach of the 60th Anniversary of the founding of The Republic." Included are the activities teaching the students to sing the national anthem, loyalty to the country and flying the national flag. President, I utterly have no problem with this. With regard to activities to promote understanding of China and close ties, I have no objection. These, however, can in no way stand for civic education. Also, China's history does not cover only 60 years. Furthermore, the emphasis of civic education is on civic duties, civic rights and civic participation, and it talks about a civic society, which definitely is not equivalent to national education. So, the Civic Party finds this very regrettable, and calls upon all teachers not to confine themselves to the syllabus prescribed by the Government. Instead, the civic spirit ought to be brought into full play.

On top of this, please again refer to the part on education. The biggest problem confronting us in the next six years is a decline from some 70 000 to some 50 000 in the population of secondary school students, a drop close to 30%. However, these students do not "crop up" out of the blue. The fact is that six years ago, when these students were still primary school students, we had already talked about small class teaching. However, it was rejected then by the Government. Just as mentioned by Mr CHEUNG Man-kwong earlier on, over the years the Government has already "killed off" 140 primary schools. President, I was then already a Member of the Legislative Council. When I pressed for small class teaching for primary schools, the Government said in response that it would be an expensive detour of no return, like feasting on exotic sharks' fin at a time of budget deficit. According to the Government, such a move would require the spending of over \$3 billion. Initially it was said to be \$3.6 billion, but later changed to \$3.1 billion. I went over the calculation with the Government, saying that it was an exaggerated figure. I published a booklet to explain why the Government's figure was erroneous. Though I did seek the

assistance of an actuary, such calculation is in fact very simple. It can be noticed upon calculation that the figure given to us by the Government is an "inflated figure". Hong Kong has not only got many "inflated buildings", it also has a lot of "inflated figures". The Government is never willing to admit that its figures are erroneous. Fact proves that in the two years following the launching of small class teaching in primary schools, the additional resources required only amounted to slightly more than \$100 million. This figure not only covered small class teaching but also included some other programmes. There has been an increase of only \$100 million in two years. It definitely will not cost more than \$3 billion in six years.

President, on 13 September, Secretary SUEN stated at a press conference that upon the implementation of small class teaching in secondary schools, the unit cost for one student would have to go up from \$41,000 to \$80,000, and that the funding for secondary schools would have to go up from \$20 billion to \$40 billion. This is again an exaggerated figure. President, he was like that six years ago. So, on 17 September, I immediately wrote to Secretary SUEN. The letter was quite simple. As he had disclosed such a figure to the reporters, I asked Secretary SUEN to give me some explanation because I would like to go over the calculation with him Years ago I challenged Arthur LI with his calculation, this time I again have to challenge Uncle SUEN with his calculation. How possibly can it go up to \$40 billion? President, my letter was sent to Secretary SUEN on 17 September. I have also repeatedly pressed for a reply. Last week I ran into Jeremy YOUNG, Political Assistant to Secretary for Education. I asked him why there was still no reply from the Government. According to him, there would soon be a reply. President, I am still pressing for that since yesterday. However, there is still no reply.

President, I understand that all along the Government particularly oppresses the Civic Party. However, I am not lodging a complaint against the Government for oppressing the Civic Party. What I put forward is a very normal and reasonable request. As at the press conference of 13 September, the Secretary said the amount required was \$40 billion. My request is for him to explain how such a figure was worked out. President, a period of six weeks or one and a half month has gone by. There is still no reply from Secretary SUEN. There is only acknowledgement of receipt of my letter. President, I find this really unacceptable. I indeed have to borrow a famous line by Ms Emily LAU: "This is outrageous!" There is another line: "This has gone too far indeed!"

How can it be like that? My wish is for Uncle SUEN to explain to us later in his reply how the figure of \$40 billion was worked out. Why has he not sent me a reply? It was six weeks ago that I asked him about the figure. How can he not reply? I have asked my Facebook friends on Facebook as to why Uncle SUEN still has not replied even after six weeks. They said it is because that he "cooked up" the figure. President, for the SAR Government to repeatedly act like this on such fundamental issues is really not acceptable to me. I asked the same question as far back as six years ago. The same question was asked again this year.

President, of the six major industries mentioned by the Government, I strongly support four of them. With regard to education, I often say that one should not learn to run before one learns to walk. Take a look at the explanation the Government gave us with regard to education services. He said: "To promote the internationalization of Hong Kong education." President, even in dealing with local students, we I am often in touch with university students, I know they do not even have enough boarding places for local students. Likewise, there is also a shortage for those from overseas. Now about education, the Government is only to hand out a few sites, then call it an industry. This is not possible. Would the Government please discharge its responsibility properly first by taking good care of our local students before talking about promoting education services.

Having talked about the problems with the education services, I inevitably have to talk about medical services. It is because the problems are the same. I am very much in favour of the other areas of development, such as creative industries, cultural industries and environmental industries. However, the problems are the same with the medical services industry, that is, the fundamental issues have not yet been dealt with properly. Let us take a look at medical services. According to the Government, to develop private hospitals is just to make land or a few sites available. But how about manpower? Even the Government agrees that we in fact have an acutely inadequate ratio of healthcare workers. With regard to the ratio of doctors and nurses to patients, our ratio is the lowest among developed places in the world, not to mention mental health and the like. President, given the fact that the Government is not even able to get these fundamental issues dealt with properly, how can we talk about setting up private hospitals just to allow doctors to make money at private hospitals by

taking in patients from outside places in total disregard of local patients and those being wait-listed for hospitalization or specialist treatment?

So, it is the same with regard to medical services. I must call upon the Government not to "learn to run before learning to walk". My wish is for the Secretary to let us know how in the next five years, eight years or ten years, we can ensure that there will be sufficient manpower training in the fields of medical care, mental health, physiotherapy, and dentistry — of course, I am talking about physicians. I am particularly concerned if it is possible for physicians trained and qualified abroad to come back to practise without going through the trouble of sitting for various tests and seeing so many of them flunked. It is hoped that in this way we can have enough people coming back to practise. At least we may have enough manpower to take care of local patients.

Moreover, President, I would like to say something about medical insurance. President, if it is said that the purpose of medical insurance is to regulate the insurance services to prevent certain individuals from being cheated by agents when taking up medical insurance, or to avoid having a lot of high-risk patients rejected for medical insurance, I am very supportive of this measure. However, I wonder if it is advisable for the Government to spend \$50 billion to subsidize patients who can afford insurance in order to regulate medical insurance.

President, every member of my family has got medical insurance. In my opinion, there is no reason to use public money to help those who can afford to look after themselves to acquire insurance. I am worried that the \$50 billion from the Government may provide an incentive for young people to acquire insurance merely for the subsidy. However, they may not keep up with the payments after acquiring it. Even if one acquires insurance at the age of 18, then what? Can such protection stay on as one grows old? In fact I cannot see the sustainability of this scheme of medical insurance. I can only see that the scheme is to draw all the money to the insurance industries as well as to the doctors. However, how can it really improve public healthcare services and extend the safety net of healthcare? President, it is really hard for me to see that.

Healthcare financing has in fact been under discussion for 20 years. According to many people, we ought to get the issue settled. My wish is for this issue to be settled together with that of community-wide retirement.

President, this year's Policy Address makes some headway in the area of education, including care for autistic students. Mr CHEUNG Man-kwong too made mention of that in his speech earlier on. However, besides these autistic students, there are many students with learning difficulties or mental disabilities. It is hoped that their needs can also be taken care of.

President, with regard to this area, I can only say that much as I still have to reserve time for the final session. Thank you, President.

DR JOSEPH LEE (in Cantonese): President, this session is to discuss healthcare services. Paragraphs 75-91 of this year's Policy Address are about this area. It has been given relatively greater length. I would like to start by talking about public healthcare services first.

With regard to public healthcare services, at present our main concern, in my opinion, is on the question of whether or not the medical insurance scheme now introduced by the Government is to privatize the healthcare of our middle class in a bid to cut down public healthcare services. My wish is for the Secretary to reiterate that the Government will not cut back on its commitment to public healthcare services. My understanding is that the medical insurance scheme that the Secretary wants to launch is a voluntary one. The purpose is to further improve some of our current insurance and private hospital services that are sub-standard or not regulated. I think we all agree on this. It is a matter of choice. Whether or not to take out insurance is up to the individual. There are, however, different schools of thought in the community, one of them asking the question why a sum of \$50 billion public money is to be used to subsidize these individuals instead of spending it on public healthcare. In dealing with this issue, will the Secretary give consideration that when it is time to use the \$50 billion to solve the problem of healthcare financing Of course, it is hoped that as more and more people turn to use insurance services, the burden on public healthcare will be reduced, resulting in shorter waiting time on the part of patients. We totally understand such logic. If we do use the sum of \$50 billion to assist this type of so-called indirect healthcare financing in order to help public healthcare, will the Government at the same time implement what we call the matching fund concept? That is to say, for any amount of money spent by the Government out of the \$50 billion, an equal amount will be put back into the public healthcare system so that there can be assurance among members of the

public that the Government will not curtail, or refuse to commit to public healthcare services. This measure should help.

Also, with regard to drugs for treating cancer and other drugs, I think the Government ought to have a clear stand on the question of whether the Government's public healthcare services are to provide the best drugs or just the basic ones. This year's Policy Address states that some new drugs are very effective for cancer treatment, and have been listed as basic needs. The Government is going to include them in the list of what we call "self-financed drugs" as new drugs for basic needs. This is an improvement. However, is the Government required to provide all effective drugs? In my opinion, it is necessary for the Government to make it clear when offering public healthcare, otherwise there will be a lot of misunderstanding. Must the Government provide every effective drug? Effective drugs can be very expensive. If the Government does not make them available, some people are likely to say that the Government is in the wrong. Also, effective drugs and basic drugs are two different things. How is the public healthcare system going to commit? I think it is necessary for the Secretary to make it clear here. In my opinion, on this occasion, there is some progress by the Government in dealing with drugs. Is it perfect? Perhaps it is not quite perfect. The reason is that some people allege that the Samaritan Fund cannot help them, and that they have to spend all they have to buy more effective drugs with fewer side effects, and eventually become penniless. Such cases exist. However, even though there are such cases, should we use a partial view to cover the full picture as to say that the Government must provide all drugs? In that case, we have to consider the level of commitment of public healthcare services. It is my wish that the Secretary can make it clear in his speech on this part of the Policy Address or do a better job.

Regarding the oft-mentioned problems of manpower and staffing, at present, is there enough manpower for the public healthcare system, for the private healthcare system, or for the entire Hong Kong healthcare system? There is no need to argue. It is definitely not enough. As for the public healthcare system at present, a nurse has to look after 10 to 12 patients. By international standard, it should be just four to six patients. The Secretary certainly will probably say, and we also understand that from the year 2012 onward, that is, two years from now, some 2 200 nurses are going to graduate every year. We consider this to be good news. However, it is still hoped that

the Secretary can make a promise that by then, the manning scale of nurses in our healthcare system, in particular the public sector, can be enhanced to one nurse for every six to eight patients. That is to say, they will all be hired even if there are 2 000 graduates annually. The Government should not deny them employment by then and let the same problem crop up.

The supply of doctors is also a major problem. I think Dr LEUNG Ka-lau will talk about that too. For instance, at present a psychiatrist can only spend about five minutes on each patient. It is a far cry from the international standard of 10 to 12 minutes. Can the Government keep abreast with the international standard? Surely, the Secretary should set a timetable in order to effect such an arrangement.

In addition to manpower like nurses and doctors, Hong Kong also has many medical professionals who are very important. We must bear this in mind. For instance, we are now talking about what other Directors of Bureaux have said about good complementary measures for the development of quality medical services, namely, physiotherapists, occupational therapists, pharmacists Earlier on Secretary CHEUNG also said that there would be visiting pharmacists at various residential care homes. We do need talents. With regard to these talents, I wonder how the Government is going to set the timetable in the next few years. Will the Government make corresponding manpower adjustment as needed so as to stabilize the demand of our whole market and adequately man our whole medical system? Whether or not there is a manpower drain, whether or not some of them are deployed elsewhere is another matter. It is hoped that the Government can at least do this.

I think at present our educational system has one big defect. It is that the University Grants Committee (UGC) may ask a certain university to have 50 more nursing degree places but not offering any additional allocation. How is the university to make the 50 places available with the original allocation? As a result, it has given rise to a lot of unnecessary political troubles inside the university. In my opinion, if the Secretary really wishes to see that our entire medical system can have a healthy and balanced manpower development or staff training, then new allocation should be offered. Also, it should be made clear to UGC that the allocation is for the training of doctors, nurses or physiotherapists so that the university can go ahead with the work on getting the allocation and avoid having a lot of fighting or elbowing or non-release of allocation inside the

university. In this way, the undergraduate places that you talk about can really be made available. This will be a more desirable arrangement.

On the other hand, at present some healthcare professionals, such as dieticians and psychologists, are still not under statutory control. This is in fact dangerous. The Secretary should see that since the Government is going to give assistance to autistic children and demented elderly, there is a need to place professionals such as speech therapists, dieticians and clinical psychologists under statutory control. Otherwise, everybody will claim to be a professional. When things go wrong, it is necessary for the Secretary to come forward to give explanation. Is it worth the trouble? Should the Government expeditiously devise a timetable for the control of these professionals by effecting registration in accordance with their academic qualifications and other terms? It is because some of them may have already been registered abroad, but are not registered locally. The Government should draw up a timetable for this task. Such a measure is in line with the Government's move to give assistance to autistic children and demented elderly. To them, assistance is to be rendered by a team of workers who are both systemic and guaranteed.

The Policy Address of this year also mentions the regulation of drugs. However, there is a joke. On the one hand, the Government says there is a need to regulate drugs. On the other hand, it is being said that there are numerous reports and dozens of recommendations for implementation. However, all of a sudden there cropped up a few days ago a news story about a pharmaceutical company still producing drugs even though its licence had been revoked. Apparently, there is something wrong with the control mechanism. I think it is necessary for the Secretary to put in more efforts here, and instruct the Department of Health to punish one as a warning to a hundred. Those warranting licence revocations should have their licences revoked. Those deserving prosecution should be prosecuted. If the penalties are not heavy enough or are not adequate, then the Secretary should endeavour to amend the legislation. The Secretary is most welcome to amend the legislation in order to beef up the penalties and safeguard public health. Pharmaceutical companies that are unlicensed, or already have their licences revoked, or are unqualified or not GMP-accredited, should not get on with the production of drugs. It is rather undesirable if problems crop up after we have taken the drugs.

On the other hand, I would like to speak on rehabilitation services. As I mentioned earlier on, it is necessary to give additional resources to help autistic children and elderly suffering from dementia. Regarding the overall complementary arrangement, just as pointed out by Mr CHEUNG Man-kwong earlier on, apart from special education teachers for the delivery of special education, the healthcare professionals mentioned by me earlier on, such as speech therapists, physiotherapists, occupational therapists, and clinical psychologists, are also important in the entire complementary arrangement. Only in this way can assistance be rendered to these groups of people, not just by providing them with institutional care. Our objective is that, apart from getting training, they should at least be able to look after themselves and live a stable life in the institutions even if they cannot rejoin the community. So, my wish is for the Government to step up the training of manpower in this respect so as to help them.

At present, the Legislative Council is discussing a bill concerning disabled persons. When examining the bill, we all notice the needs of disabled persons. Apart from shortening the waiting time for admission into institutions and alleviating the pressure on their families, the quality of institutions also matters very much. It is, therefore, hoped that the Government can do even better in the training of professional teams.

Regarding mental health, I think there is a piece of good news, namely, that the Government is prepared to make allocation for using new drugs. Why should new drugs be used? The reason is that upon the introduction of new drugs, mental patients may be willing to take them. Naturally, there will be less chances of relapse. Also they will not have the feeling that prolonged use will lead to the trembling of hands, the loosening of teeth, or having funny looks. Otherwise, people can instantly see that they are mentally ill when they go out. That is awful. No employers will hire them. Following the use of new drugs, there will be fewer complications and fewer side effects. Naturally, they can easily rejoin the community. This is good. My wish is for the Government to put in more efforts here to help them by conducting a comprehensive review so as to re-classify certain drugs as basic drugs if the need is justified. If they can take the drugs on a long-term basis, then it is not necessary to enforce mandatory treatment orders. It is important that they are willing to take the drugs and the drugs can help them.

However, who can keep watch over patients upon their discharge to monitor their drug-taking habits? Now according to the Government, they will be watched by case managers. But we must not forget that, apart from keeping them under the watch of case managers, we also need community psychiatric nurses. Again, the ratio between them has got to be made clear. As far as today's community psychiatric nurses are concerned, one nurse has to look after about 90 patients in the community. Such a situation is very undesirable. This is a problem of insufficient manpower. It is hoped that the manpower problem can be solved in two years so as to have the situation improved. The situation of doctors is just the same. As pointed out by me earlier on, a psychiatrist has only five minutes for each patient's consultation. This is most undesirable. It is hoped that there can be 10 to 12 minutes for each patient's follow-up visit. This will be more desirable. The Government ought to do better in the area of manpower.

In fact, I am left with about only one minute's speaking time because too much time was used this morning during the discussion on housing. The policies mentioned earlier on, in fact, do not fall under the policy area of just one Director of Bureau. These policies, whether on mental health, residential care homes, the elderly, or even medical vouchers, or the just-mentioned problems concerning patients suffering from dementia and autism, all have something to do with Secretary CHEUNG's Policy Bureau. My wish is that the two different Policy Bureau will not go separated, and, instead of each going its own way, can complement each other. We cherish the hope that the Government can indeed carry out a good policy that will bring benefits to the people of Hong Kong.

On the whole, President, this year's Policy Address does cover the areas mentioned by me. This is good. However, with regard to narrowing the wealth gap, youth employment, and upward social mobility, there is still room for improvement. It is hoped that the Government can put in more efforts.

In principle, I support this Policy Address. However, with regard to the HOS issue, I have some reservation about the HOS proposal this time. It is because I think the purpose of HOS is not like that. So I will oppose the motion on HOS. Thank you, President.

MR TOMMY CHEUNG (in Cantonese): President, the Liberal Party all along holds that education is most crucial to fostering manpower and enhancing our competitiveness. This is especially true of tertiary education. With the whole world under a knowledge-based economy now, it is really necessary for Hong Kong to invest more on education.

Hence, we have all along strongly urged the Government to increase the funding for first degree places and articulation places for sub-degree holders so as to allow more students who have met minimum entry requirements to be admitted to universities.

This year's Policy Address, after all, does respond to the requests of the Liberal Party. There will be an additional 380 publicly-funded first degree places, reaching a total of 15 000. Over the next three years, the number of senior year intake places for sub-degree holders will be doubled from 2 000 to 4 000.

However, following the implementation of the new "3+3+4" academic system, according to the projection of the Education Bureau, by the time the first Hong Kong Diploma of Secondary Education Examination is held in 2012, over 20 000 students will satisfy the minimum university admission requirements. Given the fact that senior school leavers now satisfying the requirements number about 17 000, there will be an increase of more than 3 000. So, upon careful calculation, one can see that an increase of 380 places is just a little better than having nothing. It is an utterly inadequate measure of no practical use.

Gradually increasing the number of senior year intake places for sub-degree holders can indeed, in the short run, ease the problem of further education, and give sub-degree holders some more hope and a better chance to move up further for formal university education. However, in the long run, it is still necessary to increase the number of funded places in universities.

President, on top of increasing the number of publicly-funded places in universities, encouraging the development of private universities is also an important way forward. The Government should, in addition to making land available, provide more support and administrative convenience so as to make it possible for private institutions to expeditiously offer self-financing degree programmes. So, we are basically supportive of the Government's move to set

up a \$2.5 billion fund to offer scholarships to students of self-financing institutions as well as to provide support for quality enhancement and quality assurance.

A sum of \$2.5 billion sounds a lot. In reality, however, the financial aid that the 20-odd private institutions and the several dozen thousand students can get annually only grosses a sum of \$100 million from the investment return of the fund. With so many mouths feeding on so little rice, we know not how much rice is received. Does this not sound a little stingy?

Also, education was listed last year as one of the six industries. However, apart from one single paragraph touching on the six industries, there is no further elaboration in the Policy Address about how to develop the education services industry. It is hoped that the Government can give some explanation.

With regard to the issue of lifting restrictions on pre-primary education vouchers, I have spoken here many times. I believe Secretary SUEN has already heard of my arguments many times. So, I have no wish to say much today. I do not mind taking all the trouble to remind the Government again to correct the mistakes by removing the restrictions confining the application only to non-profit-making kindergartens; increasing the amount of voucher subsidy and the upper limit of tuition fees appropriately according to actual needs; and also to rectify the disproportionate amounts of subsidies offered to half-day places and full-day places. Then all parents can make flexible use of the subsidies.

Otherwise, the existing problem-plagued voucher scheme will, in the long run, only force all kindergartens to charge a uniform fee, which will jeopardize the flourishing scene long enjoyed by kindergartens in a free market, and will put an end to diversified development for children in different districts with different needs. This is in fact very harmful to pre-primary education.

President, I so submit.

MR PAUL CHAN (in Cantonese): President, I would like to speak on the part about education. First on attracting talent. Apart from making mention of measures to attract non-local students to Hong Kong, this year's Policy Address just touches lightly upon the in-take of talents with no reference to a

comprehensive population policy. My request is for the Government to launch a review in this respect so as to be in line with our future socio-economic development.

Secondly, the Government, just as in the past, deliberately stresses that considerable emphasis is being attached to education. It also states that it will "devote substantial resources to education" and that "education is fundamental to alleviating inter-generational poverty". Nobody will, I believe, object to such a direction. The question is: Do the measures proposed in the Policy Address tally with these beautiful declarations?

The number of publicly-funded first-year-first-degree places has seen no adjustment for some years, all along remaining at the level of 14 500 a year. In this year's Policy Address, the Government, at last, indicates a plan to increase these places to 15 000 a year. In addition, there will be 4 000 senior year intake places for sub-degree graduates every year. In order to tie in with the implementation of the "3+3+4" academic system, the number of first-year-first-degree places for the year 2012-2013 will be doubled. My concern is how the Government can cope with the increased demand in respect of hostels, classrooms, teachers and educational resources in order to maintain an ideal learning environment. The Under Secretary for Education Mr Kenneth CHAN told me that one of the solutions was to have private universities. However, I am worried that given the present situation, many university graduates are deeply in debt upon graduation. What's more, sub-degree programmes are, generally speaking, more expensive. So, if the number of places is to be increased by means of having private universities charging tuition fee amounting to more than \$100,000 a year, more graduates will run into heavy debts. President, this will lead to greater discontent and tension in the community.

I understand that in due course the Government will start the second phase of the consultation concerning non-means-tested loans. My wish is for the Government to consider adopting the practice of countries like England, New Zealand, the Netherlands and Sweden by setting an income threshold for the repayment of loans by students. In other words, students start to make repayment after graduation only when their incomes reach a certain level. Given such a measure, students with financial difficulty will not run into greater poverty on account of pursuing further education. Also, in New Zealand, so long as

students have lived there for a certain length of time, they are eligible for interest-free loans. In my opinion, the SAR Government should also give consideration to such a practice. At least the abovementioned practice of New Zealand should be followed with regard to the means-tested loan schemes. This is to prevent poor persons from being bothered by interest burden over a long period of time. If the Government really believes that "education is fundamental to alleviating inter-generational poverty", then there is even stronger justification to adopt my two aforesaid suggestions.

President, the Policy Address states that it will "strengthen schools' internal administration management and further reduce teachers' administrative work." I agree with this. Nowadays, the practice of going to tutorial schools after school is very common among young students. A certain organization once estimated that the spending on tutorial classes by local students amounts to as high as \$300 million a month. The phenomenon even made its way into world news. In my opinion, the market value of tutorial schools indicates that many students in Hong Kong are not able to get from their schools adequate teaching and support for taking open examinations. At least they have the thought or impression that they are not getting enough. Members did bring up this point last year. However, I am concerned about the impact of such a phenomenon on inter-generational poverty. It is because the tutorial fees are quite high. Many students spend more than \$1,000 on these tutorial classes. Unable to afford the tutorial fees, students from low-income families have to depend on schools for learning and examination support. I am afraid that such tutorial classes are only available to students from the middle class or above. As a result, it will be even more difficult for the poor to compete academically. So, President, it is hoped that the Government can expeditiously adopt and implement measures to effectively reduce teachers' non-teaching work so that teachers will have more time to look after students requiring learning support instead of "launching a pilot exercise in some public sector schools", as stated in the Policy Address.

President, last but not least, I am concerned about the anti-drug campaign launched by the Government in schools. Although the Trial Scheme on School Drug Testing in Tai Po has not found any positive confirmed case, the scheme, I am sure, does have some deterrent effect on students. It may make young persons give the matter second thought before touching drugs and provide students not taking drugs with a powerful incentive to stay away from drugs. According to the Policy Address, the Government is going to promote the

extensive use of hair drug testing which, in my opinion, involves simpler procedures. The Government should bring it into effect to replace the urine drug testing so as to ensure greater acceptance of the scheme by students and avoid the situation where students may refuse to take part on account of the intricacy of the procedures, thereby defeating the original purpose of the scheme. With regard to this, certain organizations suggest that it should put in place a "withdrawal mechanism" instead of the existing "signing-up mechanism" so that teachers, students and parents will find participating in the school drug testing scheme more natural. I find the suggestion worth supporting.

Furthermore, the Policy Address states that the Government will be "drawing up proposals to invite new and effective models of drug treatment and rehabilitation services". As a matter of fact, the effectiveness of the residential rehabilitation services given to young drug abusers by Christian Zheng Sheng College is there for everybody to see. Early this year, questions in this connection were put to the Government by certain Members, who sought to know if the Government would promote the rehabilitation centre-cum-school model, one similar to that of Zheng Sheng College, and encourage more organizations to operate similar schools. According to the answer given by the Acting Secretary for Security Mr T.K. LAI, the Government will adopt a multi-disciplinary approach in offering different treatment and rehabilitation services. In this year's Policy Address, the Government invites further proposals. The Government should not employ delaying tactics. It should formulate a policy on drug rehabilitation schools as soon as possible in order to provide support for those organizations with mission and vision to operate quality rehabilitation-centre-cum-schools whose services are both effective and welcomed by parents and young persons.

President, I so submit.

DR LEUNG KA-LAU (in Cantonese): President, my speech will focus on a few issues concerning healthcare policy. First of all, I would like to talk about a less complicated issue, which is the issue on elderly healthcare vouchers. The Chief Executive said in this year's policy address that an additional \$1 billion would be put in the Elderly Health Care Voucher Pilot Scheme and a review on how to upgrade the healthcare services would be conducted before the end of the year.

According to the relevant information, the Elderly Health Care Voucher Pilot Scheme was introduced on 1 January 2009. The plan at that time was to allocate a fund of \$500 million to the Scheme for offering non-means-tested healthcare vouchers worth a total of \$250 to elderly people over the age of 70 annually. One year later, that is, in February 2010, the Government reported that only \$56 million had been granted in the past year. If the Government's information is accurate, it means that only 32% of the elderly have used the healthcare vouchers.

Surprisingly, this simple data shows that the public refused to receive the money granted by the Government. To make it short, the Scheme is a failure. Why did the elderly not use the money? Perhaps we can do some calculations. According to the past experience, a normal elderly person may have to see the doctor nine to 10 times a year. If they go to a private doctor, they may need to pay a consultation fee of more than \$100 or even up to \$200 each time. In other words, the government grant only covers one-ninth of the consultation fees each year. To make it simple, the elderly who have all along been going to public clinics are now asked to pay a large proportion of the consultation fees for private doctors as the Government only provides a grant which covers as little as one-ninth of the total amount. In fact, those who can afford to see a private doctor do not need and will not take this grant. For those who have all along been going to the public clinics, however, they do not use the vouchers because only one-ninth of their expenses would be paid by the Government.

As long as this mechanism remains unchanged, even if the Government increases the funding amount to \$2 billion, \$3 billion or even \$10 billion, only a limited number of people would use the money and everything would become an empty talk. Taking such experience into account, I hope the Government, after the review, will provide subsidy for the elderly on a proportional basis according to the actual amount of fees. For example, if an elderly person has paid \$200, then 50% or even 70% of the fee can be subsidized by the Government. This will not only ensure that more substantial support can be given, but also prevent the abuse of resources.

If the \$1 billion fund cannot meet the needs after the adoption of this funding model, I suggest that instead of providing subsidy for all, the Government should only offer targeted subsidy to the patients of certain diseases

such as dementia, hypertension and diabetes mellitus. This is a more practical way for us to make full use of the fund to subsidize those in need.

Now I would like to talk about a more complicated issue, which is the Health Protection Scheme (HPS). Having listened to the speeches delivered by members of the Democratic Party just now, I know that they have much reservation about the HPS. Last week, Hong Kong Medical Association (HKMA) held a press conference, in which six of its members lined up in a row to show us the paper-wrapped candies in their hands. They said that those were sugar-coated poison. No matter whether they are members of the Democratic Party, the Civic Party or friends from the healthcare sector, they all say no to the HPS. Why is that? It seems that there is really a serious lack of mutual trust in our society.

Since the details of the Scheme are yet to come and we do not know what arrangements will be made, personally, I find it hard to say for sure whether I will support the scheme at this stage. I suggest that the Secretary, in response to the views of Ms EU, should actually deal with the matter by stages. In the first stage, we can check if there is a legal framework to regulate these insurance products, or we can make an acceptable arrangement with the insurance sector to formulate a legal framework which states clearly that any product which is in compliance with the 10 conditions proposed by the Secretary can be registered as approved products, and that all approved products are eligible to participate in the Government's HPS in the future. In this stage, we should not touch that \$50 billion.

When it comes to the second stage, we can discuss how to use that \$50 billion. Should we use it for subsidizing the elderly or chronic disease patients? Or perhaps we should provide subsidy for all middle-class people before we can come up with any arrangements. Here I would also like to remind you all that though \$50 billion seems to be a huge sum, actually it is not an accumulated fund. It is just a one-off funding that will be used up one day. Perhaps each year we can only use \$1 billion to \$2 billion. In terms of healthcare expenditure, this is in fact not a huge sum.

Regarding the healthcare expenditure or tax rebate on health insurance that I proposed earlier, the annual amount for a full rebate will be more than \$2 billion or even up to \$3 billion. If this sum of \$50 billion is to be used for 10 years, it

can only cover the expenses on tax rebate and no money will be left for subsidizing the elderly or patients with chronic diseases.

I hope that when discussing the HPS, we can aim at solving problems instead of just pointing out or creating problems. I am not working as a lobbyist for the Government. However, the data shows that the Government's expenditure and income only account for about 20% of the GDP, which is about \$300 billion a year, while its expenditure on public healthcare accounts for 17% of the total expenditure. Later, it will finally reach 17%. As for the governments in Europe and America, their incomes and expenditures account for about 40% to 60% of their GDPs, which are two to three times of Hong Kong's rate. If these foreign countries' expenditures on public healthcare also account for 17% of their total expenditures, it means that their capacities in providing public healthcare services are also two to three times higher than Hong Kong's. In this regard, if we merely rely on the Government to achieve the goal, the only way is to resort to a substantial tax increase or raise the proportion of public healthcare expenditure from actually less than 17% to 34% or even higher. Otherwise, the public have to pay their own fees, or in the long run, to buy insurance.

I would also like to respond to the issue on the increase in healthcare expenditure, which has been mentioned by many Members for many times. Why is there an increase in healthcare expenditure? In fact, every one of us is responsible for this and we should not pass the blame onto the insurance sector or the healthcare service providers. As you have just said, we hope that the waiting time can be shortened, which means that more manpower and money are needed. I agree that the five-minute consultation time for each psychiatric patient is not enough and it should be extended to 15 or even 30 minutes. But this means that a three to six times increase in manpower is needed. As for the use of expensive medicines, of which the prices could be five to 10 times higher than those of the traditional drugs, it is true that better healing effects can be ensured. However, while the improvement in effectiveness may be just a few percent, the increase in cost will be in multiples.

Moreover, when I diagnosed an appendicitis patient 20 years ago, my clinical experience told me that all I had to do was to press the patient's abdomen twice. The accuracy rate of this diagnosis method was as high as 85%. But today, CT scans are used for the diagnosis of all types of health problems. 30

years ago, government hospitals did not have any CT scanners. It was not until a former Governor getting a stroke that we began to purchase such equipment. But today, even Our Lady of Maryknoll Hospital is to purchase a CT scanner. Hence, the major reason for causing the increase in healthcare expenditure is the demand in society. The fact is that everybody wants to have these things, and as our society is getting richer and richer, more money can be spent on healthcare. Therefore, all of us are responsible for bringing about such an increase.

The HPS involves many details, among which manpower, as I have found, is one of the matters of serious concern to our Honourable colleagues. I can provide you with some objective data. The Secretary has said that 60% of the specialists in Hong Kong are now practising in the private market and taking care of only 10% of the in-patients. So how can there be a shortage of manpower? Putting it in another way, it means that 40% of the specialists are working in public hospitals and taking care of 90% of the in-patients. With such a significant disparity between the two, how can there be a shortage of manpower in regard of the provision of private health protection? The data provided by the Secretary might only include in-patients services while the out-patient ones were not counted. Perhaps he did not have the data on the proportion of specialist out-patient clinics in the private market. But on the whole, as some private medical practitioners told me, there is still quite a lot of room for expansion of services in most of the out-patient clinics. Therefore, I can tell you that at the moment, there is spare manpower in the private healthcare market. Many Honourable colleagues might think that members of the HKMA always oppose the addition of medical manpower because they want to protect the interests of the medical sector. For me, I would rather hope that more objective indicators can be set by the Government and the Hospital Authority (HA) to ensure that the calculation of manpower will be done by a specified formula. Then, everybody will do their work in accordance with the indicators. Now the situation is that the distribution of manpower is extremely uneven. Whether in public medical institutions or private healthcare market, for hospital clusters or specialist clinics, there is an extremely uneven distribution of manpower. Even for doctors of different ranks, I mean, the distribution of workload among public hospital doctors of different ranks, it is also extraordinarily uneven. In fact, improvement has to be made by the HA to deal with the situation.

Personally, I was already involved in an argument about manpower with the HA in 1997. At that time, there were only 3 800 doctors under the HA.

The number has increased to 5 000 now. In 1997 and 1998, due to the Government's reduction of resources for the HA, 100 newly registered doctors (or newly graduated doctors) were unable to join the HA team. At that time, the reason given for not hiring these doctors was excessive manpower. But the fact is that there were only 3 800 doctors under the HA. Today, they say that there is a shortage of manpower when they have 5 000 doctors. What criteria does the HA actually use for determining the demand for manpower? To make it simple, it is determined by the funding. If they have no money and no vacancy, there would be an excessive number of doctors. In the recent two years, more resources have been allocated to the HA by the Government. As said in the Policy Address, there has been an increase of more than \$13 billion. To make sure that every penny can be spent, they have to create some new posts, and the best excuse for creating these posts is insufficient manpower. The number of vacancies for doctors is determined by the wastage rate. Currently, the annual wastage rate is 6%, that is, about 200 to 300 doctors leave their jobs each year. Therefore, now we have 200 to 300 vacancies. As they have money, they say that there is a shortage of manpower and recruitment is needed. However, any change in social or economic environment may result in a big difference in wastage rate. Today it is 6%, but three years later, if there is an economic downturn and all the doctors choose to stay in their jobs, there will be no wastage and no vacancy in the HA. In this case, another 300 or so medical graduates will find no jobs for themselves.

The situation of the nurses is a little better because their training time is shorter. In fact, after joining the nursing schools for two months, student nurses can go to the hospitals to serve the patients. In the past, I mean, nearly 30 years ago, there were many so-called "red fishes" in the hospitals as the student nurses were all wearing red uniforms. These students played a significant role in facilitating the operation of hospital wards. Regarding the doctors, however, if we just rely on increasing the number of places for medical students to cope with the problem of manpower shortage in public hospitals, the situation would become rather worrying. If the Government increases the number of places for medical students from 320 to 350, it means that an additional 30 students would have to go through the six-year education process at universities as well as the seven-year specialist training, which is altogether 13 years, to become specialists. In other words, it takes 13 years to have an additional 30 specialists. Currently, we have 10 000 doctors in Hong Kong. What good is it to take 13 years to get 30 people? Moreover, among these additional 30 students, not every one of

them will finally become a specialist after graduation. This is because anyone who wants to be a specialist has to receive extra training and the training method is decided by the Hong Kong Academy of Medicine. Hence, these additional 30 students may not become specialists in the end.

What qualifications does a specialist need to acquire during the training? It is the work experience that counts. Let us take surgery as an example. During the training, sometimes students are required to handle 100 serious cases, such as cancer cases, in every half year. How many cancer cases are there each year? It is not determined by the HA, nor by the Government. The number of cancer cases is determined by the number of cancer patients in the community. For cancers like colorectal cancer and rectum cancer, there are less than 5 000 cases each year. Therefore, only a limited number of specialists can be trained. In fact, this is another bottleneck.

Faced with such a drastic change in the demand for manpower and such a long training time, what can we do? For commercial companies, this problem can actually be handled in very simple ways. The first option is to outsource their services and the second is to hire part-time staff. Since there is sufficient manpower in the private market, outsourcing services is an immediate solution to the problem. When there is a demand for the services, outsourcing measures can be taken. When there is no more demand, the outsource contracts can be terminated. It is a fast and simple way that can help us save many troubles.

However, when outsourcing a service, the Government and the HA are only willing to pay an extremely low price, usually a price that is far lower than the cost of the same service provided by their own staff. I do not understand why they have such a practice, or perhaps it is a problem concerning the system. One of the examples is that the HA is now trying to outsource the consultation service for diabetes and hypertension patients in NT East. It is hoped that private doctors can provide consultation service for these patients four times a year, and each patient will be offered a grant of \$1,200 annually. How much is the actual cost of the consultation service provided by the HA for each of these patients each year? In fact, the cost of each consultation is \$1,200. For four times a year, the amount will be more than \$4,000. However, by offering each person an annual grant of \$1,200, which only accounts for 25% of the actual cost, the HA wants to get rid of these patients and transfer them to the private doctors.

In this case, how can you expect the patients to say yes? Undoubtedly, there will be extra charges from the private doctors.

When calculating the cost, the HA or the Government might think that \$1,200 is an overestimated amount and the actual cost can be much cheaper because the services provided by public hospitals are different from those of the private doctors. For instance, regarding the out-patient services provided by government hospitals, the cost of \$1,200 already includes the medicines for a period as long as three months. As for private doctors, they will not provide medicines for such a long period of time. Therefore, the cost of medicines can be excluded from the cost of the outsourcing service as the drugs can still be provided by public hospitals. But we have to remember one thing, that is, when calculating the cost, the Government has not considered the factor of land. Neither public hospitals nor government out-patient clinics have to pay rent. However, private doctors have to do so and the rent they are paying accounts for a large proportion of their operation cost. We all know that if you run a business in Hong Kong, you have to pay expensive rent. Today, when institutions like The Link Management Limited also adopts a policy of significant rent increase, should we include that part of expenditure in the cost? Hence, with regard to the outsourcing of services, I really do not understand why the HA tries to outsource the consultation service at such a low price?

The second option is to hire part-time staff. Since there is spare manpower in the private market, part-time staff can be hired. But why do the doctors under the HA rarely take part-time jobs? It is because there are no standard working hours. As our full-time colleagues may have to work nearly 70 hours a week, if now we hire part-time staff and it is assumed that their working hours are half of the full-time hours, can they still be called part-time staff? If a part-time doctor has to work more than 30 hours a week, is that still a part-time job? If a part-time doctor only has to work 22 hours a week instead of more than 30, our colleagues are definitely willing to take the job. Then why do we not make it this way? It is because if we make it this way, all the full-time doctors would immediately resign and take the part-time jobs instead. Since the full-time doctors have to work nearly 70 hours a week, they would rather change to part-time status, which will allow them to earn half of the full-time salary by working 22 hours only.

The reality is that the problem of wastage in public hospitals is caused by many factors, and money is just one of them. We can even say that it is not the most crucial factor. In fact, it is unrealistic to use money or remuneration to encourage our colleagues to stay in public hospitals because the reward that a doctor can get from the private market is several times higher than the remuneration of a government doctor. The difference is so big that the Government can never fill the gap. Even for a difference of just 1.5 times or two times, it is an amount that the Government cannot afford. In order to retain our colleagues in public hospitals, a simpler way is to introduce standard working hours and give compensation to those working overtime. Otherwise, our colleagues will still leave their posts one by one. In many cases, remuneration is not the reason for resignation. Instead, age is the core factor. At the age of 30, they still have to work overnight once every five days. That kind of overnight job is different from shifting which allows you to take rest before or after your shift. It is a kind of overnight job that requires you to work continuously for nearly 30 hours. For those aged over 30, this is not an easy job. As far as I know, our Members also had this kind of experience last year. Finally, everybody sneaked to the Ante-Chamber to take a nap.

Regarding the Government's arrangements for CEPA which help doctors in Hong Kong practise on the Mainland, it is nothing but a joke. After such a long time, among the over 10 000 local medical practitioners, only a few dozens have started their career on the Mainland. In fact, the system on the Mainland, to put it in a more polite way, is a system that we are yet to get used to. Therefore, very few people are practising there. Moreover, in respect of healthcare, the patients actually look for the doctors, and it is not necessary for the doctors to seek patients. It is just like those hospital complexes in the United States where you can find patients from all over the country and the world seeking consultation from renowned doctors.

On the other hand, many colleagues have asked if we can invite foreign doctors to come to Hong Kong. The universities do have this mechanism, but the matter has to be considered on a case-by-case basis because the Medical Council of Hong Kong (MCHK) has to take into consideration the quality of these doctors and be responsible for the health of the public. Anyhow, the MCHK can give approval to this. However, I would like to raise another question. If those foreign doctors are medical talents with outstanding expertise, why do they have to practise in Hong Kong? What benefits can Hong Kong

offer them? Besides, many foreign doctors are very concerned about working hours and would not be willing to work unlimited hours for a fixed salary. Therefore, it is not possible to hire them. As for some returnee doctors such as those involved in a complaint which was referred to me by Mr Fred LI, they began to complain and asked why they were required to work 90 hours as soon as they had just started their training after the examination. This was also a question I raised in the Chief Executive's Question and Answer Session last time. If we can deal with the issue on standard working hours, we would not have to hire foreign doctors because a considerable number of local doctors would be willing to stay in public hospitals.

Lastly, as there is still a little time, let me talk about the issue on health insurance. Our sector thinks that the most crucial factor is land supply. Last year, four sites are earmarked by the Chief Executive for developing medical services. At that time, the Secretary seemed to have said that about 2 000 hospital beds can be provided. Now when it comes to the voluntary HPS, surprisingly, what we have are still those four sites. These four pieces of land are really amazing. Not only the medical services but also the voluntary HPS have to rely on them.

I have checked some other data and found that currently there are altogether 3 700 beds in private hospitals, and the bed rate has almost reached 100%. Some hospitals have told me that their hospital bed occupation rate has exceeded 110%, which means that two patients use the same bed on the same day. It shows that the supply is actually inadequate. After the introduction of the voluntary HPS, the Secretary changed his tone and said that application for the building of hospitals on private sites was welcomed and the Bureau would render its support to the applicants. As for the existing private hospitals, expansion projects will be carried out. He estimated that with the implementation of the HPS, the number of hospital beds might have an increase of 60% to 80%. For 60%, it means that the number of beds will increase from 3 700 to over 6 000.

However, I hope the Government and the Secretary can make an assessment for us. According to the Secretary's expectation, once the HPS is implemented, how many people are expected to join the Scheme? After joining the HPS let's say, if there are 3 million people joining the Scheme well, perhaps too many let's say 1.5 million. If there are 1.5 million people

joining the Scheme, how many private hospital beds would we need to meet the demand of our society? We have no excuse to keep the patients waiting in a queue as they have already taken out health insurance. After taking out the insurance, without doubt, the patients should have the right to decide when to admit to the hospital. We cannot keep them waiting for a week, nor can we postpone their cancer operations for several weeks. In this case, how many hospital beds would we need to meet the demand of our society?

What can the Administration do to meet the demand for hospital beds? We have to know that the building of a private hospital involves land allocation and planning. Only this process will take several years, not to mention the manpower arrangements. I have just said that we do not have to worry about the manpower of doctors, but there must be adequate number of nurses, and arrangements in different areas are also needed. Just like battling in a war, weapons and provisions have to be ready before the soldiers arrive. If the soldiers are not provided with weapons and provisions upon arrival, how can they fight the enemies?

I suggest that the Government should consider making more flexible arrangements as they did a few years ago in developing tourism. At that time, nine hotel sites were placed on the Application List for interested investors to trigger. In fact, investors would only make a quick observation on the market response. If the response is unsatisfactory and no one joins the HPS, they would certainly give up the plan. But if we have a demand for such services, or if there is satisfactory development of medical services and sufficient manpower, they would trigger the sites for sale. By using this method to trigger a site for the building of a hospital, it will only take two to three years to complete the job because interests have to be paid during that period. Can the Administration make such flexible arrangements?

Not long ago, the Secretary kept saying that application for private sites was welcomed and he would render his support to the applicants. Let's imagine that you are an investor who wants to build a hospital, and now the Secretary invites you to purchase a site which was originally earmarked for industrial purpose or for the purpose of building a hotel instead of a hospital. He tells you that later you can go to the Town Planning Board (TPB) to apply for change of land use and he will give you support. So I want to ask the Secretary one question: Does it mean that with your support, the TPB will certainly approve the

application? If the TPB turns down the application after the purchase of the site, does it mean that the site has to be used for building a hotel or a factory? It is absolutely infeasible.

Therefore, I hope that the Secretary can discuss the matter with the whole Government so as to study the possibility of seeking some suitable sites as they did in developing tourism. For example, school sites can be used for the same purpose, which is for building public facilities. A school site of 0.7 to one hectare can already be used for building a hospital with 200 to 300 beds. I believe that there are many such sites. The Administration may place some of them on the Application List so that flexible arrangements for land supply can be made according to the market demand. This is also a solution to the problem that I have just mentioned. As we do not know how many people will join the HPS and how big the demand will be, a less rigid approach like this will facilitate the implementation of the HPS in the future. President, I so submit.

MS STARRY LEE (in Cantonese): President, education is indispensable for improving our competitiveness and upward social mobility. So, I remember that the first motion debate moved by me here in this Council was one asking the Government to increase funded places at universities.

This year's Policy Address has responded to this request. However, the number is just increased to 15 000. That fails to meet the aspiration of qualified students at all. The Government understands that for a knowledge-based economy, it is necessary to increase university places. The Government's policy over the past few years reveals to us that the Government has already chosen to address the issue by having self-financing places and developing private universities.

As a matter of fact, the SAR Government has, since the year 2000, decided to sharply increase the number of sub-degree places so as to open up another channel for further education for senior secondary school graduates. Hence, over the past 10 years, sub-degrees have sprung up all over the place. Local tertiary institutions have made available about 500 sub-degree programmes covering different disciplines. Of these, 313 are self-financing programmes. About 10 000 students are admitted every year. To have young people's academic qualifications boosted for them to gain admission into universities can

indeed bring them considerable hope. However, it can also bring them even greater frustration.

Last year's policy address was explicit on developing education services and two sites were reserved for the construction of private universities. With the addition of the former Queen Hill's Camp at Fan Ling and the restricted area at the border, both to be used for the development of private universities, it is believed that private universities will be on the market soon, giving the students more self-financing degree places.

This year's Policy Address also announces the setting up of a fund of \$2.5 billion for the development of self-financing post-secondary education to improve the quality of self-financing programmes. However, I wonder how the standard of self-financing degrees can be assured while more places are available. There is no specific recommendation in the Policy Address.

Although they are said to be private universities, the Government has been putting in a lot of social resources, including concession in the form of land grants, loans for the construction of campus buildings, and the fund of \$2.5 billion for self-financing post-secondary education just mentioned in the Policy Address. So, with regard to ensuring the standard of self-financing degrees, the Government should have the say. How can quality programmes be achieved? One of the key factors is, I believe, the important indicator regarding graduates' employment rate and their acceptance by employers. At present, sub-degree graduates, after years of actual combat, are still not getting enough recognition.

Let us look at the actual figures. Last year, there were approximately 16 000 sub-degree and High-Diploma graduates. Among them, 60% could move up to senior year courses. Of the remaining graduates who could not further their education, those getting full-time employment only came up to 78%. The remaining 22% of the students could only find part-time employment or had to wait for employment. Hence, they are very disappointed. Many of them have got into heavy debts, which is most lamentable. So, we must learn from sub-degree programmes, and find ways to ensure quality when we develop self-financing degree programmes in the future. Otherwise, I have the grave worry that self-financing degree graduates will face a similar situation like

sub-degree graduates since many graduates will likewise go unemployed upon graduation.

I know that many nations are trying to enhance the quality of their citizens, including their employability. For instance, the approach of Australia is to link up education, training and the job market. Hence, there is more participation by employers in drawing up programmes. Also, the emphasis is placed on the users' selection in the development of private sector training market. In addition, skills needed for the enhancement of employability are incorporated in the courses offered by schools, vocational training and tertiary education. Students' evaluation also covers these points. I think Hong Kong should learn from their experience in this respect.

The bitter lesson from running sub-degree programmes is still vividly fresh in our memory when we discussed it with members of the education sector. After years of actual combat, some institutions are still struggling as they are responsible for their own profits and losses. Some have even closed down and left the scene. So, I have the grave worry that as the Government promotes the development of private universities, self-financing degree programmes might start in profusion merely offering some less costly subjects, such as business management and financial services, not dovetailing with the needs of today's manpower and talent markets.

So, the Government must not stand by with folded arms with regard to the regulation and quality of programmes of private universities and sub-degrees. Judging from students' expectations and the employment rate of graduates, I think it is necessary for the Government to conduct further scientific study regarding course planning and give consideration to setting up a supervisory committee to review and inspect the self-financing degree programmes offered by private universities. It is necessary to identify their importance in our economy and link them up with the expectations of employers in the business sector so as to make courses offered more congruent with the requirements of the job market and in line with our long-term economic development.

All in all, if the Government wishes to enhance our overall competitiveness and run self-financing programmes of high quality through self-financing degree programmes, it must not turn away after making available land grants, loans for

building schools and the allocation of \$2.5 billion. There has got to be long-term commitment on the part of the Government.

This year's Policy Address responds to the long-cherished aspirations of the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB), including the grant of additional resources to schools for hiring administrative staff, earlier payment of textbook assistance, and increasing the fixed amount of textbook assistance. However, the threshold for getting the assistance remains unchanged, which thus denies the benefit to many parents. To make it possible for more people to benefit from it, I call upon the Government to give further consideration to relaxing the threshold set for getting textbook assistance.

The textbook assistance for students in need mentioned in the Policy Address will go up to \$1,000. According to my understanding, this will still take one year to take effect, that is, not until September 2011. Mr Secretary, as it has already been put forward in the Policy Address, I wonder if it is possible to take one further step to "escort the Buddha all the way to the West" by advancing the effective date of payment to this year. I think our Legislative Council will also give support in order that parents need not wait for one more year.

Also, although some 80 000 students from low-income families are eligible for full subsidy of textbook assistance at present, there is no subsidy for participation in extracurricular activities. As a result, many low-income families give up the extracurricular activities or private tuition of their children. So, DAB wishes the Government to reconsider introducing the extracurricular activity assistance for students in need so as to ensure that such students may take part in various extracurricular activities for experience without worrying about the fees.

Finally, I would like to point out the issue concerning support given by the Government to children with learning disparities. The Chief Executive proposes in the Policy Address the launching of a pilot scheme in primary and secondary schools to facilitate the studies of autistic children. According to psychiatrists dealing specially with children, the golden time for treating autism is the age before five. Timely intervention offering speech therapy and behavioural training is of great help to the young patients' future learning development. However, in the case of children mental health department in public hospitals, the patients often have to wait for two or three years. Besides, it has been reported

that there are already more than 3 800 cases of autism under the care of the Hospital Authority at present. However, our public hospitals have only 19 psychiatrists dealing with children. As a result, the waiting time for the treatment of autism can be as long as three years, and the golden time for treatment is missed.

According to persons from organizations helping cases of autism, children suspected to be suffering from autism now have to wait for a year or two for assessment and treatment. And then they have to wait for another year or two for places in special schools. This is indeed a cause for concern. According to the information of the Department of Health, there has been a steady increase in the number of children with confirmed autism. The number rose sharply from 218 cases in the year 2000 to 1 452 cases last year. Hence, it is really necessary for the Government to shorten the waiting time for treatment or assessment.

I once brought up the issue to the Education Bureau and they said it was the responsibility of the Department of Health. Today, as Secretary CHOW is also here, I hope that Secretary CHOW will put this on his priority list because children's health is of the greatest concern to their parents. To know that their children have learning disparities or are probably suffering from autism or other diseases will indeed wear them down with worry.

In the one case that I dealt with, it took a year or two to wait for government treatment. No, not treatment, I mean assessment, which already took a year or two. After that would be treatment. Fortunately, it was a middle class family. They could afford to get some early treatment elsewhere, thus enabling the child to have improvement in development at an early stage. If it were a poor family, it would not have been able to afford the fees of private treatment. My wish is for Secretary CHOW to seriously address this matter.

Furthermore, the pilot scheme mentioned in the Policy Address is only for participation by autistic students in primary and secondary schools. Children with other learning disparities have the need, too. Learning disparity is not confined to autism only. It may also exist in those suffering from hyperactivity disorder, children in need of speech therapy and children with dyslexia. My wish is for the Government to launch pilot schemes to help these children with learning disparities as well. If you get in touch with parents of children with learning disparities, you will notice that they are very anxious and are burning

with impatience. I again urge the Government to reinforce the pre-school support for these children so as to effect timely intervention, not leaving an even stronger stigma on the children (*The buzzer sounded*) These are my remarks, President.

MR CHAN KIN-POR (in Cantonese): President, I would like to focus on the issue of healthcare financing in this session.

The Food and Health Bureau has launched a consultation exercise on the Health Protection Scheme (HPS) and received positive response from society. However, since it involves many technical elements, some citizens and critics still fail to understand many details of the Scheme, and they may even have some misunderstanding. I think the Government has to make further effort to explain the details to various parties in order to allay their worries and let them understand the advantages of the Scheme. I also believe that as soon as the public have a thorough understanding of its advantages, they will be willing to join the Scheme.

I think that the support from four fronts is essential to the future success of the HPS. First of all, we need the support from the Government, which should take the responsibility to promote, monitor and subsidize the whole Scheme. Here I would like to talk about the \$50 billion grant in particular. According to the present plan, the Government will reserve a sum of \$50 billion, of which \$2 billion to \$2.5 billion will be granted each year. It means that the whole grant can last for 20 to 25 years only, which gives rise to worries about the risk of its default in the future.

In response to the question I raised in the Question and Answer Session earlier, the Chief Executive pointed out that as long as the operation went well in the first five years, regular reviews could be conducted in the following years to ensure the sustainability of the Scheme. I eagerly hope that the Government will consider this matter seriously as sustainability is a crucial element in the voluntary HPS.

Secondly, the support of the insurance sector is needed. As I said earlier, regarding the 10 requirements set by the HPS for the insurance companies, even the Government admits that they are very strict. But after considerable

deliberation, the insurance sector still supports the Scheme in principle, and they just hope that the Government, when working out the details of the Scheme in the future, will treat them fairly and justly.

I have heard some views in this Council suggesting that the HPS will eventually benefit insurance companies only. I hereby solemnly clarify that the insurance sector is only the manager of the health insurance plans with a normal profit of merely 3% to 5% from the plans. Therefore, it is not fair to say that the Scheme benefits the insurance companies. In fact, for the group medical insurance plans now we have in the market, more than 80% of the premiums are used for paying the charges of hospitals and doctors. As for individual insurance plans, since the premium of each policy is lower, the commission rate is therefore higher. However, since only standard policies will be offered under the HPS to be implemented and not much promotion work has to be done, it is believed that the commission rate will be even lower.

Thirdly, the support of private hospitals and doctors is necessary. In fact, the HPS has to adopt a two-pronged approach with the insurance companies providing management service for the Scheme on the one hand and the private hospitals as well as private doctors offering medical services to the insured on the other. Basically, neither of these two "prongs" is dispensable. Nevertheless, while the insurance sector has stated their stance on the 10 requirements, both the government and private hospitals have not yet reached a consensus on this matter. At the same time, we are still waiting for the private hospitals and doctors to agree to the introduction of packaged services and enhanced transparency of the charges.

Actually, as the charges of private hospitals are not standardized, the public are worried that the amount of compensation may be inadequate to cover the medical fees. Therefore, to ensure that the Scheme will be implemented successfully, it is absolutely necessary to enhance the transparency of charges in private hospitals. However, the current occupation rate of private hospitals is already close to 100%. Without any competition, these hospitals actually do not have to accept the introduction of packaged charging, which is supposed to be operated in the mode of "averaging out the higher and lower ones". In fact, the Government should take the initiative to consider increasing the number of beds in private hospitals so as to bring more competition to the market and thus push the private hospitals to introduce packaged charging. As Dr LEUNG Ka-lau has just said, even with an addition of 2 000 hospital beds, the needs cannot be met

indeed. The Government has to bear in mind that it takes quite a long time to establish a private hospital. Therefore, it must take decisive actions to ensure the provision of smaller sites. As Dr LEUNG Ka-lau said, actually a site of just one hectare will do. In view of this, the Government should study this matter immediately.

After the implementation of the Scheme, the Government should also enhance the monitoring work so as to avoid the abuse of health insurance by the insured or the doctors. Besides, with the development of medical technology, the introduction of new expertise and medicines will surely lead to an increase in medical charges in the future. This is also an issue that requires the Government's close attention.

Fourthly, it is the public's support. As I said earlier, some citizens may not have much understanding of the Scheme, so the Government has to make further efforts to deal with this. I have heard some people say that this Scheme is actually using the money of the young and healthy to subsidize the old and weak. I find such view absolutely wrong because everybody will get old one day. No one can stay young forever, and we will never know when our health will deteriorate. Therefore, there is no such thing as subsidizing.

Furthermore, I hope the Government will once again consider offering tax concession to those who take out health insurance so as to encourage the middle-class people with extremely heavy tax burdens to join the Scheme by increasing their incentives to take out the insurance. In fact, the HPS is meant to target at the middle-class with a view to diverting them to private healthcare institutions. Therefore, it is justifiable to provide tax concessions.

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

Lastly, the final public consultation on the Government's HPS is being conducted, and many problems are still waiting to be solved now. I hope that all sectors of the community will seek solutions in a serious and open manner with a view to putting the Scheme into implementation as early as possible.

I so submit.

MS CYD HO (in Cantonese): In this year's policy address, the Chief Executive has responded to the demand for special education. But unfortunately, of the eight learning difficulties, he responded to only one of them. As said in the Policy Address, some resources will be allocated for the assessment and identification of autism in early childhood. But this is not enough. In fact, there are different types of learning difficulties, and cases of mixed learning difficulties also exist. Some children might have visual or hearing impairments while others might have autistic behaviour. If the assessment, identification and support are only limited to autism, it is absolutely infeasible.

A Member has just mentioned that according to the Government's information, the number of autism cases has increased from 218 to 1 452. Here I must clarify that autism is not an infectious disease which could have a seven-fold increase within a few years. This increase only reveals that the support we previously got was inadequate. As no one had sufficient knowledge about special education or autism, the autistic children might have missed the chance to get an assessment. So, the reality is that this has become a hidden problem. On the whole, for special education, the Administration probably adopts an ostrich policy of no identification, no knowledge, no understanding and no response. They simply ignore the need for learning support, for which I would like to express my deep regret. Therefore, my attitude on special education will not change, and I will keep on requesting the Government to allocate resources for conducting a comprehensive survey and conducting assessment on school children and pre-school children of different stages. We should find out their learning difficulties, needs and weaknesses as early as possible, and then provide them with suitable treatment and counselling within the golden period.

In fact, some learning difficulties, especially visual impairment, can be improved through suitable treatment. Even if improvement cannot be made, rapid deterioration of condition can be prevented. We should also help parents and teachers identify children with these difficulties so that they can provide them with custom-made assistance and suitable support according to their needs, thus ensuring that these children will not be deprived of the education opportunities that they are entitled to.

Moreover, Deputy President, I have to criticize the Administration for proposing a Basic Law Examination in this year's Policy Address because it is

utterly against the principle of education. Apart from that, the Administration also proposes to change the curriculum on Moral and Civic Education to Moral and National Education. Deputy President, "national" is an identity while "civic" involves quality. Through education, we know our names, sex and nationality, and this concept of identity is very clear. However, do we have the quality of members of a civil society? And how can we nurture that quality? This is a matter of education policy. I agree that we should have knowledge about the Basic Law. However, instead of following the Law blindly, we should look at it with a critical mind. I am very worried that in order to cope with the Examination, students would rather memorize the safest model answers which can fully meet the teachers' expectations than study the Law with a critical mind since both students and parents are afraid of having a failed subject on the academic transcript. We can see on the policy agenda that not only the Basic Law Examination but also a database of examination questions on the Basic Law will be introduced. Deputy President, when there are even "model questions" for an examination, inevitably and understandably, we may suspect that the students have to answer the questions according to the expectations of the Government, the Education Bureau and their schools. As told by a civil servant, the Examination could be in the form of multiple-choice questions which probably focus on some factual information. In this case, no critical analysis is needed. However, even if it is in the form of multiple choice questions, there can be leading questions. Therefore, Deputy President, I absolutely oppose the inclusion of the Basic Law in the scope of examination.

On the other hand, I largely support the idea of arranging students to go to the Mainland, especially the poor and remote areas, to work as volunteers and experience life there. It is because once the students step on the land of the remote areas apart from going to big cities like Shanghai and Beijing many questions will come to their minds. Our nation has been established for 60 years and our open-door economic policy has been adopted for three decades, but why is there still such a significant disparity between urban and rural areas? Why is there such a wide wealth gap? In remote areas, both education and healthcare facilities are inadequate. Once these questions come to their minds, they will start thinking in a critical way and begin to truly realize the shortcomings of our country. This is a crucial foundation for nurturing a civil society. Hence, Deputy President, I have also moved an amendment, which is the request for the implementation of dual universal suffrage in 2012. I hope this common wish of the 500 000 voters participated in the referendum in the five

geographical constituencies can be respected. I was told by a political party that not only 2012 but also 2017 and 2020 were mentioned in the referendum. Perhaps this is an undeserved blessing brought by a not-so-beautiful misunderstanding because many citizens actually knew that it was impossible to achieve the goal in 2012, but they still came out to vote. They are a strong force in promoting democracy. I hope that all of us can treasure this force and respect the wish of these people. Thank you, Deputy President.

MRS REGINA IP (in Cantonese): Deputy President, I would like to talk about the issue of education hub, which is among the six competitive industries put forward by the Chief Executive. Let us take a look at how we will develop as an education hub after the Chief Executive introduced the six competitive industries.

First of all, I would like to reiterate that, in principle, I am opposed to the idea of turning education into a profitable business for I think that the greatest mission of education is to inspire the minds of people. In the long-run, only quality education can enable people to improve their living standards and opportunities for upward social mobility. I think that to treat education as a tool for making money is actually putting the cart before the horse. After the SAR Government advocated the idea of turning education into an industry, we notice that certain secondary schools have started to get ready for expansion. Some reputable secondary schools have built additional quarters in preparation for enrolling large numbers of Mainland students, making it explicit that they are doing so for earning Renminbi, and I can hardly agree to what they are doing. The reason being, if we have quality schools my alma mater — St Stephen Girls' School — have considered joining the Direct Subsidy Scheme (DSS), but why has it finally decided not to do so? This is because it does not wish to see students with good qualifications but lacking financial capability being turned away from a good school by the exorbitant school fees upon its participation in the DDS.

A year has passed and what do we see? It was reported in the newspapers that the business operations of some secondary schools which were prepared to earn large profits of Renminbi has failed due to the lack of co-ordinating State policy and I believe that Secretary SUEN is also quite aware of the situation. The SAR Government has started advocating the idea of a secondary school education hub and intended to earn Renminbi before the State has any policy on

giving the green light. I recently met a secondary school principal who asked why students cannot come to study in Hong Kong and allow us to make a profit since many have already gone to study in Malaysia and Australia. I really cannot agree to this kind of attitude. In fact, the policy of our country is that approval will not be easily given to allow secondary school students to come and study in Hong Kong because they are too young for self-management. As such, the Government should really review this concept. As regards to the idea of allocating land and funds in support of self-financing universities, I think that it will also fail in the long-run.

I remember that I must have abstained from voting at the time when the Finance Committee scrutinized the \$2.5 billion funding application for I could not understand why the SAR Government has always thought that the universities of Hong Kong are quite appealing. Perhaps, the Government has seen certain university ranking lists and found that some Hong Kong universities ranked quite high on a certain list of the United Kingdom. However, there are actually quite a number of different ranking lists, among which is one compiled by the Jiao Tong University, which is quite highly regarded in the world. According to its overall ranking for 2010, The Chinese University of Hong Kong ranked the highest among Hong Kong universities — at 151th, while three other universities, namely the University of Hong Kong, The Hong Kong Polytechnic University and The Hong Kong University of Science and Technology ranked the same at only 201th. As regards the ranking for individual academic categories, such as engineering, biotechnology or other social sciences, with the exception of computer science, the ranking for Hong Kong universities were actually not very high in respect of different categories. I personally am not a great believer of the ranking lists, but the fact is, it will be impossible for a newly established self-financed university to achieve a very high ranking on the lists in the short-run. As Ms Starry LEE has said earlier, a self-financed university which only teaches financial and accounting skills is only a tertiary professional college, and not a real university. It can hardly compete with the other universities if it charges a school fee of \$80,000 or \$100,000.

I am certainly very happy to learn that the Government has promised to increase the number of government subsidized places by 500 in the year 2012 to 2013, but this is actually far from adequate and I also learn that the Government has indicated the increase in sub-degree places in the long-run to allow 30% of the young people of school age to attend universities, which is a correct direction.

However, even with an increased number of government places, how can a new DSS university without scientific research facilities and rank standing which deliver some professional knowledge only be compared to our established universities in terms of research scale? Unless such universities reduce their fees substantially and operate poorly, with their students having poor prospects, or financial difficulties, they will have to ask for funding from the Government again. Therefore, I am rather pessimistic about the self-financed universities' chances of success. I expect that such so-called self-financed universities will need to apply for funding from the Government or the Legislative Council and ask for our support several years down the road. In fact, the Government should do its duty by using public funds to consolidate our existing universities which have long histories so that they can admit more students and local students will not be barred from universities due to financial difficulties.

Next, I would like to talk about national education and civic education. I have listened to the views of many colleagues on this issue. I was absolutely in favour of the idea when the Government announced that national education would be enhanced. The Chief Executive has reiterated the importance of enhancing national education in his Policy Address. We can infer from this that the Government has not done a satisfactory job on national education over the decade since the reunification of Hong Kong. Some colleagues have voiced their dissatisfaction when the Legislative Council Panel on Education started to discuss the Policy Address. They questioned whether civic education would be neglected after the enhancement on national education. Many colleagues expressed different views. Some were of the opinion that civic education should be most important for young people, who should be educated about civic rights. Some colleagues were worried that national education would become so narrow that it would only instil purely one-sided and narrow-minded nationalism, and so on. There have been many reports on this issue in the newspapers, too.

I would also like to talk about this matter with the Secretary for I understand that the officials of the Education Bureau are very keen to promote integrated humanity subjects. During my discussions with many education officials in the past, they often quoted the subject of Social Studies in the United States as an example and pointed out that many secondary schools in the United States offer the subject of — Social Studies — as a possible replacement for the subject of History. In fact, not every secondary schools in the United States teach American history and this topic is covered in its Social Studies. The

United States Embassy has recently published a rather comprehensive report on the interviews with many secondary school Social Studies teachers of the United States. In the United States, Social Studies are actually civic education, in which Civics and Citizenship are taught. Uncle SUEN, this report is worth reading for many secondary teachers were interviewed and there are several sessions which should be worth reading.

Firstly, what is national education in the opinion of the teachers? That is, it teaches "What it means", for the United States, "What it means to be American? What is unique about our own country? We recognize our own country and its failings." These are not all one-sided for we should understand that our country is unique in having its own merits and problems. What is American culture? What is the status of American citizenship? In other words, we see that the first point worth considering is that their civic education has also covered national education. As such, has the Government actually created some unnecessary conflicts for no reason at all by separating civic education and national education into two different subjects, thus leading to disputes over civic and national education in both the Legislative Council and the media today? Other people have already covered the subject of national identity in their civic education.

Secondly, their civic education has laid great emphasis on the research and learning of American history. One of the teachers mentioned that David MCCULLOUGH, a well-known American historian on modern history who has written many best-sellers on American history, pointed out that "History is who we are and why we are the way we are". Why has China achieved today's development? It is a result of our past history. The China of today is inseparable from its history of the past several thousand years and history has explained the birth of today's China and how the specific national condition of today has come into existence.

Thirdly, and I hope that Uncle SUEN would pay some attention to this point. Civic education cannot be detached from national education. I would like to mention that many teachers were interviewed in the report and they had certainly been asked for their personal opinions. The teachers attached great importance to one point, and that is, they stressed that responsible citizenship, the value of responsible citizenship, was taught in civic education and citizenship, in which not only the concept of equality but also that of tolerance of different values were included. As such, I think that Uncle SUEN, should really asked

your subordinates, the "ultra extraordinary talented" programme directors to carefully study how other people teaches civic education. Is it true that, like what the education officials have often said, the past Chinese History curriculum which gave detailed descriptions of the past and brief descriptions of the present and only studied about kings and princes, and generals and ministers, does not help the development of the sense of national identity? Is such a view fair to the study of history? I think that if you could reform the existing curriculum on civic education and start the education at a young age, including start teaching students from primary school to learn about their own country, the history of their own country, why has today's China come into existence, that there is no perfect system in the world, that no system of one country can surpass that of the others and is perfect, to let us learn the historical facts and about the system of our country, and what leads to the birth of the "one country, two systems" in Hong Kong and so on. What good will this do to Hong Kong? Integrating the two subjects and enhancing the study of our national history is greatly beneficial to the young people — masters of the future, in enhancing their sense of national identity.

Due to time constraints, I would not be able to give a detailed account of the interesting report which I have read in the Chamber, but I would provide Uncle SUEN with the relevant information in writing later on. As there is still some time left and I did not have a chance to speak during the third debate session yesterday, I would also like to talk about the issue of social welfare.

The Chief Executive has responded to some demands of our society on social welfare, particularly in relation to the issues of retirement and senior citizens. He has offered greater relaxation in the limit of absence from Hong Kong for the Old Age Allowance and this should be beneficial to our senior citizens; he also indicated that residential care and community care services would be enhanced and such are all good measures.

However, the SAR Government has not responded to the crescendo of demands from our society on the issue of "universal retirement protection". Many people, be they the alliance fighting for universal retirement protection or capital management companies, have pointed out that the existing Mandatory Provident Fund (MPF) Scheme is really full of problems. It will be impossible for members of the general public to enjoy their old age with savings under the MPF Scheme. I reiterate — though the Secretary for Labour and Welfare is not

present, the Legislative Council will put this on record — I reiterate that an article written by Tony LATTER, the former Deputy Director of the Monetary Authority — I think many officials present know him as well, is worth re-reading — he pointed out in an article on criticizing the MPF system that he was involved in drawing up the Scheme back then — as Mr LAM Woon-kwong was also involved — he pointed out that in regard to the idea of the MPF system before the reunification, some conspiracy theories at the time questioned why the British Hong Kong Government did not introduce a Central Provident Fund. They were afraid that such a large sum of money would fall into the hands of Beijing. There were really such conspiracy theories back then. As a result, the Government injected almost no resources into the MPF Scheme and turned it into something that was too little and too late, and also made it virtually impossible for the people to rely on the MPF in their old age. Tony LATTER compared it to the provident fund of Singapore, which had a larger amount of contributions and more resources injected by the Singapore Government. As such, the provident fund system of Singapore is: firstly, capital guaranteed; secondary, at least 2.5% return guaranteed — I think many people would very much welcome a 2.5% return at a time when the current interest rate is so low. Furthermore, it also had adequate funds to respond to social problems, such as those in healthcare protection and housing. Therefore, though this cannot be achieved overnight, the Government actually has a responsibility to initiate a study and at least embark on one.

Thank you, Deputy President.

DR PAN PEY-CHYOU (in Cantonese): Deputy President, I would like to express the views of the Hong Kong Federation of Trade Unions on the Health Protection Scheme (the Scheme) which the Government has proposed. First of all, we welcome the voluntary scheme. However, I must point out that the Scheme does have some problems. Firstly, I think that its coverage is too small. A small coverage will cause problems, the first of which is that it may increase incidents of unnecessary hospitalization. Secondly, it may cause unnecessary surgeries.

On the other hand, we think that there will be problems if only private insurance companies are involved in the provision of the Scheme. We are of the opinion that with a low participation rate, reliance solely on market regulation

will lead to monopolization easily. As such, we think that the Government should consider establishing a public organization to participate in the provision of healthcare insurance.

Another possible problem is, since the Scheme will be monitored by two authorities, it may lead to the problem of "two monitoring authorities for one industry".

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

MR ABRAHAM SHEK (in Cantonese): Deputy President, we must affirm the work of the Policy Address on education, in particular in relation to what it said in paragraph 63 on ethnic minority and new arrival students. The Chief Executive is very concerned about these students and have set up a special team under the Home Affairs Bureau to provide the students with more learning opportunities so that they could further their studies like ordinary students. We very much appreciate that ethnic minority and new arrival students are different from ordinary students. We should offer them not only equal treatment but also something beyond that in order to allow them to further their education at ordinary schools under the same conditions. Deputy President, paragraph 63 of the Policy Address put forward this direction, but it did not mention what the Government will do. I would like to hear what Uncle SUEN has to say by way of explanation in relation to the contents of paragraph 63 on ethnic minority and new arrival students later on.

Deputy President, I have heard Mr CHEUNG Man-kwong and Ms Audrey EU clearly state their opinions on small class teaching earlier and I very much agree with them. I was once a teacher and understand that the number of students in a class would make a great difference to the performance of teachers and would also have different impacts on students. The introduction of small class teaching will allow teachers to spend more time on getting students interested in learning, and this is particularly essential to students who are not very intelligent, for they could understand what they have learned better and could also feel their teachers' concerned for them, which is a good thing in all aspects. Currently, many schools have indicated that they have low enrolment rates. So why do we not implement small class teaching in secondary schools?

Though it was pointed out in many studies that small class teaching was unsatisfactory, I could say that small class teaching could enable us to feel the concern between each other, and allow teachers to have more time, and this is particularly important to education.

Furthermore, Deputy President, I would also like to talk about the issue of school closures. Mr CHEUNG Man-kwong has clearly pointed out earlier that closing down schools would have a very bad impact on education in Hong Kong as a whole. Though I very much understand the situation of inadequate resources which Uncle SUEN has mentioned, Mr CHEUNG Man-kwong has clearly pointed out earlier that the government expenditure on this area only constitutes one-fifth of its total expenditures, a decrease from one-fourth in the past to one-fifth, constituting 4% of our GDP. Why could we not make a bigger investment? To inject money on education is an investment, an investment on Hong Kong students and society. Why could the Government not spend more money on nurturing students?

Closing down schools can only solve the current financial problem, for the Government can inject less money into the schools, but I would like to ask Uncle SUEN whether he has considered the issue that closing down schools on the spur of a moment may have an impact on the education of Hong Kong in the long-run. Let us try to take a look at the students of The Hong Kong Institute of Education whose standards are actually below those of students at other universities. The reason is that students would choose to study in the Faculties of Medicine, Law and Engineering when they are making their choices, and they are not keen to become teachers. To be a good teacher, a special condition is required, and that is conviction, which means that one must be willing to make contributions towards education and care for students. However, the Government is treating serving teachers to "fat chicken meals" for voluntary early retirement on the one hand, and cutting down the number of schools on the other. So how would young people be willing to join the teaching profession? Deputy President, this would only affect the future development of education in Hong Kong.

I very much hope that when the Government raises the issue of closing down schools, it will understand that doing so would have a very great impact on the development of education in Hong Kong, for teachers are indispensable to education and they are also very important to our society and education. We have to find good teachers, who must have a sense of commitment in education,

and this is the only way for them to become good teachers. The Government should not make teachers feel insecure. In the present day, many teachers are forced to retire and lose their jobs in the face of schools being closed down by the Government. So why would young people want to become teachers? We must have to consider this point carefully.

Deputy President, I greatly support Mr CHEUNG Man-kwong and Ms Audrey EU's earlier views on small class teaching. Deputy President, I would also participate in the function on Sunday in support of this action. Deputy President, there is a need to introduce small class teaching in Hong Kong, especially in secondary schools. Thank you.

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

(No Member indicated a wish to speak)

DEPUTY PRESIDENT (in Cantonese): If not, three public officers will now speak. In accordance with the rule that each public officer may have 15 minutes to speak, they may have up to a total of 45 minutes speaking time.

SECRETARY FOR EDUCATION (in Cantonese): Deputy President, the Chief Executive pointed out in his Policy Address that the Government has always attached great importance to education. Education funding is the biggest expenditure item of the Hong Kong Government. As several Members said earlier, it constitutes one-fifth of the total government recurrent expenses, which is higher than those of many economically advanced countries. Though the economy of Hong Kong has experienced ups and downs since the reunification, the resources we have injected into education have been ever-increasing. Recurrent expenses on education have increased by 25% from \$41.6 billion in the year 1998-1999 to \$52.2 billion this year, among which the resources for pre-school education has doubled, and the proportion of resources allocated for basic education has increased from 61% of the total education resources in the year 1998-1999 to 72% this year. This significant increase fully reflects our appreciation for the importance of basic education. Our goal is to enhance the quality and competitiveness of the manpower of Hong Kong, so as to meet the

challenges of a knowledge-based economy. Currently, apart from providing a 12-year free education, we have also provided school graduates with multiple and flexible pathways. In addition to the 340 degree courses offered by 13 local tertiary institutions, there are also 500 sub-degree courses covering various disciplines offered by various local tertiary institutions. Furthermore, the institutions have also offered various continuing education, vocational education, and training programmes, to allow young people to choose the most suitable path for themselves and give full play to their potentials according to their own abilities and ambitions.

As regards to tertiary education, the Policy Address of this year has put forward new measures and endeavours to provide young people with a wide range of opportunities for further education, and to nurture talent for the community. In many places, such as the United States, Japan, South Korea and Taiwan, the development of self-financing tertiary education is flourishing. They have many successful private universities which provide diversified quality tertiary education for students, and Hong Kong should learn from their experiences. As such, we will adopt a two-pronged approach and try our best to promote the development of complementary public-funded and self-financing institutions, in order to provide more opportunities in diversified higher education for young people.

As regards the publicly-funded sector, we proposed to progressively double the number of senior year intake places funded by the University Grant Committee (UGC) to 4 000 per year from the 2012-2013 school year, so as to provide more articulation opportunities for outstanding sub-degree graduates. Furthermore, we proposed to increase the number of UGC funded first-year-first-degree places to 15 000 starting from the 2012-2013 school year. As the last batch of Form Seven graduates and the first batch of graduates under the new academic structure will be attending the University at the same time in the 2012-2013 school year, we will double the number of first-year bachelor degree course places, and that is, a total of 30 000 places in that year, so as to cope with the extra number of graduates. It is anticipated that by the year 2016, UGC-funded institutions will produce about 19 000 undergraduates each year, which is a 16% increase, as compared to the existing number.

As regards to the self-financing tertiary education sector, we will step up our efforts to enhance the quality of self-financing tertiary education so as to offer

more quality educational opportunities and choices for students. We proposed to set up a self-financing tertiary education fund with a total commitment of \$2.5 billion, to offer stable and continuous resources for supporting the long-term development of the sector. Investment income from the fund will be used for the direct-funding of quality enhancing projects, assessment and quality assurance activities, and to offer scholarships for students with outstanding academic results. We will consult relevant stakeholders for drawing up specific arrangements and details.

Instead of deploying existing resources within the envelope of the Education Bureau, all the above measures will be implemented with newly allocated resources. We will also continue with our existing supporting measures, including granting land at nominal prices to help tertiary education institutions build school campuses. We have so far granted interest-free loans amounting to about \$4.6 billion to the institutions for building or improving their teaching facilities, and we have also launched a \$100 million quality enhancement subsidized plan for effectively promoting diversified tertiary education.

We hope that the abovementioned new measures will enhance the mobility between the publicly and privately-funded sectors and the sub-degree and degree sectors, for the development of a flexible and diversified education system with multiple entry and exit levels. Upon full implementation of the above proposals, we anticipate that over 30% of our young people in the relevant age group will have the opportunity to attend the publicly-funded or self-financed degree programmes. Together with the sub-degree places, the number of young people attending local tertiary programmes will account for about 65% of the age group, which will be more than double as compared with the level of about 30% a decade ago.

In order to enhance the internal administration of the schools, we will launch a pilot scheme in some public schools in 2011 and 2012. Participating schools will be allocated resources for employing administrators to assist the schools in formulating relevant internal guidelines or setting up a mechanism for more effective management of administrative work, and to further reduce the administrative workload of teachers. Information provided by the pilot scheme will be beneficial in helping us to consider extending the relevant measures to other public schools in future.

Another focus of the Policy Address is on introducing national education in the 2013-2014 school year. We also propose to further promote national education through enhancing exchange programmes with the Mainland, supporting student teachers and strengthening the national education curriculum.

Starting from the 2009-2010 school year, the Education Bureau will offer financial assistance for 37 000 students to participate in various Mainland exchange programmes. The content of the exchange programmes will be linked to the contents of various academic subjects, such as History, Culture, Social and Economics. Apart from enhancing students' understanding of the Chinese culture and the latest developments of our country, the Mainland exchange learning programmes will also allow students to integrate their learning experiences with the school curriculum, consolidate and supplement their knowledge on relevant national education subjects.

The Education Bureau will, in conjunction with various voluntary organizations, expand the scale of the programme through the "Passing on the Torch" national education platform. The Policy Address proposed to progressively increase the number of exchange places at the rate of 4 500 a year during the period from the 2011-2012 school year to the 2015-2016 school year, so that every student will have the opportunity to participate in at least one subsidized Mainland exchange activities in their primary or secondary school. In order to tie in with the above proposals, we will provide student teachers with more support, so that they can be better equipped. We will subsidize student teachers to participate in relevant professional study courses on the Mainland and we will also hold discussions with teachers training institutions on the details for implementation.

As regards the establishment of an independent national education curriculum, the Education Bureau has already enhanced the content of moral and national education in the relevant school curriculum since the year 2000. We are of the opinion that since Hong Kong has already been reunified with the Motherland for 13 years, it is time to enhance our students' understanding and awareness of the Basic Law as a constitutional base for maintaining the rule of law in Hong Kong. As such, we propose to strengthen the support for the teaching of Basic Law in the primary and secondary curriculum through various measures. The Education Bureau will invite the Curriculum Development Council to review the existing curriculum framework for moral and national

education at primary and secondary levels, and to make suggestions on the contents, textbooks and teaching materials for national education through consultation.

The contents of moral and national education encompass various values, such a sense of responsibility and respect for others and so on, whereas the sense of national identity and commitment are also important values. We hope that through national education, and the subject of moral and national education, students can be encouraged to explore and learn more about the national and present conditions of China. In brief, it is to let students learn about our country. Furthermore, instead of specific topics, national education should be focused on broad perspectives, the goal of which is to broaden the students' horizon so that they can understand and analyse issues from different angles.

As regards to the comment that the scope of the curriculum of the subject of moral and national education is narrower than that of civic education, and the latter should thus not be replaced by the former, we propose that the curriculum of the subject of moral and national education should incorporate the contents of the subject of civic education, and it will not replace civic education or only narrowly focused on the learning of national conditions. Instead of imparting established knowledge, the teaching of this subject will use personal, social and national daily life events or issues as teaching materials, so that learning will be more related to daily life and students will be encouraged to adopt an open, independent and rational attitude in thinking and making judgments. As such, the purpose of this subject is not to seek established answers and neither will textbooks be the only source of learning materials for students.

The Government has always been very committed to education and has attached great importance to it. We have also made the necessary financial commitments. Looking to the future, we will continue to vigorously invest resources in education for providing quality and diversified education for our people, and to nurture outstanding talent for the community. We look forward to maintaining good communication and effective co-operation with the relevant stakeholders in relation to the promotion of various educational policies and measures in the coming year.

Deputy President, finally I would like to take this opportunity to briefly respond to Ms Audrey EU in connection to her questions and letter. I am very

sorry that I have misplaced her letter and would give her a reply as soon as possible.

Thank you, Deputy President.

SECRETARY FOR FOOD AND HEALTH (in Cantonese): Deputy President, today I would like to make a response with respect to several major healthcare topics in the Policy Address and policy agenda, including, among others, the second stage public consultation on healthcare reform, the Elderly Health Care Voucher Pilot Scheme, mental health services, the assistance to autistic children and the Hospital Authority (HA) Drug Formulary (the Formulary) as mentioned in Members' questions.

Since the roll-out of the second stage public consultation on healthcare reform on 6 October, various sectors of the community, including the Members present, have begun enthusiastic discussion and put forth many valuable opinions on the details of the Health Protection Scheme (HPS). Active community participation is the driving momentum for the healthcare reform. We will continue to join hands with the public and take into account their expectations so as to take forward a people-based healthcare reform.

Based on the opinions collected from the first stage public consultation, we will continue to have public healthcare services as our core while promoting a package of interconnected healthcare reform proposals on all fronts. In the second stage of public consultation on healthcare reform, we have proposed the establishment of a medical insurance scheme based on the principle of "voluntary participation and regulation by the government". This aims to provide the public with the choice of government-regulated private health insurance and encourage more people to opt for private healthcare services on a voluntary basis, so that public resources can be focused on providing key services and care to low-income families and under-privileged groups. At the same time, the HPS will help increase transparency and competition in the private healthcare market, so that consumers will be offered value-for-money services and adequate protection, and this will contribute positively to the development of the entire healthcare system in the long run.

Meanwhile, we are materializing the pledge by increasing the funding for healthcare from \$30.5 billion in 2007-2008 to \$36.9 billion at present. The budget for healthcare will continue to increase and account for 17% of government expenditure in 2012 in order to enhance and improve public services. We will also implement various healthcare reform proposals and make an input of over \$5 billion on the provision of quality services to the public through a multitude of channels. To increase the total capacity of public and private healthcare services is a major part of the healthcare reform. We will invest over \$15 billion in the infrastructure of public healthcare and the construction of public hospitals. At the same time, we are about to commence the tender procedure for private hospital development for four plots of land, and the manpower of healthcare professionals will also be increased synchronically.

Just now some Members have mentioned the turnover of doctors, and I have also heard Dr LEUNG Ka-lau's view on wastage of doctors. As we can see, we have had 250 medical graduates each year over the last few years and that number is going to reach 320 from 2013 onwards. Of course, we will continue the consideration of increasing the supply of doctors, but that would be done mainly to cope with the development of public healthcare services. In the private sector, we think the capacity of private practitioners is quite flexible at present. Various sectors of the community recognize the significance of the healthcare reform in general. We hope that, through this public consultation exercise, the public can fully participate in the deliberation because the recommendations put forward by the public and the direction of the healthcare reform, as well as the design of the HPS, are of utmost importance. We will formulate the details of the scheme by giving due regard to the views of the public so as to lay a solid foundation for implementing the scheme and taking forward the healthcare reform.

I would also like to remark that we will continue to enhance primary care services since it is an integral part of the reform and broadly supported by healthcare professionals and the general public in the first stage public consultation on healthcare reform. We have formulated the overall strategy for the development of primary care in Hong Kong based on the recommendations of the Working Group on Primary Care and its three sub-groups and after consulting the relevant professionals and stakeholders. The document on the strategy for the development of primary care is scheduled to be released by the end of this year.

Some Members have also expressed concern about the Elderly Health Care Voucher Pilot Scheme (the Scheme). The three-year Scheme has been implemented for almost two years since its launch. Up till the present moment, over 280 000 elders eligible for the Scheme (accounting for over 40% of total elders eligible for the Scheme) have used more than 191 000 vouchers, amounting to over \$96 million of the subsidy. Currently, we are conducting an interim review under which the operating arrangement and effectiveness of the Scheme, appropriateness of its scope, amount of subsidy, and so on, are reviewed. The interim review is expected to complete by the end of this year. This year's Policy Address proposes to earmark \$1 billion for the Scheme. Subject to the results of the interim review, we will consider whether to extend, adjust or enhance the Scheme. In this connection, just now Dr LEUNG has put forth some recommendations which I think are worth consideration, especially those related to promoting the use of preventive healthcare services among elders and how to make the healthcare vouchers achieve its objective of enhancing preventive care and improving the health of the elders.

Regarding mental health services, the government has been actively developing a community-based service model in recent years, aiming to help the mentally ill recover and re-integrate into the community with the support from multi-disciplinary bodies. Apart from launching various measures to enhance community support for the mentally ill, we will also set up community platforms to facilitate effective communication and co-ordination between various departments and service providers.

In 2011-2012, the HA will launch various measures in order to further enhance the support to persons with different mental illnesses. Firstly, in respect of persons with severe mental illness, the HA has rolled out the case management programme on a pilot basis in three districts, namely, Kwai Tsing, Kwun Tong and Yuen Long this year. The case managers will provide in-depth, continual and personalized support to patients. The programme aims to provide care for 5 000 patients with severe mental illness. It will be extended to cover five more districts, namely, the Eastern District, Sham Shui Po, Sha Tin, Tuen Mun and Wanchai, with an addition of 6 000 patients in total. To provide full community support to the public, the case managers will work closely with other service providers, especially the Integrated Community Centre for Mental Wellness of the Social Welfare Department.

Moreover, the HA will expand the coverage of the integrated mental health programme from the five clusters at present to all of the seven clusters to provide assessment and treatment services for people with common mental disorders in the primary care setting. The "Early Assessment and Detection of Young Persons with Psychosis" programme will be expanded to cover adults for early detection and treatment. Regarding mental health of the elderly, the HA will progressively enhance psychogeriatric outreach services in the next three years so as to provide treatment to elders with mental illness of different severity and those living in elderly homes, as well as giving support to their carers. The HA will also adopt more new psychiatric drugs with proven efficacy and less side effects to improve the effectiveness of treatment.

This year's policy address proposes to assist autistic children in various aspects. On medical services, the HA will expand its dedicated teams in order to help a larger number of autistic children each year and enhance the support to their parents and carers. As we all know, it is impossible to rely solely on the HA for taking care of autistic children. It is necessary to provide care on a continuous basis in either pre-school or school settings. We hope the maternal and child health centres will keep enhancing the ability of their personnel in identifying children's needs at an early stage.

Lastly, I would like to talk about the HA Formulary. This year's Policy Address also mentions that the HA will include more new drugs with efficacy into the Formulary. In recent years, the HA has been expanding the coverage of the Formulary through the existing review mechanism, including adding cost-effective self-financed drugs with proven efficacy into the General Drug category of the Formulary and expanding the clinical application of drugs already in the Formulary. The review of the Formulary is based on scientific and clinical evidence. It assesses the safety, efficacy and cost-effectiveness of drugs with the participation of relevant experts. The review process will also take into account the views of patient groups. After conducting the review under existing mechanism, the HA will further expand the Formulary next year so that more patients will be benefited accordingly. I hope Members will continue to support our work.

Thank you, Deputy President.

SECRETARY FOR SECURITY (in Cantonese): Deputy President, since the introduction of the Capital Investment Entrant Scheme (CIES) in October 2003, around 8 200 investors have been admitted to Hong Kong under the scheme, bringing in around \$58 billion of investment. Following a review on the CIES which was completed recently, amendments have been introduced to three areas of the scheme with effect from 14 October 2010. First, the threshold of investment and personal asset requirement has been raised from \$6.5 million to \$10 million. Second, real estate has been removed temporarily from the class of Permissible Investment Asset. And third, designated insurers under the Insurance Companies Ordinance have been allowed to act as qualified financial intermediaries for the purpose of the CIES.

Following the amendments, the CIES remains competitive when compared with similar overseas schemes. We will keep the implementation of the CIES in view and conduct a comprehensive review on the scheme once every three years, in an attempt to maintain the attractiveness of the scheme.

Immigration facilitation measures for Hong Kong and Macao residents were introduced in December last year, under which permanent residents of the two places may, after enrolment, use e-Channel service (Automated Passenger Clearance System) available at immigration control points of both places. At present, nearly 370 000 Hong Kong residents and nearly 130 000 Macao residents have enrolled for the service.

Besides, in order to meet the demand arising from the immigration facilitation measures to be introduced by the Mainland authorities, new e-Channels will be installed by the Immigration Department (ImmD) to cope with the continuous growth in the Mainland visitor flow. Since electronic Exit-Entry Permit for Travelling to and from Hong Kong and Macao (EEP) will be introduced by the Mainland authorities to Mainland residents from 2012 onwards, funding has already been approved by the Finance Committee in July for the ImmD to upgrade its computer systems at control points to handle immigration-related matters for frequent Mainland visitors holding electronic EEP. It is believed that the upgraded computer systems will help relieve the manpower shortage problem resulting from the continuous growth in visitor flow.

In the face of global economic integration, Hong Kong should attract talents from all over the world so as to strengthen our international connections

and enhance our competitiveness. In particular, in order to keep pursuing the lead in the development of a knowledge-based economy, Hong Kong should strive to compete for talents as other international cities do in order to promote our economic and business growth, while at the same time create more local job opportunities through admission of talents in the trading sector.

The attractiveness of Hong Kong to non-local talents can be attributed to a number of factors, such as the quality of living in Hong Kong, local job/business opportunities, and so on. The Government will endeavour to maintain an open immigration policy so as to facilitate the entry of talents from all over the world. At present, the admission schemes for the employment of professionals are all quota-free and non-sector specific, and there is also no restriction on the job categories involved. Under the Quality Migrant Admission Scheme, talented persons from all over the world may apply to settle in Hong Kong without having to secure an offer of local employment beforehand. Besides, to facilitate Hong Kong's development as a regional education hub, immigration control on non-local students graduated in Hong Kong has also been relaxed so that they may stay and work in Hong Kong.

In 2009, a total of 32 000 overseas and Mainland talents and professionals were admitted to Hong Kong. Arrangements under the relevant admission schemes will be reviewed at times to continue to strive for a reasonable balance between the facilitation of talent admission and the protection of the interests of local workers.

Thank you, Deputy President.

DEPUTY PRESIDENT (in Cantonese): The fourth debate session ends. We now proceed to the fifth debate session on the theme of "Developing Democracy and Enhancing Governance". This session covers the following five policy areas: Administration of Justice and Legal Services; Constitutional Affairs; Home Affairs (district administration and civic education); Public Service; and Security (other than immigration and anti-drug policies). Members who wish to speak in this session will please press the "Request to speak" button. Does any Member wish to speak?

DR MARGARET NG (in Cantonese): Deputy President, public confidence in the rule of law is the foundation of Hong Kong. Last year, members of the public expressed concern many times on whether the executive authorities had abused the law in prosecuting participants of peaceful demonstrations or the disadvantaged persons. Recently, the police are even more impervious to reason by arresting a young person who popped open a bottle of champagne outside the Liaison Office of the Central People's Government to celebrate LIU Xiaobo being awarded with the Nobel Peace Prize, and the charge is common assault of a security guard standing at the other side of the gate with champagne foam. Abuse of law by enforcement officials will lead to loss of public confidence in the law. I hope that the Secretary for Justice can take heed of that.

A reasonable and comprehensive legal aid system is an indispensable part to maintaining the rule of law. The legal aid services in Hong Kong have to keep abreast of the times. The Policy Address this year has proposed to increase the upper asset limit for the application of legal aid services, and has undertaken to inject \$100 million to support the expansion in the applicability of supplementary legal aid services. Although this step is a little late, it is still a fortunate one.

The increase of the upper asset limit and the expansion of supplementary legal aid services have to go side by side. At present, ordinary legal aid services cover most of the common court cases. However, since the upper asset limit is too low, many middle-class people are being kept away. Supplementary legal aid services can benefit part of the middle-class people. Nevertheless, they are only limited to cases related to accident casualties, claims for industrial accidents, as well as professional negligence on the part of the legal and medical practitioners, while other cases are not applicable. The legal sector has times and again indicated that those people who cannot receive legal aid as their assets have exceeded the limit actually cannot afford entering a lawsuit themselves. As a result, many cases which are legally and reasonably warranted are not taken to court and have to be withdrawn because of the unavailability of legal aid. This shortcoming will affect our legal development indeed.

I hope that the Government will not undertake the injection on the one hand and restrict the scope of supplementary legal aid services on the ground of maintaining financial stability on the other. If that is the case, I will feel very disappointed. It is because our request for the Government to consider the new

scopes, including negligence in monetary services or the appeal cases of the Labour Tribunal, is based on the strong and imminent need of society.

Timely provision of specific and useful legal advice to members of the public can save a lot of unnecessary lawsuits. This can save money, time and even the troubles and pressure from legal proceedings. The Department of Justice is earnest to promote mediation service. However, mediation can never replace legal proceedings. Besides, if we are able to make the public understand their own problems at an early stage, that is, whether it is appropriate to seek for mediation or to go to the Court, and both means can be used effectively to save many unnecessary efforts. The Government suggests setting aside \$3 million of funding to improve the existing free legal advisory service. This is obviously not enough to constitute a genuine reform of scale. I hope that the Administration can brace up to move a bigger step forward.

In terms of legal services, the legal sector earnestly expects an early implementation of Limited Liability Partnership (LLP). After submitting the Bill last year, the progress of deliberation work of this Council in the Bills Committee is satisfactory. Nevertheless, we realize that the authorities may be afraid that the protection to consumers will be reduced. Hence hurdles are being put in place while the reform is in progress. The actual function of the LLP endorsed in the future may thus be limited. In fact, the authorities can rest assured that the legal sector always treasures its reputation and abides by the rules. The consumers in Hong Kong are also well aware of their own rights. What they need is to have genuine choices and not over protection. I hope that the Department of Justice and The Law Society of Hong Kong can solve all the problems and LLP can be implemented at an early time, so that both the practitioners and the public can have one more choice.

I acknowledge that the Hong Kong people do not harbour hatred towards the rich. They only feel furious that our social system is getting more unjust while the policies are getting more unfair. In fact, when there is an unfair political system, there are unfair public policies. Political reform is our most fundamental mission at present. The new audio recording repeatedly played by the Constitutional and Mainland Affairs Bureau keeps saying that the political reform package was passed last year, and the newly added super District Council seats suggested by the Democratic Party are suffice to give 3 million people one more vote each. That means before 2012, it is unnecessary for us to do

anything. In fact, this proposal concerning the super functional constituency (FC) will only highlight the greater urgency to repeal or to at least reform the traditional FCs. It is because on the principle of "one vote, one value", this kind of new seats will only bring about a higher degree of unfairness. The public will ask, "Why is it that 3 million ordinary voters can only vote for five seats, while for the other seat which is also the District Council seat, only 400 people can vote for it? Why is it that for some traditional FCs, just a hundred odd corporate votes can return one seat while for some other FCs, tens of thousand voters will be needed to vote for one seat? More importantly, for these super seats, the rights to participate, nominate and vote are all segregated, which runs against the general definition of electoral franchise under the International Covenant on Human Rights. I can imagine that if we do not strongly challenge this divided electoral franchise, this divided electoral franchise will easily pave the path for the future mode of the so-called universal suffrage of the Chief Executive.

The result of a public opinion survey conducted by the Hong Kong Transition Project in August 2010 shows that 65% of the public support repealing FCs, while 77% of the public even support the abolition of corporate votes. In view of public opinions, the Government has to reform the electorate base of traditional FCs immediately in order to pave the path for a thorough abolition of FCs. In fact, the issue is not about whether there is one-off legislation. We only want to know the road map from the present to the complete abolition of traditional FCs or other FCs. We want abolition of all FCs.

I hope the Government will not say that Members from the FCs will disagree, as this is not possible. During the first Legislative Council meeting, the motion on the repeal of the Amendment Order in relation to the landfill was unanimously passed by us, including Members from the FCs. This shows that on the basis of public views, nothing is impossible politically.

Deputy President, finally, since I still have a little time left, I would like to remind the SAR Government one thing. In each segment of the Policy Address, we talk about prosperity of Hong Kong, fair society, and so on. We actually have testified one thing: If Hong Kong has to be prosperous, has to continuously enjoy prosperity under this new constitutional system, what we need to do is not to align the political culture of Hong Kong with that of the Mainland as far as possible, but rather, we have to preserve our different system under the two systems we have been following. Only in this way can we provide effective

service internationally, for the Mainland China and for the entire development of China.

Recently, I attended a lecture by Prof CHEN Zhiwu, Professor of Economics, Yale University. He said in the lecture that in the next stage of progress, China has to take investment and financial industries as its most important segment. In order to set up a financial system, it must have the rule of law so as to protect public assets and public freedom. Such a system will be needed for such a purpose. For these conditions (*The buzzer sounded*) although China is yet to possess them, they are already fully developed in Hong Kong. I hope that this Government will not think that it can reap some profits politically by derogating its original assets or weaken our advantages. If we do so, we will be doing a disservice to the Hong Kong people as well as to our compatriots of the entire China indeed.

Deputy President, thank you.

MS LI FUNG-YING (in Cantonese): Deputy President, it has now come to the last session of the policy address debate. As I do not have much time left, I am not going to mention again those problems regarding civil service management, outsourcing, employment of non-civil service contract staff, and so on, which I used to talk about in previous policy address debates. I only wish to concentrate on the issue of "revolving door". The delivery of the policy address is an official announcement of the Government's future policy direction. After so many years of teething, the governing team of the Special Administrative Region has not even met the basic requirement of synchronizing their own pace. How can the Government build up its own prestige of governance?

In the Policy Address, the Chief Executive has pointed out that with the new positions of Under Secretary and Political Assistant, it has been effective in enhancing the political capacity of the Government, and has helped nurture political talent. Whilst the Chief Executive has proposed in his Policy Address to consider the introduction of a "revolving door", the initiative was subsequently denied by Secretary for the Civil Service and Secretary for Constitutional and Mainland Affairs. This has fully reflected that the operation of the political appointment system consisting of Directors of Bureau and Political Assistants has yet to be perfected. At the same time as the Chief Executive applauded the

system for enhancing the political capacity of the Government, what I saw was the dissipation of the political capacity. I do not agree in principle with the introduction of the "revolving door" system in the Civil Service as this will confuse the two different roles of politics and administration, and the promotion prospect of civil servants will also be jeopardized.

The more serious drawback of the existing political system of Under Secretaries and Political Assistants is that these people are unwilling to be held answerable for the policies. Every time when some controversial policies are introduced, civil servants, rather than Directors of Bureau or Under Secretaries who are supposed to bear the political responsibility, are usually the only officials who face the public and Members of this Council as well as explain Government's position. I find this situation extremely unfair to the civil servants, and this is also against the purpose of establishing the accountability system.

Deputy President, lastly, I have to restate my views on the policy address debate. I support the Motion of Thanks, but this has nothing to do with whether or not the Policy Address is good, as my support is based on the consideration that it is a neutral motion moved by the Chairman of the House Committee. Members can present their views from various perspectives. As such, I would like to say that my support for the Motion of Thanks is merely to uphold the basic courtesy of this Council.

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

MRS SOPHIE LEUNG (in Cantonese): Deputy President, I quite appreciate this year's Policy Address for I find the sincerity and forward-looking perspective raised therein. It has been 13 years since the reunification of Hong Kong with China, and all these years have proven Hong Kong a blessed place. Our history is a success. Thanks to the opened door of the Mainland, we can continue to enjoy economic growth while countries across the world are faced with the impacts of the financial tsunami or other challenges. Further still, with this advantageous geographical location, we have attracted companies from both the Mainland and other places of the world to get listed in Hong Kong, thereby enabling Hong Kong to safeguard its position as an international financial centre.

Certainly, the difficulties facing Hong Kong are also the difficulties facing many other countries and regions. Polarization of the rich and the poor can indeed be considered a global issue of the 21st Century. Although Hong Kong is a rather small place when compared with other countries, should we be able to tackle a global issue in a flexible and meticulous manner as we have been doing and achieve good results, I believe other places may as well draw on our experience.

Deputy President, I have noticed a rather odd phenomenon since the publication of the Policy Address. On the day it was released, the opinion poll showed that 41% of the public found it satisfactory; however, after two to three days, the figure dropped abruptly to 31%. Why is that so? Of course, I cannot find any explanation to this phenomenon. I can only see it like any other ordinary people. Besides, I can hardly draw any inference from other aspects either.

All I can refer to is the relevant mass media coverage over the past two weeks, and I am a little disappointed in this respect. It is true that some sincere scholars have made their objective comments, pointing out not only the merits and demerits of the initiatives set out in the policy address but also their wishes that the proposed initiatives could be further improved and enhanced. This is indeed desirable.

However, what I could find more were media pages filled with negative comments which were indeed specious, and some of them even used some loud words to attract people's attention. The local news pages of some best-selling newspapers were no exception. Certainly, such press reports were not created by the media themselves; they were reports of certain people's comments. But then, why did those fact-based or unbiased comments fail to win the favour of such media?

I believe that most members of the public did not have a chance to listen to the on-the-spot delivery of the Policy Address, nor would many of them care to take a copy of it home for perusal. Most people could only have a rather superficial understanding of the contents of the Policy Address. They just relied on the reports of the media in the ensuing few days, including both television and newspaper reports which were supposed to consolidate the details of the relevant policies and measures for easy understanding by the public. In reality, however,

if we are to make a fair judgment, we can only say that the reports were rather biased, thus affecting adversely people's impression of the Policy Address.

Deputy President, I spoke on the My Home Purchase Plan (MHP Plan) in this Chamber yesterday and raised some ideas in this respect. The reports of two newspapers also considered the MHP Plan feasible. Actually, there are quite a number of other people who consider the MHP Plan feasible, including those engaged in the legal profession. Why did the media not report such ideas?

Deputy President, I am not asking the media to report what I have said. I consider that I think the media are certainly smarter than I am, but why can they not report facts in a more conventional and accurate manner?

With regard to the Community Care Fund, I remember that I have raised the concept of social enterprise in this Chamber several years ago, but many Members asked me what was that all about when we were in the Ante-Chamber. They did not understand the idea I raised. Today, many people are talking about or pushing forward the development of social enterprises. However, many scholars are criticizing that the existing social enterprises in Hong Kong are by no means social enterprises; they are actually non-government organizations operating in a different way and in the hope that the Government will continue to subsidize them. If the subsidy stops, they can hardly stand upright or walk steadily.

Hence, as far as the development of social enterprises is concerned, we believe it is necessary to incorporate more spirit of enterprise into the operations concerned before they can actually develop. In other words, these operations must put in the ideas of both the industrial and commercial sectors and the community, in order to achieve their effects as social enterprises. The Community Care Fund is capable of giving them support and playing a role in this respect.

At present, in order to apply for approval by the relevant government departments, social enterprises have to submit a document comprehensible by the government officials, and then proceed in a "clueless" manner. In what way can the spirit of enterprise be given play to? Even the entrepreneurs consider it not necessary for them to get involved, as they believe this is like a "mission impossible". With these NGO people around, it is just impossible to do a good

job in this respect. If the Community Care Fund is established with the involvement of the industrial and commercial sectors, it can act as a "forerunning" fund for the social enterprises for a period of five years or other numbers of years. And then the operations can repay the loans on a yearly basis. Besides, we can scrutinize their performance as well. This is exactly what the Community Care Fund can do. But then, some people just criticize it and consider it as a device to give support to a certain person and to pave way for his accession. Are such comments right or wrong?

I absolutely believe that the chief editors and editors of newspapers are people with good wisdom. They could certainly figure that out if they would give some serious thought to the issue.

Deputy President, I do not intend here nor do I dare to criticize the media for being biased. I just believe that we all seem to have some responsibility in this respect. Before the Reunification, many of the policies put forward by Mr Christopher PATTEN were not acceptable to many members of the public. One major reason for the public not to accept his policies was their fear that he would cause damage to Hong Kong. In particular, people were very sceptical about the conversion and transition of the British-Hong Kong Government. As a result, many people chose to emigrate, thus giving rise to the exodus and the resulting problems of "absentee wives" and separated families. But then, why were the media so fond of reporting the PATTEN's way of thinking then? We could almost see reports of him every other day. He ate beef brisket noodles here, he ate custard tarts there, he talked with the media, and so on. There was even the so-called Eastern Express. But why? I just feel that Christopher PATTEN had to implement his policies at the time, he might not necessarily I believe deep down in his heart he knew all these were just instructions given to him, which he was required to implement. And such policies might not necessarily be the same as those in his mind which were truly to the benefit of Hong Kong in the long run. Nevertheless, he had 200% enthusiasm in such ideas, remedying the inadequacies of the policies with his enthusiasm and confidence before selling them to the media. Certainly, the media had never met any Governor of Hong Kong who would have beef brisket noodles with them. As such, they were very happy to report news of him. Well, that is another issue.

However, I just wish to point out that we should take note of two elements in the case mentioned. First, we must have the media on our side. Second,

whatever we do, we should remedy inadequacies with enthusiasm and confidence. Certainly, I am not advocating that government officials should package wrongs as rights, and twist them as their beliefs. I believe they will not do that. Otherwise, they will not be sitting here wearing some "thick skin scream" to face our harsh criticisms. On the other hand, I really wish that they could draw on the example raised. They should gather their own enthusiasm and thoroughly think up their own policies. Never again should they package the old policies inherited from the past as policies of their bureaux, and then say that they have this policy, that policy, and many other policies to address the needs of the public. The times are changing every day, situations are changing every day, and so are many other things. Do we have the heart to look into things and find out what they really are? Should we not use a renewed way of thinking to revise our policies, so as to come up with a sincere set of policies capable of address the needs of the day, and then truly convince the media with our enthusiasm? I feel that I absolutely believe that the media also have a "soft heart", and that we all treat Hong Kong as our own home. We will not do anything against our own interest, the interest of our families or the future of the seven million people just for the sake of the sales volume.

Deputy President, the people of Hong Kong have witnessed the 1950s, 1960s, as well as the "elevator-type" of economic growth in recent years. Initially, we only had small-scaled enterprises and manufacturing industries. Then, we developed our own tourism industry, financial industry and service industry. On average, a new type of industry developed and prospered in every five to 10 years, offering spacious room for upward movement for the public and the new arrivals, thereby enabling everybody to enjoy the fruits of economic development. As a result, the community harboured no discontentment or grievances at all. At that time, all we could hear was the occasional complaints from employers that employees just "switched" jobs too frequently, making it necessary for their enterprises to keep training new staff. Nevertheless, the community was filled with motivations for moving upward. That was certainly desirable. But today, with our rather perfect education system and a large number of places in tertiary institutions, who is willing to engage in manufacturing industries? But now we do not have manufacturing industries manufacturing industries are in fact the first ladder enabling the younger generations to move upward. Besides, they can also receive a lot of "worldly" training therein. But such a ladder does not exist any more; the younger generations have to find their own ways.

We have survived the 1980s and 1990s, during which we were so uncertain about our future. Having gone through such times, it is indeed the hope of the public that things could finally be settled down after the Reunification, so that the senior officials of our Government could lead us forward, and stride forward with us with one heart and concerted efforts. However, as a member of the public, I feel so disappointed. Why is it that there has been continuous scepticism about the governance ability of the senior officials of our Government? Whatever they do, they just cannot get the things right. Actually, what our community need is hope, twilight lighting up the way onwards. On the other hand, we also need to think about this question: why do we get the impression that they are trying to "work less to make fewer mistakes; refrain from working to refrain from making mistakes"? Is that a good impression? I think government officials should consider pertinently how they can resolve the practical problems and address the needs of the public. They should never give anybody the impression that they just take out some old policies and fool the public by saying that these are theirs. Instead, they should tell the public that if the existing policies do not work, they will give consideration to other ways. I just hope that we can all adopt a forward-looking attitude.

Regarding this subject matter, Deputy President, it is my hope that every government officials think a bit taller about their abilities. They should aim higher, rather than dwarfing their own abilities. Now that they have taken up this position, they have to do a good job even though they may need a complete revamp of all the policies of their bureaux.

They must have confidence in themselves, demonstrate their resolution and set higher and bigger objectives. It is only in this way that the community as a whole can be filled with hope.

I believe that it must be very hard initially for the government officials to work this way and to interact with the media sincerely. I could see in the "Act Now" campaign that they were indeed working hard to promote their ideas, but there were also other people trying deliberately to bring down and challenge their efforts. I can understand such attempts. However, after some 10 times to 20 times, will they still have the enthusiasm to keep staging such challenges? Perhaps the public have some different views of their own. If government officials do not overcome such obstacles, in what direction should they be heading towards? It is just impossible for them to win the sympathy of the

public, as members of the public are all guided by the media coverage. Perhaps even the media do not have a clear idea themselves. In the end, they just report the objection voiced. What should the government officials do? Even if there were three-tier direct elections, whatever they did would still be considered wrong. What is more, those coming up with the harshest criticisms would be the ones returned by direct elections.

Now that it has been more than a dozen years since the Reunification, and that we have witnessed the terms of office of two Chief Executives, I believe there are many government officials and other people who sincerely wish to implement "one country, two systems" in Hong Kong. Certainly, some people may have other motives behind, but that really does not matter, as members of the public all have sharp eyes. The crux of the matter lies on the degree of sincerity demonstrated by government officials. Could they demonstrate a much greater degree of sincerity to convince the public? Otherwise, they will find themselves in a cul-de-sac which is getting increasingly narrower towards the closed end. What can they do? One may say today that we still have the "revolving door". But then, the "revolving door" has been under very harsh criticisms so far. Regardless of whether there is still the "revolving door", will anybody be willing to join the Legislative Council? Will anybody be willing to become government officials? Will anybody be willing to step forward and speak their mind? This is exactly the picture in front of us now.

Deputy President, I so submit.

MR ABRAHAM SHEK: Deputy President, in this session we shall be talking about developing democracy and enhancing governance. It goes without saying that developing democracy is synchronal to strengthening governance. Thanks to the completion of the five-step mechanism with the passage of the proposed package for the 2012 elections. The way for implementing universal suffrage for the Chief Executive and the Legislative Council in 2017 and 2020 respectively has been paved. As Václav HAVEL, the Czech politician noted, it is not enough to stare up the steps, we must step up the stairs. Stepping up the stairs for democracy cannot be done without enhancing governance, from which the pooling of political talents, the effective launch of public consultation with the implementation of civic education, not national education, which I shall discuss later or as my colleagues shall be discussing later or have discussed already are

indispensable for the seeds of democracy to be sprouted. As my time is limited, Deputy President, I shall leave the subject of developing democracy to my learned colleagues and I shall be speaking on enhancing governance.

Good governance entails effective administration and ability to listen to the public and implement policies for the greater good of the public. The 33 paragraphs devoted to housing in this year's Policy Address shows that the Chief Executive has given due consideration to the subject. But quantity does not imply quality. Before commenting on this Policy Address, I would like to draw the Government's attention again to the root of the present housing and land policy.

To divert public attention on the high price land policy, the Administration, intentionally or unintentionally, has successfully made the developers the community's target of hatred for high property prices which are actually market prices and inflated flat sizes. But the truth is that the developers purchase land from public auctions, pay premium to the Government for lease modifications, build the flats according to regulations, and sell the flats with government blessings.

The root of the present housing policies lies not with the developers who are executing the Government's policy on land and housing. The Government should be primarily responsible for this particular policy and for the high property prices and issues related to that.

Housing demand does not increase all of a sudden; the Government has sown the seeds for today's rise in demand. In a sense, the rising property prices in Hong Kong since the financial tsunami have been driven by the quantitative easing policy of major economies and low interest rates. Still, the Government cannot excuse itself for its responsibility for creating the demand-supply mismatch in the first place. The number of private flats completed in recent years has remained at a low level, with only 9 700 flats in 2008, 7 000 flats in 2009, and around 14 000 flats in 2010, compared to a previous average of around 20 000 per year. The Government is the largest landowner, and has overwhelming power in planning and designating the use of land in the territory; it also has the biggest say in how the MTR Corporation Limited and the Urban Renewal Authority (URA) use land. It was brinkmanship, if not negligence, on the part of the Government to have been aware of but insensitive to the situation.

To make matters worse, the URA has failed to perform its primary role of promoting urban renewal while helping the affected families to resettle. The Chief Executive has actually said this in his speech.

As the trade's representative, I have reiterated in recent years that the housing problem in Hong Kong is due to, among other things, a demand-supply mismatch. I have urged the Government to increase land supply by optimizing the Application List system to ensure an adequate supply of private housing, by eradicating bureaucratic red tape to revitalize the private property market through lease modifications, land exchanges and private treaty grants, and by building more public rental housing (PRH) units to help the poor, as I have said this morning. In light of soaring property prices in recent months, I also support the view that the Government should relaunch the Home Ownership Scheme (HOS) in an appropriate manner to improve social stability, and this is good governance in achieving a harmonious community. Sadly, the Government has not taken heed of these recommendations. Now, as a property market bubble looms large, the Government must be held accountable, and not the developers.

In the Policy Address, the Chief Executive suggests a number of measures. Are they genuine responses to the longstanding demand-supply mismatch? Hopefully, they are. The plans he mentioned could resolve the problem if succeeded, including creating a land reserve for small and medium units to stabilize flat prices, providing land for 20 000 private residential units per year in the next 10 years, and setting up a Steering Committee on Housing Land Supply to be chaired by the Financial Secretary — I think it would be better if it could be chaired by the Chief Secretary — to guarantee a stable and adequate supply of housing land because at the moment, land and housing are in two separate domains. They should be in one. But are they genuine responses to the housing needs of the people? I strongly doubt it.

Deputy President, the My Home Purchase Plan has become the talk of the town. But to argue whether it is better or worse than the HOS is tantamount to comparing apples with oranges. But one thing is certain: however hard the Government has tried to promote the Plan, it has failed to convince the public, for from the very beginning, it has not understood the people's housing needs. The HOS flats were granted a subsidized land premium so that they could be sold at 60% or 70% of the market price. Of the 300 000 HOS flats, only around 60 000 flats of which premium has been paid and resold. This shows that the HOS flats

were treated by the majority of users as a place to settle down rather than as a kind of investment for profit. This was and should be the primary aim of the HOS.

In contrast, the Administration does not require My Home Purchase Plan flat buyers to pay a premium for resale. This explicitly distinguishes the nature of the HOS and the My Home Purchase Plan: the HOS distances itself from the private market, while the new plan is just a derivative of the private market. Moreover, prospective buyers of the My Home Purchase Plan have to predict the trend of the property market and pick the right time to purchase their flats, which creates uncertainties and increases their risks. It therefore goes without saying which of the two schemes can better serve the housing need of the people.

On the other hand, just as my Honourable colleagues have said earlier, if there is no contradiction between the HOS and My Home Purchase Plan, why can they not co-exist? Why can the Government not introduced both? If the Government is confident of the My Home Purchase Plan, why does it not dare to use a two-pronged strategy to give people an alternative, and let time tell which is more acceptable to the people? It should be listening to the people. When the public consultation on subsidizing home ownership by the Administration also shows a strong public aspiration for relaunching the HOS, to ignore it is a disservice to public opinion.

I have said earlier this morning that the Government should build more PRH units, I do not intend to repeat here. Deputy President, the real estate industry, as many people might hate it, it is concerned about the Government's plan to regulate the sale of first-hand flats through legislation. The trade has found the Administration's move abrupt, as the trade considers the existing self-regulatory regime to have worked well and does not see an obvious need for legislation to replace the existing mechanism. But we are open. If the Government wants to legislate, we welcome it and will face with it. Nevertheless, the trade understands and respects the wishes of the public. Property developers do not fear regulation. The trade, however, worries that legislation will give rise to technical difficulties in practice. Since the proposed legislation is technically complex, covering sales practices, price lists, show flats, saleable area, the enforcement mechanism and penalties, I support a White Bill for public consultation as this would enable the public to express their views more extensively. In addition, I strongly urge the Government to continue its

dialogue with the Real Estate Developers Association (REDA), though the REDA has already been included as one of the 13 representatives in the Steering Committee on the regulation of the sale of first-hand residential properties by legislation.

Now, I come to the construction industry. Since the financial tsunami, the morale of the construction industry has never been as positive as it is now, with unemployment rate at 6%, compared to the worst at about 16%, a marked reduction from the earlier 12.8%. Another good omen for practitioners of the trade is that the Hong Kong Construction Association and the Hong Kong Construction Industry Employees General Union have reached a consensus to raise the wages of construction workers in various trades. We do not need to wait for the minimum wage. We have implemented that. Nevertheless, of this lengthy 171-paragraph long Policy Address, only one paragraph touches on infrastructure projects. The main tone regarding the 10 infrastructure projects is the same as when they were announced three years ago. The Government seems to be resting on its laurels.

To the construction industry, this Policy Address is not sparkling. The construction industry has looked forward to a long-term infrastructure development blueprint that would make the industry sustainable, but the Chief Executive has left the page blank. The pledge to build some 20 000 flats annually is encouraging, but far from enough to resolve the problem.

In fact, the planning of 10 major infrastructure projects will end in 2013, and their construction peak will soon follow. If the Government has no commitment to long-term infrastructure development, not only will the efforts made to attract new blood to the construction industry be futile, professionals and workers in the trade will also fall once again into the cycle of unemployment and underemployment that they had previously experience. To avoid this, I strongly urge the Government to expeditiously undertake the planning of long-term infrastructure development, particularly the building of the third runway of the International Airport and cross-boundary infrastructure projects, which are also pivotal for Hong Kong to cope with the challenges and opportunities brought by the state's Twelfth Five-Year Plan and maintain its status as Asia's World City and as a leader in the Pearl River Delta Region.

By the way, the Government should also expedite the implementation of district minor works projects. According to a question I raised at the Legislative

Council meeting on 19 May 2010, 51 out of 138 leisure and cultural services projects of the former Municipal Councils were still outstanding. This is categorically not acceptable.

When it comes to the competition bill, it is no less contentious than the minimum wage bill. The competition bill was drafted after two rounds of public consultation in 2006 and 2008. However, controversies and questions remain. The business sector, including the REDA, has strong reservations about a cross-sector competition law. It considers that an "across-the-board" approach is inflexible. On the other hand, the business sector considers it unacceptable for the Government and statutory bodies to be exempted from the bill, as the exemptions would blatantly favour the public sector, which would severely impair the fairness of the business environment. If these questions are left unresolved, implementing a competition law will create more problems than will resolve.

Deputy President, the housing issue is a livelihood issue. Yet, it will become a political one when it intensifies. As the Chief Executive said, he is a "statesman" and he must well understand this.

Thank you.

MR RONNY TONG (in Cantonese): Deputy President, when you announced the conclusion of the fourth debate session just now, I looked at my watch and saw that it was exactly half past one. Deputy President, you asked at that time whether any Member would like to speak. This was followed by a dead silence in the Chamber. No one raised their hands, nor did anyone pressed the Request-to-Speak button. Deputy President, this is a very typical situation that can give us much food for thought, and it is extremely ironic as well. In the end, it was fortunate that Dr Margaret NG did not mind so much and raised her hand to speak. Deputy President, I did not raise my hand because I did not want to stand here all alone, speaking to an "empty" Chamber, especially in the absence of Secretary Stephen LAM, who is responsible for constitutional affairs. I did not want to do any soliloquy, but in the end, I cannot escape such a fate because Secretary Stephen LAM is still not present now.

Deputy President, to Secretary Stephen LAM and some Hong Kong people, having a meal is more important than discussing constitutional reform. Half past one is lunch time, which is why it is only natural for him to be absent from the Chamber now. I can appreciate Secretary Stephen LAM's feeling. When questioned on constitutional reform at the meeting of the Constitutional Affairs Panel on the 18th of this month, he replied to the effect that he had not received any news about the present Government being authorized to deal with the introduction of universal suffrage for the two elections. He thinks that he has no power, and since he has no power, he is not interested. In that case, having a meal is of course more important.

Deputy President, this is a situation which is both ludicrous and very deplorable. Under the Basic Law, the power of activating the process is vested with the Special Administrative Region Government (SAR Government). This is provided for very clearly in Annex I and Annex II. It should of course be pointed out that in 2007, the Standing Committee of the National People's Congress (NPCSC) added two more steps to the trilogy set out in Annex I and Annex II. These two steps are the preparation of a report by the Chief Executive and its submission to the NPCSC for approval before reverting to the Legislative Council for voting. This is a newly-added prologue. Many Hong Kong people are opposed to this prologue. However, I am of the view that in any case, these two steps at the very beginning are actually a very important segment of the whole process, that is, a major move enabling the Central Authorities, the SAR Government and Hong Kong people to forge a consensus.

The reason is that the trilogy mentioned in the Basic Law is in fact only a prescribed legal procedure, and if no consensus is reached by all beforehand, it will be useless to submit the relevant proposals to the Legislative Council. What happened in 2007 has taught us a good lesson — in the end, the constitutional reform package was voted down. Since the work beforehand is so important, who should be vested with the responsibility for it? Deputy President, in this regard, Hong Kong people are extremely willing and very much hope to start extensive discussions on the ultimate arrangements for the implementation of universal suffrage, so that a broad consensus can be reached. It is a pity, however, that the SAR Government holds a different view. The Policy Address this year simply turns in a "blank answer sheet" on the issue of constitutional reform. Even when I asked in a Chief Executive Question and Answer Session why the SAR had not launched any advance work on enacting legislation in one

go, the Chief Executive simply replied that he had already done what he should do, that is, he had managed to bring forth a timetable, so he did not need to do anything further.

Deputy President, such a remark is irresponsible because the implementation of universal suffrage is not only about a timetable but also about a roadmap. Moreover, and more importantly, the remark is also extremely arrogant, for what he means is that the timetable is solely attributable to his personal efforts. Deputy President, I believe that many people will be outraged by his remark. The reason is that many Hong Kong people have made many, many more efforts than the Chief Executive to fight for both a timetable and a roadmap for the implementation of universal suffrage. How can the Chief Executive claim that having succeeded in fighting for a timetable, he can simply wash his hands, and does not need to do anything more?

Deputy President, what is said in my amendment is not my personal opinion but that of the Alliance for Universal Suffrage and many organizations in the community. The reason is that following the two constitutional reform packages, all of us have come to realize that this has been a very painful process, one which not only plunges society into intensified conflicts but also leads to extremely heartbreaking internal attrition. Why don't we solve all problems by enacting legislation in one go? Deputy President, there are only very few problems left. To begin with, we already have a timetable. Second, even in the case of a roadmap, it is already known that the Chief Executive after the next shall be returned by universal suffrage, and in regard to the Legislative Council, only the one to be elected in 2016 still needs to be dealt with. We have not yet started to forge a broad consensus on the trilogy of legal procedures I have mentioned. But the several years available will lapse very quickly, and especially given the views which have already been very refined after long years of discussions in society, we should be well-equipped to enact legislation in one go.

Deputy President, the whole thing is just an expression in short. By enacting legislation in one go, it is meant that no matter where the power lies, Hong Kong people, the SAR Government and the Central Government should all seek to forge a broad consensus as expeditiously as possible, so that through the legislative procedure, every step and milestone in the process can be specified on a feasible roadmap, thus enabling Hong Kong people to realize that all

controversial topics have become history, and we need not engage in any further internal attrition that adds to our grief and conflicts. Why doesn't the SAR Government think that this is a very good opportunity for launching the required work? We must not forget that empowering the next Chief Executive to handle the whole issue of electing the Chief Executive by universal suffrage will lead to apparent conflicts of interests because, obviously, he will run for re-election and at the same time he will have full authority to decide and activate the electoral method for the next election. Why don't we start discussions on all these issues now?

Deputy President, I wish to add that, frankly speaking, the views within the democratic camp are divided in this regard. Even the amendment I have put forward has actually been altered completely by Ms Cyd HO, who insists on the implementation of dual universal suffrage in 2012. This is a very lofty political conviction, one which I approve of. I believe that no Hong Kong people will ever voice any objection. But the question is: if it is impossible to introduce dual universal suffrage under the political realities, should we reject everything? On my part, I do not think that I am qualified to say on behalf of Hong Kong people that if it is impossible to introduce dual universal suffrage in 2012, we should reject everything. I do not think that such an attitude is a responsible one, nor is it an attitude that should be adopted by politicians. We should do our very best in the struggle, but when we cannot succeed, we must at least leave the door ajar. This is after all better than shutting the door completely. Therefore, while I agree entirely that dual universal suffrage should be introduced in 2012 and I even think that this is in a way too late, I also think that under the political realities, we must face the fact that it will not be possible to introduce dual universal suffrage in 2012. In that case, are we supposed to stand there with folded arms, waiting for the next stage, for 2016 or 2017 (*The buzzer sounded*), when we find that we must once again vote down the constitutional reform package put forward?

Thank you, Deputy President.

MS EMILY LAU (in Cantonese): Deputy President, I speak in support of the amendment of Mr Ronny TONG and the amendment of Mr Albert HO. Actually, the Democratic Party supports the various amendments. Mr Ronny TONG proposes enacting legislation in one go, to which the Democratic Party

absolutely extends its support. Friends of the Alliance for Universal Suffrage and many people in the districts all want to settle it in one go, instead of arguing over the issue each and every time.

However, how did the Chief Executive respond? He said if the enactment of legislation was completed in one go, what had the next Chief Executive got to do? The people could not help but laugh, and some would query how the Chief Executive could have made such an unwise remark.

Who said the next Chief Executive has nothing to do? I believe there are heaps of jobs for him to handle. In our opinion, the authorities actually lack the heart and will to fight for the people of Hong Kong. However, the Democratic Party will definitely hold fast. If we have the opportunity to have a dialogue with any of the movers and shakers, we definitely will fight for the enactment of legislation in one go.

Deputy President, some people think that the Central Authorities will not allow the enactment of legislation in one go because they have to observe the development in 2012, then the development in 2016 and 2017. If that is the case, there will be shocks every few years, and arguments every few years. Deputy President, this will do good to nobody. Thus, we have to keep on fight for it.

The Policy Address mentioned political talents. Is Hong Kong so short of political talents? In fact, many people think that Hong Kong does not lack political talents, but these people may not want to go into politics. Why? Both the Deputy President and I know that political parties spring up only because they want to be in power. If political parties have no chance to rule, how can the talents in Hong Kong be attracted to become politicians?

We must break this deadlock and let Hong Kong have a ruling party or ruling alliance soon. I am very happy to hear several Bureau Directors state at the Legislative Council meetings that the "revolving door" does not apply to civil servants. Nothing can be better as civil servants should be politically neutral and they should not wade into political disputes. If civil servants want to become politicians, they should leave the civil service, and should not go back to work for the Government through the "revolving door".

I wish the system of "revolving door" can open as soon as possible so that more people will come out to form parties. Mrs Regina IP also mentioned about forming a party, and so does everyone. If you ask me if I am in favour of it, I surely am. I definitely support a multi-party system. I am against one party rule. I also wish that Mrs Regina IP will join us in the fight for a ruling party for Hong Kong soon.

Mr Albert HO's amendment asks for the abolishment of the appointment system. We will do our best to achieve this. What we are worried about is that it would again take the authorities three or four attempts to abolish the appointment system. Some people say if that is the case, retaining the system would be better. In fact, we all know that to this point, the historical mission of appointed District Council members has been fulfilled, and the authorities can press ahead after expressing their gratitude to them. Deputy President, at one stage, there were no appointed members and some District Councils even had members of the democratic camp as the respective Chairman. Would the sky fall? The sky has never fallen, so why are they so scared?

Some District Council members told me that the harm left behind by appointed members is too numerous to record. Both the Deputy President and I are aware that the colonial government had abolished the appointment system, but the SAR Government has revived the poor system which the others had abandoned. This is very much far from ideal. Thus, I fully support Mr Albert HO's amendment.

As regards Ms Cyd HO's amendment, Deputy President, I have to put on my spectacles because I have to read out clearly the stance of the eight Members of the Democratic Party after deliberation: as regards Ms Cyd HO's amendment, the Democratic Party will lend its support. The public has hoped for direct election in 1988, full direct election in 1995, and dual universal suffrage in 2007 and 2008. If the SAR can materialize dual universal suffrage in 2012, the Democratic Party will surely endorse it but right now, Hong Kong can only have universal suffrage for the Chief Executive in 2017 and universal suffrage for the Legislative Council in 2020.

In her amendment, Ms Cyd HO states clearly that the aspiration of more than 500 000 electors in the "*de facto* referendum in five geographical constituencies" on 16 May should be respected. As such, the Democratic Party's

interpretation is that while pushing for the referendum, the advocates have different emphasis regarding the year for universal suffrage: some mentioned 2010, others 2017 or 2020, or all the three years were mentioned. In the Joint Statement by Tertiary 2012 and the Joint Committee of the Five District Referendum Movement, there was no mention of having dual universal suffrage in 2012, while in the memorandum of the Joint Committee of the Five District Referendum Movement, the early realization of genuine universal suffrage and the abolition of functional constituencies (FCs) have been made the single subject of the campaign, that is, the nomination of the Chief Executive should not be subject to screening, and the Chief Executive is to be selected by the people of Hong Kong through "one-person-one-vote", and all seats of the Legislative Council are to be directly elected. We consider that dual universal suffrage should be realized in Hong Kong in 2012, failing which, the Central Government should immediately explain clearly to the Hong Kong people the roadmap for universal suffrage, and have the Chief Executive selected by universal suffrage not later than 2017 and the Legislative Council formed by universal suffrage not later than 2020.

Therefore, Deputy President, 2012, 2017 and 2020 are the years which the Democratic Party supports for the implementation of universal suffrage. We also respect the different interpretation of this by the 500 000 electors, but we very much hope that this issue can be addressed soon in one go, putting an end to the argument that has been going on for a few decades. I wish the Secretaries of Departments, Directors of Bureaux and the Chief Executive can do their best.

Deputy President, I would like to discuss another issue, that is, anti-discrimination, which is now under the policy purview of Secretary Stephen LAM. Deputy President, some civilian groups, especially human rights groups, once told me that human rights issues used to come under the policy purview of the Home Affairs Bureau of Secretary TSANG Tak-sing. The number of groups which took part in discussions then far exceeded the number now, and they felt that the Government was more willing to listen to their views.

However, once transferred to the policy area of Secretary Stephen LAM, human rights issues turned out to be a big problem. Those groups think that the Secretary may be too busy Mr Ronny TONG said just now the Secretary has to go for his meal, or he may have other things to attend to They feel that the Secretary disregards human rights issues.

Deputy President, regarding this Policy Address, I would like to briefly mention several points. The first one is on discrimination against disability. Some people said this has nothing to do with Secretary LAM. What is strange is that while he oversees human rights issues, discrimination against disability is under the charge of Secretary Matthew CHEUNG. In fact, discriminatory issues involve different bureaux as well as inter-departmental efforts, and should be dealt with by the Chief Secretary of Administration in person. Deputy President, this is also what the Equal Opportunities Commission (EOC) has proposed. Talking about disability discrimination, the Central Government and the SAR Government have submitted reports to the United Nations. It is believed that the United Nations will hold its first hearing next year on the implementation of the Covenant in Hong Kong, and we will attend the hearing.

Deputy President, the EOC published a report in June this year, in which the EOC Chairperson Mr LAM Woon-kwong vehemently criticized government departments for doing things in their own ways, without following the timetable for implementing the Covenant. He said if such a situation persists, the goal will never be accomplished for another century. Deputy President, you also know Mr LAM Woon-kwong, and even he has to make such a remark. Is this not "even the kind-hearted Buddha is angry"? Moreover, Mr LAM Woon-kwong also mentioned that the tackling of discrimination issues requires the co-operation of various government departments, and cannot rely solely on one or two departments. So, he suggested that the Chief Secretary for Administration lead a central department to steer and co-ordinate the work of different departments.

Deputy President, in this respect, the Policy Address only mentioned that study will be conducted on how to further improve barrier-free public transport facilities so as to enhance transport services for persons with disabilities. However, the Government has also failed in this area. Earlier, we had a debate on this issue. Mr LAM has also vehemently criticized The Link and the MTR Corporation Limited The implementation of barrier-free access alone has met with numerous difficulties.

Deputy President, another issue pertaining to the Convention on the Rights of Persons with Disabilities concerns people with mental illness. Mr Albert HO, Chairman of the Democratic Party, is very concerned about this. We have held meeting with Secretary York CHOW to urge the Government to set up a mental health council to co-ordinate all aspects of work, but it seems that we have been

talking to a wall. We hope that the Government can show some sincerity to let people know that it is sincere in implementing anti-discrimination policies.

In the Policy Address, the Chief Executive proposed the establishment of district-based Integrated Community Centres for Mental Wellness in each of the 18 districts. The Chief Executive said only one centre has secured a permanent site so far, so he called upon other political parties and individuals to help and brush aside discrimination. I am completely in favour of this. However, I have to quote a remark by Mr LAM Woon-kwong again. He said when he was the District Officer of the Sha Tin District, there were people who opposed discrimination, and one of them is now sitting on the Executive Council. He said such incidents are common, but so long as we bite the bullet, it can be achieved. The Chief Executive has come forward to call on the people not to adopt the "not in my backyard" mentality, but I was told by the people that in fact, the government departments are the greatest follower of such mentality. The government departments will ignore the public's complaints, and will only ask them to go to another department. This is also a serious problem. It cannot be better that Secretary Ambrose LEE is here. As a matter of fact, mental patients are like discharged inmates. It is of utmost importance for them to have a residence, a family and a job. With these, they will be able to lead a more stable life and find it easier to integrate into society. Why are the authorities reluctant in giving them more assistance?

Another highly contentious issue concerns the ethnic minorities. Deputy President, I have no time to cite a comprehensive list, but I have to point out that the United Nations Committee on the Elimination of Racial Discrimination brought up a very basic issue last year. It said that Hong Kong failed to put in place an education policy of teaching non-Chinese speaking students Chinese as a second language. Let us see whether this policy has been mentioned in this year's Policy Address. On 18 November last year, the Legislative Council also passed a motion urging the authorities to formulate a Chinese language benchmark test suitable for non-Chinese speaking students, so that schools can use it as the teaching goal, enabling students to receive education and pursue university studies. Deputy President, how many ethnic minority children can go to universities at present? We are saying that 18% of school-age students should go to universities; as for their ethnic minority counterparts, how many of them can receive university education? This is entirely against the Covenant. Has the Policy Address responded in any way? None, of course, Deputy President.

Deputy President, I would now like to talk about women's rights. I am very pleased and grateful that the male members of the Democratic Party are much concerned about equality between both genders. Deputy President, the United Nations' committee on women's convention has also pointed out that the structure of the FCs in Hong Kong is discriminatory against women. Let me now quote some figures provided by the Government. Among the registered voters for the FCs, women account for 56.2%. You may think that women have an edge, but let us look at the percentage of female in the respective FCs: 3.2% for the Heung Yee Kuk; 19% for the real estate and construction sector; 10% for the information technology sector; 18% for the District Councils; 5% for the engineering sector. Deputy President, the situations are too numerous to mention.

For these reasons, first, I hope that the authorities can accomplish the work of enacting legislation in one go so that universal suffrage can be implemented in Hong Kong soon. Second, I hope that the authorities can do a good job in respect of anti-discrimination. In the coming years, numerous hearings will be held, and we will show the world how Hong Kong has or has not implemented the various Covenants on Human Rights. I believe the authorities will then be in great disgrace.

I so submit.

MR LEE WING-TAT (in Cantonese): Deputy President, on constitutional development, Ms Emily LAU, our Vice-Chairman, already said a lot just now. I only wish to raise a point about the mentioning of the business sector's participation in politics in this Policy Address, which is rare. As stated in the 10th paragraph of the Policy Address, "The business sector has to participate actively in this process, that is, the process of democratization. In the face of further democratic development, the business sector needs to adopt a new mindset and make greater efforts to prepare for universal suffrage."

Deputy President, it is fine not to mention this paragraph, but once it is mentioned, it makes me angry. Why? This expression has just occurred to me. *(Laughter)* When I heard Donald TSANG read it out, it brought my mind back to the situation in 1995. Back then, it was the colonial era and I was a

Member of the Legislative Council. At that time, the Secretary for Education was very young, in his fifties. I was even younger, in my thirties. We went to the Hong Kong Club for meals, and he told me that the pace of democracy was irresistible, and he also had to start discussions with the business sector on how preparations could be made for the advent of universal suffrage. I said to Michael (Uncle SUEN) that this ought to be done. However, 15 years has passed but such contents are still written in the Policy Address? Sometimes, I really do not want to mention again someone's past, and it has nothing to do with Michael SUEN. After a lapse of 15 years, the same contents are written therein. Secretary Stephen LAM, what is meant by this paragraph? Chief Secretary for Administration Henry TANG, do you believe that this paragraph is meant to be taken seriously? In reading it out, did Mr Donald TSANG mean it? It has already been 15 years 15 years later, I should have retired but probably not departed this world yet!

Making further calculations in this regard will give the public the impression that the Government is not trustworthy. In fact, everyone knows that under the political system of a capitalist society, the business sector will never be disallowed to participate in the Government and possess powers. Although many of Selina's views and mine are poles apart, in fact, I often point out to her that in any democratic country that upholds capitalism as its social system, the business sector will, through running in elections, forming political parties and groupings or convincing certain political agents to sound out on its behalf, participate in the work of the parliament and the Government. This is the case in any countries.

As to the business sector in Hong Kong — forgive me if I may sound offensive — the business sector in Hong Kong is influential financially, but why does it flinch when it comes to politics? No money? It has lots of money. No talents? It has a host of talents. Why do its members refrain from running in elections? Is this because they will definitely lose if they do so? This may not necessarily be the case. In the past, James TIEN and Selina CHOW had lost elections, but they could run in elections again. I have also lost elections. Is that a problem? I have lost a few elections for Chairmanship. In this legislature, Albert HO is a frequent loser. Having lost five times, he won the election for the first time. Is that a problem? Why does the business sector refuse to learn from social democracy? Is this because its members have to

know they will certainly win before running in elections? That said, where does the biggest problem mainly lie? It lies in the Central Government and the SAR Government.

When a child learns to swim, you refuse to boldly allow him to swim anywhere. Whenever you tell him to swim in an adults' pool, he will cajole and say that he does not want to do so as he is afraid of getting drowned. Then, he asks for candies in the same manner and you give him candies accordingly. After 15 years, he has not even been allowed to swim in a leisure pool, not to mention in an adults' pool. I am not talking about those swimming pools measuring 50 m in length. Members representing the functional constituencies (FCs) are not allowed to swim in leisure pools. Neither are they allowed to swim in toddlers' pools. Regarding FC Members, just like Mr Jeffrey LAM, who is an imposing figure, why did he not run in direct elections? At present, the Chinese General Chamber of Commerce is represented by associations formed by its members. Why can this arrangement not be amended for it to be represented by its directors or more of its members, thus enabling its 10 000 or so members to cast their votes? When it comes to the labour sector, why can't more workers be allowed to cast their votes? There are 100-odd associations in the FC to which Miriam LAU belongs. Why can't the several million members of those associations be allowed to cast their votes? Just like Paul CHAN and Paul, their views are occasionally comparable to those of the Members returned by universal suffrage. Sometimes, I really want to praise them for their attempts in such practices. If FC Members are not allowed to swim in leisure pools, and if they are not allowed to swim in toddlers' pools either, they will never be able to swim. Thank you, Deputy President.

DEPUTY PRESIDENT (in Cantonese): I still have to ask: Does any other Member wish to speak?

(Mr Frederick FUNG raised his hand in indication)

DEPUTY PRESIDENT (in Cantonese): Mr Frederick FUNG, please.

MR FREDERICK FUNG (in Cantonese): Deputy President, as I only have very little speaking time left, I will only speak about facts instead of speaking on too many theories.

Everybody knows that ADPL and I have been fighting for the abolition of the District Council (DC) appointment system. As a matter of fact, there was no appointment system in 1994 in the times of Chris PATTEN, but the pan-democratic camp got more than half of the seats in four to five DCs at that time. As far as Sham Shui Po DC was concerned, ADPL alone got more than half of the seats. What happened in those days? What had gone wrong then? What was the problem then? Why should some people be so hostile to the call for abolishing the appointment system? It is just too bizarre.

If we look back at the history of how to make use of ADPL's vote to abolish DC's appointment system, one may see that ADPL has taken up the matter with the Government and negotiated with the Government twice. Secretary Stephen LAM also attended those two rounds of negotiations, and he knows that everything I say is the fact.

On 20 December 2005, that is, on the eve of the voting on the political reform in the Legislative Council, the Chief Executive invited me to have a discussion in the Government House. In fact, no negotiations were conducted in secret chambers.*(Laughter)* Before and after our visit, I had all along been making it clear that there were three conditions. The first condition was that a timetable and a roadmap should be provided within his term. The second condition was that after the passage of the political reform package, he should take 25 Members from the pan-democratic camp to Beijing. The third condition was to abolish the appointment system. On that day when negotiations were made, we had asked the total abolition of the appointment system in the next term, but the Chief Executive said that it had to be waited for three terms.

Eventually, the agreement was on the second term. The second term means that I requested for 2007 but the Chief Executive said that it should be 2015 and the ultimate conclusion was 2011. The remaining issues to be addressed were the wording to be used, and how to promulgate the relevant provisions. We then went back and discussed them. Subsequently, it was reported that six Members from the pan democratic camp would vote for the package, but later one of them expressed that he would not vote. Perhaps

because of this, the Chief Executive told me at around 3 pm that day that all the agreements reached in the negotiations were quashed. I learned from the results of this round of negotiations that the Government in fact could accept the total abolition of the appointment system by 2011.

The second round of talks was conducted in June, which involved this year's political reform package. The Democratic Party announced in a television show on 14 June that as long as the Government accepted the terms and conditions of the Democratic Party, the Democratic Party would vote in favour of the proposed package. That night, I call Albert HO instantaneously and asked him why he had not set any condition for the appointment system. I also said that if that was the agreement made between the Democratic Party and the Government, I would vote against it, as we would not share the same stand with the Democratic Party. The Pan-democratic camp told me not to argue over the issue as the Government would give it to me and the appointment system was just a very trivial issue. However, up till now, the Government still refuses to abolish the appointment system, so we will keep on fighting for it until the appointment system is abolished.

Until half past 10 in the evening of 19 June, arrangement was made by the Secretary to meet with the Chief Executive to discuss the issue of the appointment system at 12 noon on 20 June. In this meeting, the Chief Executive agreed to propose the abolition of the DC's appointment system when local legislation of the constitutional reform package was introduced by the Administration in October.

The Chief Executive held a press conference on 21 June. In addition to announcing the acceptance of the Democratic Party's requirements, he also mentioned that he would propose to abolish the DC's appointment system when local legislation of the constitutional reform package was introduced. The Legislative Council passed the constitutional reform package on 25 June, and the Chief Executive again held a press conference on 25 June. He said that when local legislative proposals were introduced, the district board appointment system would be abolished. It was very interesting this time as he did not mention the word "propose". So, my understanding was that a decision had been made with regards to the abolition, instead of proposing to abolish it. Now the Government has given the cue that the system will be abolished in the third term. I am shocked to hear that. I wonder if I have misunderstood that, or there are

different interpretations because he has said something wrong or he has adopted different wording? I think that even if it were the next term, or if not the next term, there would only be two terms, how can it become the third term? Will the Secretary explain why there is such a change in his reply later? I consider that the appointment system should be abolished right away.

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

MR ALAN LEONG (in Cantonese): Deputy President, in his Policy Address, the Chief Executive urged the business sector to participate actively in political affairs and adopt a new mindset to prepare for universal suffrage. Reform of the electoral system would continue to be carried out, and the business sector must not rely on functional constituencies to safeguard their individual interests. While the Chief Executive's belated appeal has rightly pointed out the core issue of the current constitutional reform, he must not expect these simple utterances and postures will arrive at anything.

Deputy President, the people of Hong Kong, who have been fighting for universal suffrage for many years now, are no stranger to fleeting verbal promises. The Chief Executive's previous undertaking that universal suffrage in 2012 would not be ruled out is no different from his call today to the business sector for a new mindset for universal suffrage. As we know very well, asking the commercial and business sector to give up their vested interests is virtually impossible, and if the Chief Executive is not able to put forth specific and feasible plans to strip the commercial and business sector of their political privileges, all these will be nothing but lip services.

Deputy President, to build a genuinely fair and just society, we have to afford equal political rights to all people of Hong Kong. Abolishing all appointed seats of the District Councils is a small step towards eradication of political privileges. Comparatively speaking, this is less complicated than abolishing the functional constituencies. The institution of the appointment system after the handover is a retrogressive arrangement. Nonetheless, the two "drivers" — Chief Executive Mr TUNG and Chief Executive Mr TSANG — have been steering backward for more than a decade now. In spite of repeated

public calls for the abolition of the appointment system, this year's Policy Address remains completely silent on the matter, which is very disappointing. As at the end of May this year, a total of 38 appointed District Council Members have been serving their respective terms for more than six years, and their number represents more than 37% of the territory's 102 appointed DC Members. Among them, 13 have been appointed for the third term in a row and have been in service for more than 10 years, which surely is in breach of the "six-six Rules". Generally speaking, a non-official member of any advisory and statutory bodies should not serve for more than six years in any one capacity and a person should not serve as a member on more than six bodies at the same time. Some DC Members have been given appointment by the Government on a cross district basis in order to circumvent the "six-six Rules". In some cases, some candidates were even appointed by the Government after they have lost in DC elections. This is obviously a form of political spoils sharing, a political culture of cronyism, an insult to public opinions and a trample upon democracy.

According to a survey conducted by the Civic Party last year, assuming that all appointed DC Members would run their own offices and claim their remuneration and allowances in full, it would cost the Government an expenditure of more than \$2 billion for a term of four years. The appointment system for District Councils is essentially an act of transfer of benefits. The Government should not waste taxpayers' money to hand out political free lunch using public monies. Instead, consideration should be given to appropriating resources to each individual District Council for funding opinion surveys of District Councils, enhancing the functions of District Councils, implementing minor works at the local level and increasing employment opportunity, and so on.

The findings of the same survey also showed that as at April 2009, 31 of the 102 appointed DC Members, or approximately 30% of all appointed DC Members, had not set up any local office, which is evident that many of these appointed DC Members are uncommitted to district affairs, nor have they endeavoured to offer services to the residents. Furthermore, a total of seven appointed DC Members have taken up the chairmanship of District Council, or 38% of the 18 District Councils. As they are entitled to double remuneration and allowances, it is as if they were enjoying two servings of political free lunch.

Back in 2005, amid the disputes on the constitutional reform, members of the public expected the Government to abolish the appointment system for

District Councils in one go. Deputy President, five years have lapsed, and members of the public can hardly accept the government's proposal for the phased abolition of a system that is offering political free lunch. Direct elections for District Council seats have got a long history. Through returning DC members by one-person-one-vote, members of the public are able to fully articulate themselves at the district level, so there is no reason whatsoever to retain this outdated appointment system. The power to appoint DC Members rests with the Chief Executive Mr TSANG, and he should demonstrate his commitment and the courage of his conviction by taking the initiative to completely abolish the appointment system for District Councils before he finishes his term of service.

Deputy President, the Civic Party believes that the 2012 constitutional reform package proposed by the Administration does not deserve our support, but we agree that discussion should be carried out expeditiously by the Government on the roadmap for universal suffrage. Given that the Basic Law has set out the target for the implementation of double universal suffrage, the Beijing Government and the HKSAR Government should stop using a patchwork approach to handle the task of constitutional reform. Instead, a clear-cut legislation should be made so that both the Beijing Government and the SAR Government, as well as different sectors of the society, will have ample time for reaching a consensus on constitutional reform.

Functional constituencies are inconsistent with the principles of universal suffrage, and that is beyond dispute. Members of the public are eager to know how they could move towards the ultimate goal of universal suffrage through gradual reduction of the influences of people having political privileges starting from 2012 and 2016. However, in handling the issues of constitutional reform in 2005 and in this year, the Government has been unable to articulate itself clearly and has failed to respond to public aspirations for a timetable and a roadmap for universal suffrage, which has deepened the distrust of the people towards the Government and even towards Beijing. If the Government will continue to handle issues relating to constitutional reform in the same manner in the future, it will further jeopardize the credibility of the SAR Government in its governance. It is irresponsible of the Chief Executive Mr TSANG to pass on the responsibility for constitutional reform to the next Chief Executive. The Civic Party believes that if the Chief Executive is to live up to expectation of the public, he should submit a report to the Standing Committee of the National People's Congress for a clear-cut legislation, so that discussion on a roadmap for universal

suffrage can take place within the constitutional framework among different sectors of the society.

Deputy President, in the previous debate sessions, I missed out on some speaking opportunities, so I would like to make use of the remaining time to talk about an issue or two that I am particularly concerned with.

With regard to social welfare policies, it is stated in the Policy Address that the Government will set up a \$10 billion Community Care Fund as a measure for poverty alleviation, which we found worrying. First of all, providing basic necessities for living for needy people is the responsibility of the Government. With a surplus balance of \$1,000 billion, to supplement the shortfall in this respect is a responsibility not to be shirked by the Government. So why must it rely on the business sector? The Civic Party is worried that the Government will set a bad precedent. If the economy takes a downturn in the future and the business sector cuts back on their contributions, the social welfare sector and the grassroots will be among the first to be affected. Secondly, the objective of the fund itself has remained unclear. Given the multifaceted forms of poverty, handing out money alone cannot resolve the problem. However, the Administration simply explains that the Community Care Fund is to support people in need in areas not covered by the Comprehensive Social Security Assistance Scheme — a statement to dodge the Government's responsibility for a review of the CSSA Scheme. Right now the Lotteries Fund alone has a balance of more than \$7 billion which is not utilized by the Government, so why is it necessary to set up another fund? Thirdly, the social welfare sector is generally worried that whether the setting up of the Community Care Fund will affect the ongoing fund-raising initiatives for the community in the commercial sector, to the effect that charitable initiatives in the community will wither away? There are concerns that the Community Care Fund will be reduced to a vehicle for grooming political talents, a publicity stunt for business conglomerates, and a fleeting illusion to the toiling masses of the grassroots.

The Civic Party hopes that the Government will reinstate the Commission on Poverty, set up a benchmark for eradication of poverty, and target at reducing the poverty population by a specific number or on the basis of Gini Coefficient on an annual basis. Decisive actions should be taken by the Government to provide a sufficient number of nursing homes, elderly homes, and residential homes for people with disabilities. The pilot scheme for the elderly to age in the

community and the pilot scheme on home care service for persons with severe disabilities, and so on, should be used as vehicles for facilitating service improvement in the future — not as an excuse for not providing a sufficient number of hostel places. The Government should carry out human resources planning for medical personnel and social workers immediately to satisfy current demand in the first place and to prepare for the challenges ahead brought amid an ageing population.

Furthermore, Deputy President, not much has been said in the Policy Address on medical affairs. I am most concerned with the newly launched second stage public consultation on healthcare financing. In fact, having gone through the entire consultation document, I find some of the recommendations commendable, such as regulating the insurance sector and the private medical market for greater transparency on medical charges and benefit coverage of insurance, and so on. I believe no consumer will find that disagreeable. However, I do have some reservation on the government's earmarking \$50 billion as an incentive for the public to take out insurance policies. In fact, Deputy President, the Civic Party has already made a statement on our stance in the first consultation exercise. We hope that the Government will use the \$50 billion for improving the public healthcare system, such as enhancing the training given to medical personnel, increasing the variety of drugs listed in the Drug Formulary and increasing the subsidies to Health Care Voucher, and so on. These are areas where improvements are urgently needed, and they are what the public are anxiously looking forward to. If \$50 billion were to be used for subsidizing the public to take out insurance policies, we can see a number of problems. Problems might not take place in the short run, but over the longer term it will likely to "explode". Members of the public who have taken out medical insurance will then be like "a piece of meat on the chopping board". That will be very dangerous.

Members of the public are most concerned about whether the premium is affordable and whether they will be reasonably and adequately covered when they are ill. The medical insurance system currently proposed by the Government appears to be able to do that at first, but surely insurance companies will set a premium based on profitability. If the Government use \$50 billion of public money for subsidies, the insurance companies will definitely do everything they can to maximize their profits and to fully absorb all these public monies. What is even more worrying is that the proposed regulatory regime is totally unable to

stop insurance companies from increasing insurance premium, and there is a risk that the premium will keep escalating. By the time when the \$50 billion are fully depleted, can the people who have already taken out their policies still pay their fees? These are important issues that the Government has to explain clearly and think over thoroughly.

In fact, what needs to be tackled right away is the exceedingly long waiting time at public hospitals. The Government believes that medical insurance can divert a greater number of patients to the private healthcare system, but actually how many of them will be so diverted? To what extent can it shorten the waiting time? These are left unanswered in the consultation document for the second stage consultation exercise. With so many unknown factors, why does the Government not just buy more places from the private healthcare market directly? For example, for cataract surgery, the waiting time for which the Chief Executive has pledged to reduce in the Policy Address, primary medical service and other minor surgery operations with longer waiting time, buying places is the most direct way to help the elderly and the grassroots.

Moreover, the problem of staff wastage among healthcare practitioners in public hospitals over the past few years has become increasingly serious, particularly among senior staff members. A survey once highlighted the fact that 70% of the doctors had to work 55 hours a week, and nearly 50% of the doctors interviewed admitted that working overtime would affect their clinical judgment. Some even considered that there was a direct relationship between working overtime and medical blunders. From these, we can see that manpower shortage has a negative impact on the quality of public healthcare service as well as the morale of healthcare practitioners. The experience of Australia reveals that the implementation of a health protection scheme can lure away a large number of veteran healthcare practitioners from the public healthcare system. This, coupled with the challenge of an ageing population, shows that the demand for healthcare practitioners in Hong Kong will only keep on surging. At long last, the Policy Address mentions the training of healthcare practitioners. I hope the Secretary can give an explicit account of the increase in the number of student places for the disciplines involved in the training of healthcare practitioners.

Deputy President, last of all, I would like to speak on the Drug Formulary. The Chief Executive says that the Government will strengthen the services for cancer patients, and add more new and effective drugs to the Drug Formulary, in

the hope of implementing reforms in an in-depth and thorough manner. Many organizations of patients in fact have told me that subsidized drugs on the Drug Formulary now are very inadequate, which lags behind other countries. For example, I have all along been assisting in striving for the inclusion of Deferasirox, a medicine for treating thalassaemia patients, as well as some oral chemotherapeutic drugs into the Drug Formulary. The authorities must take actions seriously and immediately to follow up this issue. Although the Drug Formulary does contain some drugs that treat such diseases, they are all older drugs with greater side effects. Although newly invented drugs are more expensive, they can substantially improve the quality of life of patients. Scientific studies have confirmed that new drugs are more cost-effective as they can, for example, significantly reduce the periods of hospitalization of patients, thus enabling them to have more time to spend on their studies and work, and so on. In fact, no matter whether we consider the issue from a humanitarian or an economic perspective, it is sensible for us to proceed with a review of the Drug Formulary system, and provide adequate resources for acquiring better and newer drugs.

This voluntary Health Protection Scheme is a proposal that has left many questions unanswered. The Government should clearly explain these questions. Otherwise, it would be very difficult to convince the people to spend public monies on this scheme.

Deputy President, one of the special characteristics of this Policy Address is that it seems to have mentioned, no matter how briefly, each and every aspiration put forward by the people. But the greatest weakness of this approach is to have fully exposed the mindset of governance of the Chief Executive: That he will go ahead to solve a problem only when it pops up. With regard to the problems in our system that are responsible for causing the current deep-seated conflicts in society of Hong Kong, or the situation in which our young people cannot see any hope for themselves, the Policy Address has not provided any explicit direction pointers. Therefore, it seems to us that the Chief Executive is just trying to please everyone through this Policy Address. So he just discusses very briefly the different aspirations of different people. But he cannot remove, once and for all, the unrighteousness that has existed in an unfair political system in a structural and systematic manner, thus allowing the present monopolization by the privileged class to continue preventing Hong Kong from moving forward.

As such, the serious monopolization problem is allowed to continue affecting Hong Kong.

Deputy President, of course, we cannot expect all kinds of work can be accomplished in one single policy address. However, people still have one expectation, that is, we hope that the Chief Executive can identify what the crucial causes of our problems are. Of course, in my opinion, the essential key lies in the introduction of a fair political system, which can bring about a fairer distribution of power — this is the best solution for thoroughly tackling the deep-seated conflicts in Hong Kong. Don't be a mediocre doctor, who just tackles the obvious symptom by prescribing cough syrups for a coughing patient, without attempting to really cure the patient's disease. I am afraid this is where the greatest disappointment of the people lies as far as this Policy Address is concerned.

Thank you, Deputy President.

MR LEUNG KWOK-HUNG (in Cantonese): Most of the amendments proposed today seek to enact legislation in one go. Lawmaking is definitely our duty, right? Today, I have to quote a dead man, Martin Luther KING, in the discussion of this issue. Actually, the quotes carry special meaning. Martin Luther KING won the Nobel Peace Prize, as Mr LIU Xiaobo does, in 1964. Yet, the award did not save him from oppression by the white regime. He was still put behind bars. Presently, even the wife of Mr LIU Xiaobo is imprisoned. When I quote his words, I am also paying tribute to Mr LIU Xiaobo.

Martin Luther KING was arrested several times in the 1960s. He once wrote a letter in the Birmingham City Jail to answer criticism from the local church and Negro groups that his activities were illegal and untimely. What did he say? How did he describe law? He said, "Let me give another explanation. An unjust law is a code inflicted upon a minority which that minority had no part in enacting or creating because it did not have the unhampered right to vote. Who can say the Legislature of Alabama which set up the segregation laws was democratically elected? Throughout the state of Alabama all types of conniving methods are used to prevent Negroes from becoming registered voters and there are some counties without a single Negro registered to vote despite the fact that

the Negro constitutes a majority of the population. Can any law set up in such a state be considered democratically structured?"

We know that African Americans constituted one tenth of the population at that time. Right now, we are talking about a system which allows only 800 people to elect the Chief Executive. The representation is not even close to one tenth. While Martin Luther KING in the past condemned an unjust political regime which pursued the segregation policy, the present situation of Hong Kong is even worse. Many people talk about "enacting legislation in one go". But what is "enacting legislation in one go"? What is the legislation to be enacted? The laws in Alabama were also enacted in one go!

I would like to make a second quote from him. He said, "We know through painful experience that freedom is never voluntarily given by the oppressor; it must be demanded by the oppressed. Frankly I have never yet engaged in a direct action movement that was "well timed," according to the timetable of those who have not suffered unduly from the disease of segregation. For years now I have heard the word 'Wait!' It rings in the ear of every Negro with a piercing familiarity. This 'wait' has almost always meant 'never'. It has been a tranquilizing Thalidomide, relieving the emotional stress for a moment, only to give birth to an ill-formed infant of frustration. We must come to see with the distinguished jurist of yesterday" — the jurist who defended for Martin Luther KING — "that justice too long delayed is justice denied." I should have asked Dr Margaret NG to read this passage out in English as it was well-written in English. The translation is not so good. I will record this speech onto a CD. It will surely be the best material for civic education.

Honourable Members, what are we discussing now? This is my response to my previous allies who may not be on my side now. They tell us to wait, to act timely and only do things that the Central Government favours. Therefore, the "five-district referendum" must not be held! It sounds like Martin Luther KING could foresee the events happening on this small island decades after his death.

According to him, who had deprived democracy? I have no way but to read out the quote out with my poor English for I do not have a translation of it. "First, I must confess that over the past few years, I have been gravely disappointed with the white moderate. I have almost reached the regrettable

conclusion that the Negro's great stumbling block in his stride toward freedom is not the White Citizen's Councilor but the white moderate, who is more devoted to "order" than to justice; who prefers a negative peace which is the absence of tension to a positive peace which is the presence of justice."

Honourable Members, we are asked to observe the law, not to act against the will of the Central Government and we have to follow the Basic Law. Otherwise, the Central Government is going to interpret it. Annexes I and II are just like haunting spirits even though they have expired. Donald TSANG told us not to do anything or to legislate, and everything will be fine. Things will happen this way for sure. We must understand that it has been over 40 years since the death of Martin Luther KING and nearly 50 years from the time he received the award. His fellow Negroes are already entitled to vote. So, how can we talk about national education? Do we have any good examples for our national education? We have, surely. The overthrown of tyranny by the Chinese people under the leadership of the Communist Party is a case in point. Unfortunately, the 50 years of history thereafter and the present situation have turn into negative examples. I therefore have no choice but to cite a foreign example.

Honourable Members, I do not want to answer anything. I do hope that Dr Margaret NG can read out this passage in English once and then someone who is good at Chinese can read it in Chinese again. As I am running out of time, I have to read it out by myself though my English is poor. "I had hoped that the white moderate would understand that law and order exists for the purpose of establishing justice and that once they fail in this purpose, they become the dangerously structured dams that block the flow of social progress." Honourable Members, why talk about the methods? Let me tell you, though we did not have enough votes on 25 June, the number of votes that the Government obtained here will not matter if it continues to engage in perverse acts. The power of 500 000 people is enough to bring change! Don't be complacent about having found a loyal political ally! The Government oppresses us not only politically but also socially and economically! See how complacent Donald TSANG is! He does not bother to address the issues raised by us! He keeps on promoting and conniving property speculation! He continues to let the elders suffer! The minimum wage is determined by capitalists! Café de Coral has immediately reduced the working hours! Don't be complacent!

MR IP KWOK-HIM (in Cantonese): Deputy President, this Council started the deliberation work last Tuesday on the Bills Committee in respect of the additional number of elected seats for the District Council (DC) Election next year. The election for a new DC term is approaching. There is an old saying, "Time and tide wait for no man." Three quarters of the current DC term has already passed. On this day next year, the DC Election will have entered the final stage of the election battle. DC is an important constituent of the district administration of the SAR Government. Serving the district and rooted in the community, DC members are familiar with the locality as well as the opinions of the people. I believe that this is very, very important for building a harmonious and energetic community.

District administration is the foundation of the administration of the SAR Government, and soliciting opinions of the people in the district is the base of the foundation. The DAB welcomes the Summit on District Administration organized by the Government in the middle of this year which held a conference on four different topics to share and listen to the valuable experience in district works and opinions of DC members and local communities. Actually, all DCs in the territories have established a new committee for three years, which is the District Facilities Management Committee, and introduced certain aspects of management in leisure and cultural services, specially participating in the management of some district facilities, including libraries, community halls, resting places, sports venues and swimming pools, and so on, as well as participating in the planning of minor works in their respective districts. Over the past three years, such minor works projects have indeed been reasonably successful in benefiting the community, and have been able to care about the pressing needs of the local people. They are recognized by residents in the districts as well as various local communities. However, regarding district minor works projects, colleagues in the DCs have reflected a feeling that they are still at the learning stage. There is ample room for exploration and improvement, such as how to resolve the issues on improvements on the operating efficiencies and qualities of the projects, enhancements in the sustainability of the projects, as well as management on the repair and maintenance of the work projects, and so on. These are the issues that are worth continuous examination and discussion. But what I wish to bring out to the Secretary here is that the shortage of manpower in the DC secretariats has become a vital factor to determine the successful implementation of the abovementioned projects. Therefore, I really hope that the SAR Government

can face up to this problem. Even if there are good resources and plans, inadequate manpower for implementation will indeed affect the works of DCs.

Deputy President, the decision making process of district administration should not be implemented in a top-down approach by the Government. It is important that the whole community can tie in with this. The management power currently conferred by the Government to DCs is mainly vested in facilities management at district level. It is believed that many DC colleagues expect not just this, but further wish to be given additional resources to play a role in resolving the shortages in venues for artistic performances and recreation activities. Last summer, the Panel on Home Affairs of the Legislative Council paid a visit to Japan and Korea. Despite the tight schedule, the Panel gained an understanding on how a large number of different arts and cultural groups there collaborate with district councils, community organizations, and so on. The area of study spanned from the generalization and promotion of traditional arts and culture to pop culture performances. During the visit, we came across many areas which are worth our reference. Indeed, as managers of district facilities, DCs should upgrade the level of their management, and change their mode of participation gradually so that their roles of participation are not limited to striving for resources. Instead, they can give recommendations on how to effectively utilize existing facilities, and how to make their own arrangements on decisions, so as to serve more important functions.

Deputy President, as a Member of the Legislative Council representing the DC subsector, in my speech delivered during the debate on the Motion of Thanks on the policy address and on the Budget over the past two years, I, with a sunken heart, time and again talked about ways to improve the supports given to DC members. There is a saying, "You can't have your cake and eat it". I believe that there is no such a bargain in this world. Today, we once again talk about this subject in this Chamber, that is, how to support DC members in their works in the district. Today, I can at last express my opinion in a relatively joyful mood, as it is learnt that the Government will most probably accept some of the proposed enhancements recommended by the Independent Commission on Remuneration for Members of the District Councils, and that documents will be tabled shortly to the Panel and the Finance Committee. I think this is really a favourable development. I expect all DC members to better serve the public with enhanced services with these additional resources.

I would like to change the subject and talk about constitutional issues.

Deputy President, our colleagues have recently mentioned the possibility to deal with the two universal-suffrage elections in 2017 and 2020 within the remaining term of this Government by legislation in one go, with a view to pursuing a so-called "general roadmap". Rumour has it that even the Central Government has commenced relevant studies. We take all these as side issues and obstacles. If things are really done this way, it will once again give rise to disputes, which will likely bring about unnecessary adverse effects on the 2012 local legislation exercise for the two electoral methods. As such, the priority is to focus our efforts and attention on the 2012 local legislation exercise.

On the constitutional reform package, the principle to which the DAB has long adhered is that it should comply with the relevant provisions in the Basic Law and the decision of the Standing Committee of the National People's Congress (NPCSC), and should be conducive to the promotion of constitutional development. It also forms the exact basis for us to support the five new DC functional constituency (FC) seats proposed in the constitutional reform package which has already been passed. Thereafter, we can progress in the direction of "one-person-two-votes".

We are given to know that the Government will soon — which should be tomorrow — brief the Panel on Constitutional Affairs on the local legislation proposal to be put forward to the Legislative Council and the public. There is lots of hearsay and I do not know if it is true. Perhaps Secretary LAM can make some clarifications here. There is hearsay that qualified candidates will be restricted to serving DC members only, and unlike the candidates standing for traditional FC election who need to be nominated by 10 subscribers, the nomination threshold of the new seats is 15 elected DC members. Here I would like to express the DAB's views. As regards the proposed nomination threshold of 10 to 15 subscribers for the five new seats, the DAB had made it clear that we would give it a go at an early stage when discussion on the constitutional reform package was underway. However, such position was taken on the pretext that the candidates must be serving elected DC members. Since the electoral basis for "super seats" has been broadened to 3.2 million electors, we may consider setting a slightly higher threshold for the "super seats" as compared with that of the existing traditional FC seats. Even if the nomination threshold is set at 15

elected DC members, this is still a low threshold. There are no questions of exclusion of small political parties or unfairness alleged by some political parties.

Moreover, Members belonging to other political parties, CHEUNG Man-kwong, for instance, said the goal of his political party was that the threshold should be the lower the better and the qualifying criteria the broader the more desirable. They want to have the nomination threshold lowered to five DC members, which is even lower than the threshold of traditional FC seats. In fact, the new DCFC seats will only be "defunctionalized" in a sense that its name does not reflect the reality. The DAB will not accept this.

While the Government has indicated that it will abolish the DC appointment system, the approach and timeframe are open for discussion. There are views that the appointment system should be abolished in one go. The DAB considers that if the abolition takes place in one go, it will have great repercussions on district affairs. Also, such an approach does not conform to the principle of gradual and orderly progress. In view of this, the DAB supports the phased abolition of the DC appointment system.

The Chief Executive states in the Policy Address that to attract more people from different sectors to take up political appointment, more flexible arrangements such as a "revolving door" should be considered. With the timetable for implementing the two universal-suffrage elections having been determined by NPCSC, the DAB considers the supply of talents one of the key to their successful implementation. In light of the present situation, there is no denying that Hong Kong lacks political talents. Importance should be attached to recruiting from the community more people of virtue and talent, as well as training of political talents.

As such, the DAB believes that political talents should be versatile. Not only should these talents be good at social movements and social manoeuvring, they should also be good at formulating, promoting and implementing policies. Channels for recruiting talents should also be diversified. Apart from political parties and the civil service, people of virtue and wisdom should also be drawn from the community. Establishing a "revolving door" system and a proper mechanism to deal with conflict of interests are essential to recruiting people from the business, professional and academic sectors. The DAB supports the Government to conduct research on this subject and provide the relevant report in

due course, so as to lay a solid foundation for the democratic development in Hong Kong.

Thank you, Deputy President.

MR JAMES TO (in Cantonese): Deputy President, though I seldom talk about political systems in this Council, I would like to point out at this stage what is worth attention.

I remember that several weeks after rejection of the constitutional reform package by this Council in 2005, the Honourable Rafael HUI Si-yan, the Chief Secretary for Administration at that time, specially reminded the commercial sector during his speech at a business luncheon meeting that they should take the initiative to join and get prepared for universal suffrage as this would come true one day. He asked them not to sit there and do nothing. He said universal suffrage would finally be achieved. At that time, I could not understand. We just rejected the 2005 constitutional reform package a few weeks ago, how come the Chief Secretary for Administration at that time suddenly made such a speech during a luncheon meeting with the business sector? I had been paying attention to this and found that the Chief Executive mentioned again in Paragraph 10 of the Policy Address that the business sector had to participate actively in this process. In the face of further democratic development, the business sector needed to adopt a new mindset and made greater efforts to prepare for universal suffrage, while Paragraph 9 said that steps had been taken towards universal suffrage and the road to universal suffrage lay ahead. Why was the commercial sector the only sector mentioned by the Chief Executive? How come he did not talk about other sectors? He said that the business sector had to participate actively and adopt a new mindset, and made greater efforts to prepare for universal suffrage.

Deputy President, I believe the Chief Executive may be quite clear about what has been the main force of obstruction, retardation and destruction towards democratic progress over years. In fact, it was the business sector. Businessmen are used to enjoy political free lunch. This is why they have been building relations with the Central Authorities, the Chief Executive and government officials of different levels at different occasions aiming at stopping and slowing democratic development. The Chief Executive, therefore, made a special reminder in Paragraph 10 that the business sector should adopt a new

mindset. In other words, they have been working with old ideas, and have been inactive and unconcerned. They believe they can always enjoy political free lunch, and will never let go of the functional constituencies. Generally speaking, businessmen believe that so long as the functional constituencies hold majority votes, they may stop anything from happening. They may decide who can be the Chief Executive as far as they can make "secretive reports" to the Central Authorities, rely on their votes in election of the Chief Executive and reach agreements among themselves (because only several hundred people can vote in the election of the Chief Executive, and a majority of them are from the business sector). It is therefore expected that the commercial sector is going to have powerful influence so long as we continue such small circle election. Nevertheless, the Chief Executive has now reminded the business sector that they should participate actively and adopt a new mindset.

I believe this is a really critical moment. It all depends on whether the Central Authorities and the current or the next Chief Executive are willing to ascertain the development of our political system over the coming 10 years by means of a one-off legislative enactment, and ask the businessmen not to think about functional constituencies any more as these will no longer exist. The business sector must be aware that if they want to keep their interests protected, be able to face the democratic system and have the right to speak, they should act and get prepared. They should participate actively and bring in talents, money and efforts, whether on development of think-tanks, policy studies or maintenance of relationship with different politicians, to understand what they think and try to exert influence over policies or even those in respect of their own benefits. These are all normal behaviour or solicitation in modern democratic systems. Please ask the businessmen not to insist on keeping functional consistencies and continue having their political free lunch.

Deputy President, in this connection, it has been a common wish of Hong Kong that we look for a one-off legislative enactment and an express answer from the Central Authorities. Hong Kong, except a small number of businessmen, has been having this common understanding long ago. This has long been our common wish. What the Central Authorities should do now is to give us an express signal so that the Chief Executive, be he the current or the next one, can proceed to the legislative process. Please ask them not to look back and try to stop and slow down democratic progress. They have no more chances. This is the way we can go forward together. Democratic development is the way we

can build a stable and harmonious society. Deputy President, it sounds quite strange that the Chief Executive said the opposite way in Paragraph 10 of the Policy Address. He said he believed that a stable and harmonious society was the foundation for democratic development. In fact, this is exactly the other way round. It is the development of democracy which forms the foundation of a stable and harmonious society. Hong Kong can never be a stable and harmonious society without democracy.

Deputy President, the last paragraph of the Policy Address is also quite interesting. The Chief Executive said in paragraphs 168 and 170 that democracy was a system for power sharing. It was not a panacea. It worked differently in different circumstances. Only in a mature and rational social environment could it bring about good governance and benefit the people. Does the Chief Executive believe Hong Kong is a mature and rational society? In fact, the answer is in the affirmative. The Chief Executive said in Paragraph 168 that he had always believed that Hong Kong people were rational, and that rationality was the foundation of social stability. He also believed that every sector of our society could tackle problems rationally and contributed to social progress, democratic development and economic prosperity. In other words, the Chief Executive himself has no doubt about this. But the problem is, if you ask me, I also believe that the Hong Kong community is mature and reasonable. If you don't think so, just consider the fact that in the 1 July March in 2003 in which more than a million took part, not even a single rubbish bin was pushed over and, everybody helped pick up the rubbish before leaving. Which community that is something in which the people of Hong Kong should take pride. Therefore, the people of Hong Kong live up to democracy. If there are any social strata, the business sector in particular, which do not allow the people of Hong Kong to have power, since democracy is a system of power distribution, and say, "What would happen if the people of Hong Kong get power? They will fight with us for they hate the rich; they will share our wealth". Honestly speaking, I really don't know any businessman who truly understands the Hong Kong community. Perhaps they can ask their team of mentors whom they trust whether that truly describes the people of Hong Kong. If the people of Hong Kong should have direct election, will they necessarily elect some extremists and share the wealth of the rich? Are the people of Hong Kong like that at all? Does that truly describe their mindset, their upbringing and the way they consider problems?

Deputy President, I think the longer the delay of democracy, the more scared the business people will become. Why is that the case? As the pace of democracy has been slowed down during the past 10 to twenty years, problems including that about flats, which may have become unaffordable for some people, as well as many others, have all been interpreted as being caused by the businessmen and the rich. The earlier that a democratic system can be put in place, the earlier the problem of imbalance can be solved and the earlier the community can implement the democratic system on a reasonable and mature basis. On the contrary, the slower the implementation is, the greater the risk will be. The reason is that if the implementation is slow, candidates of the first two Legislative Councils, to say the least, will try to think of ways to rectify the distorted social and economic structure rapidly. As a result, their election platforms will certainly be a bit extreme. These are the views that I must express.

Deputy President, I would also like to speak on the question of public order. Actually, I am not going to say whether the number of crime cases is big or small. What I am particularly worried about are political prosecutions, especially those which relate to what most people of Hong Kong would consider as peaceful and orderly assemblies and marches. However, the Government will look for a job to do and respond with actions which are out of proportion each and every time. I have no idea whether there are the so-called "hawks" or the "foolish school" within the Government, but I really think that there is the "foolish school". I do not know who belong to this camp, but there is bound to be such a kind. Otherwise, there is no reason why the Government is creating unnecessary work for itself and arrest and prosecute some people every time. Then, in the next big meeting or assembly, it will surely stir things up in the beginning and arrest one person or another during the meetings and then allow them to be bailed out or take other actions. If some hard-liners are indeed foolish enough to think that such actions will dampen people's spirit so that they will not have the courage to participate in any marches or assemblies, I hope the Government will think twice because that is just wishful thinking. What results will come out of such actions taken by the Government? The results are that they will stir up a mood to fight, provoke more extremist ideas, cause dissatisfaction in more people and make people feel that the Government is too irrational and vindictive. That is absolutely not conducive to a harmonious society. And how are things developing so far? Whenever a person is jailed, a crowd will sit in front of the prison to support him. When things have

developed into such a state, it has become very dangerous. Don't think that such is the behaviour of only a few and so there is no big deal, for reactions which are excessive and out of proportion and persecutions of different kinds will only stir up bigger conflicts, stronger empathy and greater sympathy. Even though the community may not be very concerned at first, there will be an overwhelming amount of sympathy. If the Government is determined to make a fuss, more and more people, especially the young, will become sympathetic, concerned and supportive. My view is that the Government should really think twice, for these things will become a hotbed of extremist thinking. I am even worried that they will lead to violence and terrorism, and one only needs to take a look at the history of this community to gain an understanding. If Hong Kong people are not like that at all, I urge the Government not to take the lead in creating problems, for that is very foolish indeed.

Deputy President, regarding the question of privacy, although we have noticed the many troubles made by Octopus and the banks, some banks actually are not willing to amend their contracts and they regularize excessive authorizations in their revised contracts. That is bizarre and I do not know what the Monetary Authority has been doing. Neither do I understand why the Government has not initiated any reform in this respect.

Deputy President, we shall continue to try and apply the powers of the Legislative Council (Powers and Privileges) Ordinance to conduct an inquiry into the present situation. Speaking of the Legislative Council (Powers and Privileges) Ordinance, some people are good at holding empty talks but fail to put words into action. They give up easily what they previously upheld and become deserters in the face of battle. Fortunately, we, the Democratic Party, are still there. We shall continue to incorporate the views of our colleagues and will soon propose to apply the powers of the Legislative Council (Powers and Privileges) Ordinance to conduct an inquiry into the Octopus incident, the liabilities of the MTR Corporation Limited as well as how the entire business community, especially the retail sector and the supermarkets, has exchanged the privacy of the public for money. The inquiry will serve a good basis for legislation.

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

MR PAUL TSE (in Cantonese): Deputy President, before starting the theme, please let me present one or two points particularly fit the occasion of this session.

First of all, concerning the policy address debate now we have, this session is said to be a call-over as we may have already been used to it. Each year, after the Policy Address has been presented, there will be three days for holding debates on or giving responses to various questions. Certainly, as we all know, this is a tradition passed down from the time of British rule, which followed the British system. In Britain, there is a longer duration for the debate. Following the Queen's Speech, that is, after the Queen has delivered her speech in either the House of Lords or the House of Commons, there will be five to six days for the debate. In Britain, however, there is a more neutral title for the debate, namely the Address in Reply to Her Majesty's Most Gracious Speech. It is solely in the form of discussions about the policy issues of the coming year and the motions to be debated in Parliament. The system was transplanted here in Hong Kong during British rule. I do not mean to speak evil of Members in those days, but as we all know, they normally gave only two answers to any questions, either "Yes" or "No," that is, "Yes" for "Yes, sir" and "No" for "No objection." The debates were different from the ones in Hong Kong in recent years, in which lots of issues are incorporated like "Christmas tree decorations" in the debates, giving rise to many unnecessary arguments and much voting. Under the British system, the Government prepares the Policy Address and the Queen delivers it. In Britain, since major political parties take control of the House of Commons, voting results are explicit. It is entirely different for Hong Kong in this respect. I think that this is time for us to review if this system is still worth keeping. Otherwise, for a Policy Address covering a wide range of issues, if each Member introduces amendments to every single area of the issues, the debate will be never ending.

(THE PRESIDENT resumed the Chair)

On functional constituencies, President, please let me present one or two points. First of all, I hope once again that the authorities will not let the political reforms stand still due to some opinions about abolishing functional constituencies. As the Chinese saying goes, "So long as one remains a monk,

one goes on tolling the bell." As long as the functional constituencies still exist, we have the responsibility to streamline them. As regards the scope of representation and the degree of manipulation, we should at least extend the scope of representation and reduce the degree of manipulation so that opposing voices can be reduced. However, more importantly, we should not give the public a misconception that this is the only and last resort of the Government in authority to take control of social power. Instead, I think that a little more effort should be put to develop a new and effective cure for functional constituency and make it take real effects. All sectors with genuine functions should be allowed to participate. Even the elderly, youngsters, women and people from all trades can elect their own representatives so that a balance of voices can be achieved. Such scope of representation and its meaning matter more than the problem of manipulation. In this regard, I hope that the authorities will not stand still. For years, the functional constituencies have been in extremely adverse situations, for the authorities have not done their work at all to gradually improve this system and its scope of representation.

President, due to a business trip, I have missed the first debate session. Please let me fulfil the obligation of the representative of a functional constituency by speaking about some issues of the tourism trade. In this session, we wait to listen to something on the problem concerning the political system. But please do not mind me adding this tourism issue now.

President, in paragraph 164 of the Policy Address, two lines are quite meaningful. The Chief Executive said, "Crises, man-made or natural, happen everywhere. Happiness and harmony cannot be taken for granted." From the tragedy that occurred recently in Suhua Highway of Taiwan, we can see that potential hazards are everywhere in society nowadays and around the world. Tourism is such a difficult trade to operate. We need not look so far as to Taiwan; just take a look at Hong Kong. In the summer holiday this year, before the Legislative Council session adjourned, two occurrences had shocked the tourism trade, Hong Kong as a whole, and even the world. Surely, one was the "Ah Chun" incident and the next the incident happened in the Philippines. President, as you may recall, before the session adjourned, worrying that untoward incidents might happen during the summer holiday and that accidents might happen when many visitors came to Hong Kong at traditional peak periods of the summer holiday, I tried to throw an urgent question, hoping that the authorities would be concerned about special measures which should be taken

during the summer holiday and peak season for visitors. Surprisingly, my worries became reality: one or two incidents, which grieved us, shocked us and even affected the Hong Kong tourism trade, did happen.

President, I would like to talk mainly about the only paragraph in this policy address — paragraph 103 — which concerns the review of the operation and regulatory framework of the entire tourism trade. I notice that my Honourable colleagues seem to have made few speeches on the question of tourism trade. Only Mr Fred LI has mentioned the reform in relation to this. This time, instead of simply talking about the Travel Industry Council of Hong Kong (TIC), I will talk about the tourism trade as a whole, including the role, powers, responsibilities and operation of TIC, as well as the working relationship with the Travel Agents Registry. In this respect, thank to the authorities, a response was given at last. At a meeting of the Panel on Economic Development on 16 July 2009, we proposed to debate the request for conducting a thorough review and a value-for-money study for TIC, and the motion was passed. However, when the authorities gave a response on 24 May 2010, the standard reply was that the operation was generally smooth, that no improvement was required, and that the *status quo* should be kept. Upon the "Ah Chun" incident, the incident happened in the Philippines, and many more, now it comes to a stage at which improvements are inevitable. I am so glad that at a meeting of Panel on Economic Development to be held next month, the authorities will arrange to announce a public consultation. That will be a consultation on the comprehensive reform of the tourism trade. I hope that some improvement measures will be taken forward later on.

President, the Secretary for Security is present today — he has just left — I wish to talk about the issue of Individual Visit Scheme. In paragraph 6 of the policy address, the Chief Executive stresses that Hong Kong makes its improvements to business environment through various policies so as to render help to various trades of Hong Kong. Unlike other governments, such as the governments of Singapore and Macao, which usually spend a fortune on top of policies to put forward that improvement, Hong Kong cannot do the same at present. But policies remain important. Regarding this, two of Hong Kong's policies have contributed a lot to the tourism trade in recent years. One policy concerns the Individual Visit Scheme, definitely, which commenced in 2003, and

the other is the so-called "multiple-entry endorsement" policy. Let me give a few figures at this stage. In 2009, the total number of visitors amounted to 29 590 000 passenger trips. Among them, 17 950 000 passenger trips, about 60%, were made by Mainland visitors. This figure roughly equals to the total permanent population of Shanghai, equivalent to almost all the people of Shanghai coming to visit Hong Kong within a year. That was a 6.5% growth as compared to the figure for 2008. 6.5% does not seem to be a large figure. However, in comparison with the numbers of visitors from elsewhere for the same year, there was a 6% reduction in the number of European and African visitors. Visitors from Northern Asia, including Japan and Korea, decreased by 18.2%. There was also a 6.9% decline in the number of those from The United States. Hence, while fewer visitors came from other places or countries, there were more Mainland visitors coming to Hong Kong.

We have recently been discussing a hot topic about the problems encountered when customs control were tightened, or inspection were enhanced, against personal electronic products, handbags or branded products carried through the customs. Regarding this, I hope that the authorities will make some efforts to tackle the problem, for it will not only affect the number of inbound visitors but also possibly affect the time for customs clearance in Hong Kong. If more visitors are subject to inspection and required to handle such problems, the time for customs clearance will naturally be affected. Thirdly, this may also affect Hong Kong's role of a place of transit through which Mainland visitors to travel around the world. Numerous Mainland visitors have been enjoying the preferential or facilitating measures provided at Hong Kong International Airport. If they do not choose to go through customs via Hong Kong because of such an extra arrangement of customs inspection, no matter what good policies we have, I am afraid that the tourism trade of Hong Kong will be adversely affected.

President, as I have mentioned just now, since the "multiple-entry IVS endorsement" policy was first implemented in Shenzhen on 1 April 2009, more than 800 000 people have made an application so far, and the measure has also been expanded at the end of 2009 to cover non-Guangdong residents in Shenzhen. In fact, this measure is even more important to Hong Kong than IVS. Why? Because when we refer to the statistics of 2009, we can see that 42% of the Mainland visitors came from Shenzhen, and among Mainland visitors who

have visited Hong Kong for more than three times in a year, 45% of them were from Shenzhen. On average, 37 000 visitors come from Shenzhen daily at present. With a per capita spending of some \$6,000 and their annual arrival rate of 7 540 000, it would mean bringing in \$27.1 billion for Hong Kong every year, which is approximately equivalent to half of the construction cost of the Guangzhou-Shenzhen-Hong Kong Express Rail Link (XRL). Nevertheless, as our measures fail to tie in with the arrangements for both the IVS and the multiple-entry IVS endorsement policy in various aspects, it has recently come to our attention that there is a situation of prolonged immigration and customs clearance at control points, particularly during weekends and public holidays. Visitors often have to wait for more than two hours before they can complete the immigration and customs clearance procedures. This has not only led to crowdedness, but also given rise to problems relating to the use of facilities such as toilets. At the same time, when Shenzhen residents see the long queues at the control points, many of them would rather choose not to come to Hong Kong. As I have mentioned just now, given that a majority of the Mainland visitors are Shenzhen residents, if they do not come to Hong Kong due to crowdedness at the control points, Hong Kong will suffer a great loss. We should therefore tackle these problems expeditiously.

Please allow me to talk briefly about the causes of the problem of prolonged immigration and customs clearance. When the Lok Ma Chau Control Point was designed in 2002, the measure of IVS had not yet been implemented. Hence, the so-called concept of "spending money in another city", that is, the concept of coming to Hong Kong from Shenzhen to spend money, has not been taken into account when arrangements were made at the time. Besides, there have also been considerable changes in the numbers and types of people passing through the control points over time. Prior to the implementation of the measure of IVS in 2003, 85% of the people who passed through the control points were mainly Hong Kong residents returning from Shenzhen. Since the implementation of the measure of IVS in 2003, there have been great changes in the types of people who passed through the control points. Currently, around 30% of them are people from the Mainland and 10% of them are merchants from Taiwan or overseas. As such, 40% of them cannot make use of the e-Channel service or simple measures used by Hong Kong residents for immigration and customs clearance. As there have been changes to the types of people who

passed through the control points, the original designed capacity should then undergo changes in terms of quality as well as quantity. As more time will be required for handling the immigration and customs clearance procedures for such people, we need to re-assess the situation concerned.

When the co-location arrangement was implemented at the Shenzhen Bay Port, two floors of the terminal building have been reserved originally for operation. Nevertheless, as only one floor is open for operation, most of the time and the facilities concerned have not been fully utilized. The original design capacity of the Shenzhen Bay facilities, which is to be used by 60 000 people, has almost been reached now, or even exceeded the critical load. We have also lagged far behind in the staffing arrangements required. We have failed completely either to take into account the aforementioned factors or dedicate enough efforts in manpower training and staffing arrangements beforehand. Overall speaking, there has not been any forward-looking arrangement. I would like the Secretary to handle matters in this respect expeditiously.

Given that the above matter will have great impact upon Hong Kong, please allow me to put forward some proposals for solving such problems, so that the Secretary may draw reference to or make improvements expeditiously. Firstly, it is about the electronic Exit-Entry Permit mentioned by the Secretary just now. As financial resources are available and the arrangements for implementing this measure have also been drawn up, I hope that this measure can be finalized and implemented expeditiously. Yet, it will even be more important for the Secretary to consider opening the second floor of the terminal building at the Shenzhen Bay Port and commencing the operation concerned expeditiously. Apart from that, measures on parking facilities for coaches should be enhanced. As it currently takes a long time for many visitors to complete the immigration and customs clearance procedures, coaches that have waited for a long time often have to leave when the drivers are told to do so. If the coaches have already left upon the visitors' arrivals and therefore failed to pick them up, there will be a lot of complaints. Besides, as many visitors currently make use of the convenient means of coming from the Shenzhen airport to the Hong Kong International Airport to connect to an international flight to go overseas, the Government may also consider advancing the operating time of the Shenzhen Bay Port for one hour. Our control point currently opens at 6.30 am, but a lot of flights — around

35% of the flights originating from Hong Kong — take off from 8 am to 10 am. As such, residents from Shenzhen or other Mainland cities cannot pass through the control point early enough to catch flights taking off from Hong Kong.

On the other hand, I also hope that the facilities at Lok Ma Chau can be enhanced as soon as possible. We have already learnt that the capacity of the Huanggang Control Point will be doubled. Yet, arrangements have not been made for handling the potential increase in capacity. Besides, even though measures such as diverting the traffic flows generated by light goods vehicles or increasing the number of immigration counters or e-channels may be insignificant in nature, as they can be used to tackle problems expeditiously, they are also very important and may serve to change the current situation.

It is most vital for us to have foresight. We are not talking about issues concerning a timeframe of one to two years. As such policies will bring in more visitors, if we do not make preparations beforehand, including those relating to manpower training and the procurement of equipment, when there is a huge surge in the number of visitors from the other side of the border, we will not be able to cope. In fact, it is not merely an issue about an existing problem. This problem of "prolonged immigration and customs clearance", that is, difficulties encountered by the visitors in completing the immigration and customs clearance procedures, will only worsen in time. Why? Firstly, given the continuous evolvement of the concept of one-hour/one-and-a-half-hour living circles in the nine big cities in the Pearl River Delta Region, there will be continuous increase in the number of visitors. Secondly, another Guangzhou-Shenzhen expressway under the superhighway projects of Yanjiang, which is only 88 miles away from the Shenzhen Bay Port of Hong Kong, will be commissioned in October 2010, and it will be convenient for visitors to come to Hong Kong through the expressway as well. Thirdly, the Hong Kong-Zhuhai-Macao Bridge will be commissioned in 2015, and the visitor flows will increase accordingly by the time. Fourthly, the arrangement regarding the rail link between the Shenzhen and Hong Kong airports has been mentioned in the Policy Address in 2008, even though it has not yet been implemented. Should the proposal be pursued, it will only take 18 minutes for visitors to come to Hong Kong from Shenzhen. If liberalization arrangements can be made to link up Hong Kong with Shenzhen, around 550 to 800 flights from the Mainland will use Hong Kong as a base for logistic support to connect to flights of the whole country. Fifthly, upon the implementation of the "multiple-entry IVS endorsement" measure, visitor flows

will definitely increase. Such a policy will also be implemented for Guangzhou and Zhuhai very soon. As I have mentioned just now, visitor flows passing through the Huanggang Control Point will be doubled. Nevertheless, facilities across the border at Lok Ma Chau on the Hong Kong side have not made any improvement at all. The above situations have aroused grave concerns in the tourism sector and it is feared that if the Government fails to make efforts in this respect proactively, tourism relating to cross-border visitors may also be affected.

President, I would now raise some issues which are comparatively insignificant and miscellaneous in nature. I would talk about them briefly and hope that you will not mind if I go beyond the subject of the item under discussion in talking about such issues. Regarding the "Incentive Transport Subsidy Scheme" set out in Paragraph 56 of the Policy Address, we understand that this is a territory-wide subsidy. Under the Scheme, each eligible member of the public will be entitled to receive a monthly allowance of \$600, and a rough estimation is that the annual expenditure may mount up to some \$1 billion to \$2. There have been views that it is a measure to "make up for" the minimum wage which has failed to meet the demands of many members of the public. No matter whether that is really the case, I do not oppose to the use of such a means as a short-term measure to assist some people to take up employment in other districts, and even to solve the problem of working poverty. Nevertheless, as criticized by a number of colleagues, this measure has only reflected that the Policy Address of this year has failed to formulate any forward-looking policy strategy or concept of governance.

When I participated in similar debates last year, a rather substantive part of my discussion was on the issue of dual CBD, that is, one should not only talk about developing the Central of Hong Kong into an international financial centre. When we look at Hong Kong and China as well as Shenzhen and the areas adjoining the border, given that Shenzhen is located at the southern tip of China, and that the most southern part of Shenzhen is currently the most well-developed area of the whole country, the fact that areas close to the border of Hong Kong are desolate rural areas has indeed given rise to a wasteful situation. I have emphasized time and again that one of the most effective or forward-looking solutions to this situation will be the development of two CBDs, with one to be formed at the internationalized Central, and the other at the area adjoining Shenzhen. In my opinion, this is the measure which will help to solve the so-called cross-border employment problem completely. There is no reason for

us to lead a life like that of Tao Kan, which was portrayed in a classic of the Jin Dynasty. He took out a hundred bricks in the morning and put them back in the evening every day. A lot of Hong Kong people have to travel back and forth like that. They have to travel to another district in the morning and return in the evening. Meanwhile, we have to spend a lot of money to subsidize them to do so. And as they have spent too much time on travelling, they do not have enough time to enjoy the family life they deserve. Of course, problems such as environmental pollution have also increased the pressure on our transport facilities substantially. If we can implement more forward-looking arrangements and strategies by moving the core away and separating it into two areas, it will in fact be a better solution to the various problems in the long run.

The Government may, of course, provide some concessionary measures such as tax concessions and offer depreciation allowance to those who make use of factory buildings which have been vacant for years. Concessions may also be in the form of incentives to encourage big consortia and organizations to set up their companies in remote areas. In so doing, the so-called cross-border employment problem may be solved more effectively in the long run.

In my view, the measures which will soon be implemented as mentioned by the Secretary for Development such as the expansion of Hung Shui Kiu or Tung Chung are merely measures to turn some places into large-scale housing estates or to provide a large number of residential flats. As such, I am concerned that this will in turn create several other so-called Tin Shui Wai problems. If we fail to think outside the box in respect of the development of the dual CBD, it is my fear that we may just be forming some other communities which are over-populated, seriously lacking employment opportunities and completely deprived of other facilities in Tung Chung and Hung Shui Kiu, in addition to the one in Tin Shui Wai. In so doing, we are merely planting several bombs for ourselves.

President, recently I have also raised one or two issues on the development of Lantau. Without our noticing it, a lot of attractions have been developed on Lantau, such as the well known Disneyland, Ngong Ping 360, Noah's Ark, even our Asia-World Expo, in addition to as our airport. In fact, each of these attractions is very important to the tourist industry. However, I am afraid that there is absolutely no so-called synergy among them, no synergy whatsoever. As they are not linked up by any routes, people who have visited Noah's Ark

often need to go back to get to another attraction. Those at the Disneyland need to go back too, and so do those at Ngong Ping 360. Actually, the journeys between them only take several minutes, but we have not established the said connectivity at all. Such practice has resulted in the stagnant development of Hong Kong's tourist facilities. In this respect, I hope the Government will make reference to the development of the Sentosa Island in Singapore in recent years, which is comparatively well planned with some of its popular attractions linked up together. This practice of establishing connectivity, though very simple indeed, can render the entire Lantau, including other traditional sites such as Tai O, a very fascinating, diversified place. In addition, a proper balance can be achieved between conservation and development. This should be the way forward for us.

President, paragraph 105 of the Policy Address mentions the boundaries of a passenger concourse whose construction work will begin in 2011 for completion in 2015. It also mentions an air cargo terminal to be completed in 2013. Apart from these, however, I find it more important to actively deal with issues relating to the third runway in future. After its experience with XRL, the Administration may form many cautious ideas in this regard. Yet, I hope we will not "chopping off our toes to avoid the worms". Instead, we should all the more learn the lesson from our experience, conduct appropriate consultations and make arrangements in advance, so that this facility, which is essential to the development of Hong Kong tourism, will not be aborted due to past experience. Otherwise, we will lose the forward looking approach adopted by Hong Kong for all these years. For instance, when embarking on the construction of a new runway or other facilities, we also need to demonstrate such boldness and forward looking capability amid controversies.

President, there is a slightly minor topic. Paragraphs 132 and 133 of the Policy Address touch upon cats and dogs. I am so glad to see that other than issues concerning people, the community and vulnerable groups, this is the first time that some paragraphs are dedicated to vulnerable living things as well. I hope we will hold a debate on matters of this field very soon. I hope we will have the opportunity to "stir up" this subject so as to prompt the authorities concerned to start their work earlier on some of our very primitive legislation on animal protection, thus allowing our community to be not only an advanced one converging with other places in terms of economic development, but also one meeting an expected standard in terms of animal protection.

Many fellow Members talk about Community Care Fund but I do not want to spend much time commenting on it. However, there is something I have to say. I feel that this Fund itself seems to be suspicious of jumping the gun. This is because, in theory, such a money-consuming arrangement has to be thoroughly discussed by this Council. Nevertheless, it has been reported, though it may not be true, that a lot of relevant efforts seem to be underway, and even some tycoons have kind of promised to donate certain sums of money. Is it assumed, just like the motion on landfills, that it will surely be passed by the Council by then? Should it not be taken forward until it has been formally passed? I hope that such an approach of turning a number of plans into *fait accompli* will not become a custom. Instead, a plan should only be implemented pursuant to a real debate and passage by the Council. I hope that this is merely a courteous arrangement rather than a concrete undertaking. Otherwise, this will make us feel that the Legislative Council is again like regarding a plan involving such a huge amount of money, we do not have any function of controlling or monitoring on behalf of the public.

President, as far as the setting up of an office in Taiwan is concerned, I have been receiving quite a lot of feedback stating that with an annual expenditure of \$500 million to \$600 million, the Hong Kong Tourism Board (HKTB) actually fails to help the tourist industry. One of the most severe criticisms is that we spend too much administration fees and set up too many offices overseas. This time, I see that Secretary Stephen LAM mentions the setting up of some offices in Taiwan as well as a multi-functional office. Now I want to know whether we will have any initiative through which arrangements can be made for the reduction of administration fees and rents, so that relatively reasonable arrangements can be taken to accommodate under the same roof various functions, including the functions of the HKTB, the TDC and Economic and Trade Offices. I think this arrangement can be further enhanced because, by doing so, our spending can be more cost-effective. This is also, I think, the direction for HKTB's improvements.

President, please allow me to apologize here once again for I have talked about many miscellaneous issues irrelevant to this session. I just hope that, as comparatively sufficient time is available, we can briefly explore and discuss those issues we may not notice on ordinary days. Thank you, President.

PRESIDENT (in Cantonese): Let me repeat that the debate on the Motion of Thanks is divided into five sessions. The arrangement of assigning specific topics to respective sessions for Members' discussion will not be practicable without Members' voluntary compliance. If we all ignore this arrangement and do not follow the debate topics of each session in delivering our speeches, the effect of the whole arrangement will be significantly undermined. It is also unfair to other Members who voluntarily observe this arrangement. As we require that every Member may only speak once in each session, even if a Member has different views and wishes to present his/her response on the relevant topics in a particular session upon hearing the Secretary's reply, he/she will not be given such opportunity. I, therefore, hope that Members will consider seriously whether we want to continue to adopt the practice of dividing our debates into separate sessions.

MR FRED LI (in Cantonese): President, the speech I am going to deliver will be relevant to the subject, but I can see that the two Directors of Bureaux are not in the Chamber, (*Laughter*) — one is the Secretary for Constitutional and Mainland Affairs and the other one is the Secretary for Home Affairs. My speech is going to be very relevant, (*Laughter*) and just for my four-minute speech, I hope they can enter the Chamber and listen to it, especially for Secretary Stephen LAM, because I have once raised a question on the appointment system of the District Councils in a Council meeting.

I had been a District Council (DC) Member between 1985 and 1991, during which I had served for three terms of a DC. In 1985, appointed DC Members accounted for about 50% of the seats in a DC. In the beginning, all DC Members were appointed; and then later on, only 50% of them were appointed. The numbers of DC Members were then gradually decreased, and by 1995, none of the DC Members were appointed. "Fat Patten" abolished the appointed seats when he was the Governor, and only some 20 appointed seats were left then. As far as I can recall, the final batch of 27 Ex-officio Members were in the New Territories. The system of appointed Members was reinstated after the Re-unification in 1997, but such seats only accounted for 25% of the seats in a DC. But now the Government tells us that it will take two to three terms to completely abolish the system of appointed Members. It really shocks us. But why? According to my personal experience of participating in the work of a DC 25 years ago, appointed Members then did not have any

background of political affiliation, which was very different from the situation now. Today, on the list of appointed Members, 11 of them are members of the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB). If a member of a political party has to become an appointed DC Member, I think it is really disgraceful. If you are a member of a political party, you should take part in an election. No wonder they are so supportive of the system of appointed seats because they hope that this system can go on. Why? If we remove all the covering up tricks, it is all about district politics.

If they can get more seats in a DC, they can have access to more resources and they can set up more offices. These appointed Members do not have to run in the elections. So they can provide resources to the new generation of DAB members who intend to take part in the elections. This is the major reason for them to support the retention of the appointment system. I have a good grasp of the situation. I can see that DAB Members are very dominating and overbearing in the DCs of Kwun Tong and Wong Tai Sin. There are so many DAB members in these DCs that they can simply control the entire DCs. No one dares to raise any objection. They can do whatever they like.

In allocating resources for celebrating festive occasions in the districts, we can also see the existence of their satellite organizations. After getting the greater share of resources, they can allocate the resources to their party members or those Members who intend to run in an election for a seat in future. Some "likely" candidates for future DC elections would officiate at such festive occasions, or give away rice packs or other gifts to people in the neighbourhood. If this is allowed to go on, I really feel very pessimistic. If our DCs, the way of implementing district administration, should develop in this way, the situation will be completely dominated by them. The pro-democracy camp will find it very difficult to achieve anything in elections. Even the Liberal Party will also find it very difficult to gain any elected seats. Why?

People from the Liberal Party have also complained to me, saying that the DAB has taken up too many seats in the districts, and has absolutely left no room for them. This is true. What I am saying now is the plain fact. Of course I am not going to name names. In fact, the DAB is overbearing, so are their satellite organizations. It is only natural for them to support the system of appointed Members in the DCs. Obviously they are enjoying the benefits now. We know perfectly how to carry out district work. The two Directors of

Bureaux also know it very well. But still the Government has resorted to "foul play". How nasty is its "foul play", Secretary Stephen LAM?

The Secretary had once said that candidates defeated in a DC election would not be appointed. But the truth is, after the lapse of one term, such persons can be appointed even in the same districts, such as Wan Chai, Kwun Tong, and so on. So even if they are defeated in an election, they can still be appointed to be a DC Member in the same district after "a cooling-off period". I really find the SAR Government becoming increasingly disgraceful. In such a situation, we can clearly see the differentiation between close and distant relationships — the Government adopts a "close" relationship with the pro-establishment camp, and the latter helps the Government in return. So do DC Members. But what amuses us most is, when some issues like columbarium facilities and the cancellation of bus stops pop up, the DAB will spare no effort in staging campaigns against the Government, and such appointed Members will definitely stop the Government from implementing its schemes. They will definitely accord top priority to issues affecting people's livelihood. They can "fight against" and "protest against" the Government, even though they have enjoyed all the favours. This has summed up the situation.

This being the case, why do they still wish to retain the appointed seats? And they even say that its abolition must be implemented in phases. Just now Mr IP Kwok-him said that the abolition of the system of appointed seats has to be carried out gradually. This is natural because they are the greatest beneficiary party in the districts. The existence of so many "election partners" will facilitate their election campaigns for seats in the Legislative Council. Why are DC Members so important? In Legislative Council elections, DC Members will become very good "election partners". With the support of DC Members who will assume the role as "elections partners", candidates taking part in direct elections for Legislative Council seats will enjoy a lot of convenience in their campaigns. We all know that, if you are assisted by a DC Member in an electoral district, you will definitely be able to attain better polling results. For electoral districts with no support from any DC Members, you are out of luck, and it will be much tougher for you to conduct any election campaigns there.

Therefore, you can tell how important DC Members are, can't you? They are not working for the districts, President. Instead, they will assist their fellow members in the Party to stage Legislative Council election campaigns. They are

fighting for resources to consolidate their own political party, so that their Party can go on expanding. Secretary, what I am saying is true. I have exposed the truth of this situation (*The buzzer sounded*)

MS MIRIAM LAU (in Cantonese): President, I would like to speak on the issue of political talent in this session. The Liberal Party notes that the paragraph on political talent in the Policy Address says that it is important to create a diverse pool of political talent, and to attract more political talent from different sectors to take up political appointment, it is necessary to consider more flexible arrangements, such as a "revolving door".

Indeed, the introduction of the political appointment system by the Government was meant to improve its standard of administration. However, the results of an opinion poll conducted by the Liberal Party in the middle of the year indicate that 70% of members of the public are of the view that the performance of Under Secretaries and Political Assistants has failed to attain a passing grade. The Government should have conducted an overall review of the system but it has chosen not to. Instead, it now proposes to introduce a so-called "revolving door". What kind of a "revolving door" is it? Is it a "Hak-kan-style" or a "Ngok-pang-style" or any other kinds? While the Chief Executive proposes to create a "revolving door", Secretary for the Civil Service Miss Denise YUE denies it immediately, saying that the Government will not introduce any "revolving door" system for civil servants, nor will it initiate any consultation. Are the remarks of Secretary Denise YUE and the Chief Executive actually contradicting each other? What is a "revolving door" in the mind of the Chief Executive? And who will benefit under such a system? How can we find the competent persons to assume such positions? How can we improve the accountability system which is now a target of criticisms? I hope the Government can clarify these points. Most important of all, don't keep us revolving until we are dizzy by circumventing the issues.

President, I so submit.

MISS TANYA CHAN (in Cantonese): President, this session is about "Developing Democracy and Enhancing Governance". Regarding our concerns over constitutional issues, our party leader will later give a detailed account on

them. Nonetheless, as to how democracy is realized, I believe that the extent of freedoms of arts and culture are very important. As Secretary for Home Affairs Tsang Tak-sing is present, I would like to take this opportunity to talk about something which concerns his purview but may not be directly relevant to the theme of this session.

Last night, I found that the Government had suddenly established the Advisory Committee on Arts Development (ACAD) yesterday. While I was the deputy chairman of the Panel on Home Affairs before my resignation and serve as an ordinary member on the Panel after I have returned, I can hardly remember the Government had ever consulted on the establishment of the ACAD. You can see that its terms of reference are very wide-ranging. Meanwhile, according to the Government's press release, the ACAD will take on the functions of the Committee on Performing Arts (CPA) and the Funding Committee for the Performing Arts (FCPA) following the expiry of their terms. The establishment of the ACAD is indeed a merger of the CPA and the FCPA. After taking on their functions in one go, the ACAD will operate with an expanded ambit. Yet, what is its most astonishing function? It is really astonishing but I have to first recapitulate the terms of references of the CPA and FCPA. The main functions of the CPA are to promote the appreciation, expression and creativity in the performing arts, to formulate strategies and plans for the development of performing arts facilities and services, and so on. As for the FCPA, its advice covers the formulation of a consolidated grant, the development of funding mechanism with reference to the parameters recommended in the CPA Recommendation Report, and so on.

Then, what are the functions of the ACAD? Its functions are really astonishing, particularly the first one. It is about issues in relation to the use of the arts portion of the Arts and Sport Development Fund, including the formulation of themes and priorities for inviting arts and cultural proposals, as well as the assessment of applications received. This function alone shows an expanded ambit. What is more, its terms of reference now cover the assessment of the operation of matching grants.

President, this is really a mysterious committee. Why do I say so? It is because the Government has never conducted any consultation on it. Some subvented performing groups also said that they had not heard of the Government's plan to establish this committee. But now the ACAD is

established and the plan got "signed and sealed". Then, who chairs the ACAD? Its chairman is the Director-General of the largest party in the Legislation Council, who is Mr CHUNG Shui-ming, the Director-General of the DAB. Some other members of course come from the arts sector but their number is small. The most special thing about the membership is that it has prompted some youngsters to ask me to relay their gratitude to the Secretary for Home Affairs Tsang Tak-sing for it has formally enhanced the status of the "karaoke" culture. Why is it so? It is because Mr Ernie SUEK Ka-lun, the "crown prince" of the Neway Karaoke Box, is one of the members. I do not know if this appointment is meant to openly acknowledge the "karaoke" culture as one of the pop cultures in Hong Kong. In any event, I do not consider it appropriate to establish such a committee without full consultation as it directly reflects if there is room for arts to develop freely in Hong Kong.

I so submit. Thank you, President.

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

MS AUDREY EU (in Cantonese): President, the theme of the current session is about "developing democracy and enhancing governance". Of course, only when a good job has been done on these two fronts can people's livelihood be improved. It is therefore very clear that democracy and people's livelihood are directly related to each other. Regarding this, I must particularly voice my opposition to what the Chief Executive often told us: he had done a good job in the development of our political system and should now focus his attention on people's livelihood issues. As a matter of fact, these two fronts are inextricably intertwined.

Today, many colleagues have said in their speeches that the part of "Political Talent" in the Policy Address especially mentioned the political appointment system introduced in 2002 which is considered by the Government to be a very good system and should be expanded. In fact, the Civic Party and I have always said that the grooming of political talents does not really rely on appointments, be it appointments to the District Councils, or appointments as political appointees, especially Political Assistants and Under Secretaries. If someone without any political experience is appointed as a political appointee,

this is in effect tantamount to carrying out an experiment with public money. Many people have pointed out this problem. However, the Government has not only refused to review the system, but also considered it a very good one and has subsequently floated the idea of setting up a "revolving door". This is a repeated mistake. I am pleased to hear that, all of a sudden, Ms Miriam LAU had talked about "revolving door" in her speech just now and asked whether it would be "Hak-kan-styled" or "Ngok-pang-styled". I think that these two phrases are in fact an appropriate description which demonstrates that the "revolving door" is used to develop a system where favouritism and cronyism prevail or else and is used to hand out political rewards or something else. Should our political talents be developed from the angle of supporting the Government instead of the angle of direct elections and public engagement?

As a matter of fact, all political developments and the grooming of political talents depend on party politics. As I have pointed out in the first session, after the first Chief Executive, Mr TUNG Chee-hwa, stepped down, the first thing about him that comes to our mind is the mission of building "85 000 flats" a year. When the incumbent, Mr Donald TSANG, steps down, what will we remember about him? Is it the six industries or "My Home Purchase Plan"? What will another Chief Executive in the future do to develop the administration of Hong Kong? Should we allow the following situation to repeat itself forever: The policies of the former leader are left out in the cold after he has stepped down and the new leader will put forward new and big policies of his own at the start of his term of office? Is our "Hong Kong people ruling Hong Kong" arrangement sustainable? The development of a democratic political system in other places relies on party politics, which can maintain a consistent system and groom the best talents.

However, President, in my opinion, our prospects in this area are dim. If our system is not improved, it will be very difficult to attract quality political talents. If our system is not open to all, it will also not be able to attract political talents. This is why the Civic Party supports the amendment moved by Mr Ronny TONG. Some journalists have said that the amendment by Mr Ronny TONG was the proposal from the Alliance for Universal Suffrage. In fact, the amendment by Mr Ronny TONG is about enacting legislation in one go, which was also suggested by the Civic Party last year. We have demanded a roadmap for universal suffrage from the Chief Executive and such a demand was not made for the first time last year. In fact, we demanded a timetable and a roadmap for

universal suffrage as early as 2004. The enactment of legislation in one go after the availability of a roadmap has the advantage of avoiding loss and damage as a result of internal strife and dispensing with the need to discuss how to deal with the issue of universal suffrage during each term of office of the Chief Executive. We need to see a very clear vision and system.

President, we do not say "no" simply because the proposal to enact legislation in one go has been put forward by the Alliance for Universal Suffrage. This is absolutely not the case. We support good proposals. As a matter of fact, as far as I remember, it was Mr Martin LEE of the Democratic Party who first floated the idea of enacting legislation in one go, not the Alliance for Universal Suffrage. However, this is not a problem because the crux of the matter is in fact what we have been discussing, and that is a roadmap for universal suffrage.

President, regarding the debate on this year's Policy Address by the Chief Executive, many journalists have said that Ms Miriam LAU, the Liberal Party and the Democratic Alliance for the Betterment and Progress of Hong Kong are discussing whether we should abolish the "Motion of Thanks" in the future and replace it with a motion to take note of the address instead. *(The buzzer sounded)* I think this is a foolish act of "chopping the toes to avoid their being bitten by sandworms". This is because the problem does not lie in the tradition of moving the motion of thanks but in our system. We should all reflect on why the Motion of Thanks is not supported. Is it because of, firstly, the system itself; and secondly, the failure of the Policy Address to win the heart and soul of the people? If the Policy Address is truly "caring" and commands the support of the people, no Member of this Council can vote against the Motion of Thanks in defiance of public opinion. President, on the issue of constitutional development, I hope that we will thoroughly look into it. What we need to do is to find a solution to the problem instead of attempting to avoid the problem through unorthodox means or going around in circles, evading the issue of fulfilling the wish and will of the people.

Thank you, President.

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

DR PRISCILLA LEUNG (in Cantonese): President, I know that tomorrow the Government will possibly announce the local legislation for the constitutional reform package, which may include proposals on how to forestall the possibility of Legislative Council Members resigning during their term of office. As for myself, I have actually introduced a Private Members' Bill on that subject. The Government's reply was that it would be a breach of Article 26 of the Basic Law if restrictions are imposed to stop incumbent Legislative Council Members from running again after they quit casually. In this respect, I would like to tell the Secretary that, in fact, restrictions that bar incumbent Legislative Council Members from running again after they quit casually are consistent with the intention of Article 26 of the Basic Law as we should not look at Article 26 of the Basic Law alone. Rather, it should be read together with Article 79 of the Basic Law which consists of several sub-paragraphs, including sub-paragraph (5) which provides that a person who is bankrupt cannot run for election for five years. As a matter of fact, section 39(3) of the Legislative Council Ordinance also restricts a mentally incapable person from running for an election. It can be deduced from these provisions that the right to vote and the right to stand for election stipulated in Article 26 of the Basic Law are not absolute and are subject to the public's aspirations. Article 26 of the Basic Law cannot be read as a standalone provision, but should be read together with Article 79 of the Basic Law.

I know that the hottest topic for discussion right now is the substitute mechanism for the replacement of seats vacated by Legislative Council Members. There are actually several different versions in respect of the substitute mechanism, and one of which is the substitute list system adopted by the National People's Congress. I believe the most important advantage of such a mechanism is that it can forestall the problem of having to hold by-elections consequent upon the resignation of Legislative Council Members. However, this mechanism, as the proportional representation system, is subject to the effect of party politics and is slightly different from the list system.

Another hot topic is a mechanism whereby candidates in the same list as the resigned Member will fill the seat vacated by the resigned Member. I personally feel that in so doing, the political parties or groupings whose members have resigned may be able to ensure the keeping of a seat in the Council for their junior members. Hence, this approach can become rather appealing for these political parties or groupings. There may even be a sudden flood of new faces in the last six months of every term because various political parties may try to

enhance the level of recognition for their junior members. Therefore, I hope that the Government will think twice when contemplating this mechanism. I believe that any amendment to the existing system should contain an element of unpredictability (*The buzzer sounded*) and the possibility of the loss outweighing the gain. Only in so doing will such loopholes be plugged.

PRESIDENT (in Cantonese): Dr LEUNG, speaking time is up. Does any other Member wish to speak?

MR TAM YIU-CHUNG (in Cantonese): President, I have just heard Ms Audrey EU say, when speaking on the Motion of Thanks, that someone had proposed to make amendments through "unorthodox means". However, I know that the Motion of Thanks had already existed before 1997. According to some seniors, it originates from the British Parliament

(Ms Audrey EU stood up to request elucidation)

PRESIDENT (in Cantonese): You can clarify the part of your speech that has been misunderstood by Mr TAM Yiu-chung after he has finished speaking. Mr TAM, please go on with your speech.

MR TAM YIU-CHUNG (in Cantonese): If there is misunderstanding, just forget it and I will not mention the term "unorthodox" again.

Let me return to the issue of the Motion of Thanks. Some seniors have informed me that the Motion of Thanks originates from the British Parliament. A Motion of Thanks will be moved in the Parliament, after a Prime Minister has delivered his address. Moving the Motion of Thanks, being a practice before 1997, has now become a norm which is still followed after 1997. As the Chief Executive has delivered his address to us, we should, by courtesy, express our thanks to him. This is an act of courtesy, so the motion bears the word "thanks".

We have also discussed the issue in the past. Sometimes, due to ignorance, the moving of the Motion of Thanks is taken by others as if the

contents of the policy address were fully accepted, so thanks must be expressed. This is actually not the case. Members may hold many different views, supporting or opposing views, on the contents of the policy address. As such, two days earlier, Ms Miriam LAU, the Chairman of the House Committee, mentioned during a chat between us that in order to prevent others from misunderstanding the term "Motion of Thanks", we can instead adopt a neutral term, such as "taking note" of the policy address, so that debates are conducted on "taking note" of the Chief Executive's policy address. Of course, if anyone dislikes it and wants to make any comments on it, he can do so. This is meant to avoid misunderstanding.

I think it is also good to do so, as the adoption of a neutral term can dispense with the need for explanation every time when someone does not understand. Truly speaking, as far as the policy address is concerned, it is not very important as to how Members vote or whether it is passed or not, as it is only a show of stance. What is important is, instead, the Budget which has to be passed. It is a big event if the Budget is not passed, as in such a case, the Government cannot meet its expenditures if no funding provisions are given to the Government. Hence, these two cases should not be mentioned in the same breath.

Of course, if Members agree to change the wording used by this Council, it is a good thing as there will be no need to do such a so-called courteous or discourteous act in future. In brief, a neutral term can be used to solve the problem.

Besides, some Members have mentioned the names of some DAB Members and said that the Administration had just announced the appointment of Mr CHUNG Shui-ming as the Chairman of the Advisory Committee on Arts Development. I want to point out that Mr CHUNG Shui-ming has in fact held a number of responsible posts (I do not know if it is the post of Chairman or others that he has taken up) in the Hong Kong Philharmonic Orchestra for years, and has attained certain level of understanding of arts development. Therefore, he is appointed not because he is the Director-General of DAB and this is what I believe.

Before Mr CHUNG Shui-ming took up the post of Director-General of DAB (in which he has served for just more than one year), he has taken up a lot

of public offices, including the assumption of the posts of Chairman of the Council of the City University of Hong Kong and the Chairman of the Hong Kong Housing Society. He has assumed numerous public offices which, I believe, are closely related to his ability. If colleagues fail to make it out or have misunderstanding, I want to take this opportunity to clarify the matter.

Furthermore, Members have also talked about DAB's senior local members. In the case of appointed District Council (DC) members, the situation is similar. In view of their understanding of the districts, local networking advantages, knowledge of DCs and capability, many members of DAB are in fact fully fit for serving as DC members. Hence, I believe that the Government's considerations are ability-based. If the Government considers them capable of playing a role in the districts, it is welcomed by DAB. Therefore, no other factors are involved.

I do not think it necessary to quote these examples to elaborate their points. We do not think that the case is what they have suggested.

Thank you, President.

PRESIDENT (in Cantonese): Ms Audrey EU, you can now clarify the part of your speech which has been misunderstood.

MS AUDREY EU (in Cantonese): President, Mr TAM Yiu-chung queried me when he spoke just now, alleging that I had said that the Motion of Thanks was "unorthodox". He also mentioned that it was inherited from the United Kingdom and had a long history

PRESIDENT (in Cantonese): Ms EU, you only have to point out which part of your speech just now has been misunderstood by Mr TAM Yiu-chung.

MS AUDREY EU (in Cantonese): President, right, that is the point I have to elucidate. That is the point which has been misunderstood by him. Certainly I

have not misunderstood and of course I know the history of the Motion of Thanks. Even though I do not know

PRESIDENT (in Cantonese): Ms EU, you only have to point out which part of your speech has been misunderstood.

MS AUDREY EU (in Cantonese): Yes, President. Even though I do not know the relevant history, I understand the history of the Motion of Thanks of this Council. I am not saying that the Motion of Thanks is "unorthodox". I have never made such a remark. President, when I spoke just now, I only mentioned that some reporters had asked me whether some changes should be made, that is, to change the name of the Motion of Thanks to "Motion to Take Note". Then I said that we had to consider why the Motion of Thanks was not carried and understand the reasons behind, as well as to consider the background and the causes and so on, and that we should not resort to unorthodox or other means to solve the problem indirectly. In order to solve the problem, we have to look into the crux of the problem. This is a matter with the system

PRESIDENT (in Cantonese): I think you are repeating what you have said.

MS AUDREY EU (in Cantonese): Yes, President. I have never made such a remark.

(Ms Audrey EU sat down)

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): If not, I now call upon public officers to speak.

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): President, this session is on democracy and governance.

Under the leadership of the Chief Executive, the current-term Government has taken a great step forward on the road to democracy in Hong Kong. With regard to the methods for selecting the Chief Executive and for forming the Legislative Council in 2012, since the community has adopted an accommodating attitude with a view to seeking common grounds while preserving differences, the five-step mechanism for amending the Annexes to the Basic Law has been smoothly completed after overcoming various obstacles. The passage of the constitutional reform package has reinforced our determination of and confidence in implementing universal suffrage for the Chief Executive in 2017 and for the Legislative Council in 2020.

Tomorrow, we will submit to the Legislative Council Panel on Constitutional Affairs a paper detailing the arrangements regarding the two election methods in 2012, which will be prescribed in local legislation. The proposed arrangements reflect the outcome of our careful deliberations of the views expressed to us. We have, on the premise of having to comply with the Basic Law and the Decision of the Standing Committee of the National People's Congress (NPCSC), taken into full consideration the views of various political parties and groupings as well as the comments raised by Legislative Council members. We hope that the Legislative Council and the Government may reach a consensus on the relevant arrangements and complete the legislative procedures in a rational and pragmatic manner as early as practicable, so as to ensure that the two elections will be conducted successfully and orderly in 2012 to pave the way for the ultimate implementation of universal suffrage.

Although universal suffrage has not yet been implemented, the SAR Government has been governing along the line of a democratically-elected government, as reflected in the theme of this year's Policy Address: "Sharing Prosperity for a Caring Society". The Policy Address has put forward a series of targeted policy initiatives that are aimed at addressing livelihood issues of major public concern, such as housing supply, wealth disparity, elderly welfare, and so on. The Policy Address has embodied a sense of commitment — committed to the benefits of the disadvantaged group and to the long-term development of Hong Kong society. Therefore, the Policy Address has put forth a basket of targeted measures to facilitate the stable and healthy development of the property

market by ensuring the long-term supply of land, assisting the sandwich class to buy their own home and safeguarding the interests of property buyers, and so on.

Regarding the social and livelihood issues such as improving elderly welfare, promoting the healthy growth of children, subsidizing the low-income group, supporting the new arrivals and the ethnic minorities as well as improving healthcare services, the Policy Address has put forth a number of proposals that will bring about substantial improvement. We can also see that the Policy Address has put forward a series of short-term and long-term effective measures for the purposes of sustaining the economic development of Hong Kong, coping with an ageing population as well as conserving the living environment of the public and enhancing their quality of life.

Our objectives are well-defined, that is, to make good use of the remainder of our tenure. Our commitment to serving the people and making achievements is for all to see. We will focus on economic and livelihood issues. For those initiatives that may bear tangible results in the short term, we will endeavour to step up our efforts to put those initiatives into practice. For those initiatives that require more time to have in-depth discussion and reach a consensus, we have to initiate and steer discussions in society on the basis of relevant scientific arguments, so as to lay a solid foundation for the next-term Government in implementing the relevant policies.

Since the delivery of the Policy Address, two items have been placed at the top of the agenda, namely the development of the property market and poverty alleviation, while the Community Care Fund remains the focus of discussion in both the community and the Legislative Council. Since issues relating to the property market have been addressed by the Financial Secretary and the relevant Directors of Bureaux in detail, I will talk about the Community Care Fund. I have earlier written an article on the newspaper to elaborate our initial thinking on the Fund. Let me take the opportunity to reiterate several important points and respond to some of the viewpoints raised by the community.

First, what is the purpose of setting up this Fund? The most direct and simple answer is to lend a helping hand to those in need. Even under the most sophisticated social security system, there are always those who have slipped through the social security net. The target clients of the Community Care Fund

are those who are hidden in the dark corners where our social security system cannot reach.

Someone may ask why the Government has to set up another Fund, instead of endeavouring to find out the dark corners so as to make these dark corners reachable by the publicly-funded social security system. I do not think that the two initiatives are necessarily conflicting. Regarding those who cannot be taken care of by the existing system, they can be handled on a case-by-case basis as long as the problem is not prevalent. In such a case, it may not be necessary to overhaul the system. However, if the problem is so prevalent that institutional changes are required, it takes time to give effect to such changes, and the Community Care Fund will be able to provide swift and targeted support, filling a void left by the current system. At the same time, the Fund can play a pioneering and inspiring role by accumulating experience and undertaking cost-benefit analysis, so that we are able to identify the areas of improvement for the existing social security system and explore the ways of implementing such improvement measures. In other words, the Fund is a supplement to instead of a long-term substitute for our social security system. This is the first point.

Second, our society is progressing continuously. Apart from the conventional mode of effecting secondary distribution through the taxation system, we hope to explore a new road whereby assistance is provided to the disadvantaged groups through tripartite collaboration among the community, the business sector and the Government. It is hoped that through practical experiences, the business sector would be able to gain practical knowledge about the fact that maximizing shareholders' benefits and discharging social responsibility are not conflicting missions for enterprises. In fact, a harmonious society is the best safeguard for a desirable business environment.

Members are most concerned with the *modus operandi* of the Fund. I would like to summarize the Fund's future operation into six points: First, "targeted" — the assistance projects should be people-based and case-based. We need to cut through red tape to ensure that resources go directly to those in need. Second, "diverse" — the scope of assistance should be as broad as possible. Resources permitting, assistance projects could include special medication, food supply, ageing-in-place elderly care, and the study needs and support for young people. Of course, the above are just examples, and the assistance targets are not confined to the above. The key is to provide swift and targeted assistance. Third, "timely" — we should aim for simple and quick

vetting procedures without compromising the proper use of funds available. Fourth, "resourceful" — apart from contributions from the business sector, we can consider accepting donations from other members of the community in order to exemplify whole community involvement. Fifth, "flexible" — although investment income from the Fund will be the main source of funding, the use of the principal of the Fund should not be ruled out for worthy cases. Sixth, "collaborative" — for efficient front-line service delivery, there should be close communication and co-operation between the Fund and government departments and non-governmental organizations.

Some people in the social welfare sector are worried that the Fund may bring about an "interception effect", that is, donations originally intended for social welfare organizations are "intercepted" by the Fund. As a result, donations from enterprises to social welfare organizations will be reduced and their existing provision of services jeopardized. These worries are understandable, but the purpose of setting up the Community Care Fund is not to make it a zero-sum game whereby the money is transferred from one pocket to another. Therefore, when appealing to the business sector for donations, we urge them to donate "new money" to the Community Care Fund, not at the expense of their donations to other social welfare organizations. In fact, the Government has all along been regarding the social welfare sector as important partners in offering assistance to the disadvantaged. We also cherish the hope that the Community Care Fund may join hands with the social welfare sector by bringing valuable expertise, experience and networking advantages to the Fund which may then bring benefits to all those who are in genuine need.

After initiating the idea of setting up the Community Care Fund, some people have associated the idea with the recent critics about "hostility towards the rich and the business sector". Some even launched emotional criticisms by describing it as "giving out alms to the poor and the needy" or as "letters of indulgence". I absolutely cannot agree with such viewpoints. The above viewpoints are unfair to the enterprises and people who make donations, neglecting the unceasing efforts of numerous enterprises and businessmen in offering assistance to the disadvantaged. To make just and fair comments, I would say that their charity moves have helped a lot of needy people by motivating them to move on to self-reliance. Our community recognizes their efforts in this respect.

While there are reasons behind these critics about "hostility towards the rich and the business sector", I believe that the public in general are not being hostile towards the business sector. They merely do not agree with certain business practices. These conflicts can be resolved in a proper way, that is, a set of generally accepted and publicly recognized code of practice for the business sector will be gradually formulated and continuously improved through social discussion, public criticisms, self-discipline in the sector and government regulation. Hostility and contradiction are not conducive to the healthy development of our society.

Since the Government's announcement of the setting up of the Community Care Fund, I have received a lot of letters from members of the public, expressing the hope that the Fund may be activated as early as possible so as to lend a helping hand to the needy. The public do have expectations for the Fund. We must, bearing in mind the objectives of the Fund of helping the needy and setting aside all unnecessary political interference, spare no efforts in offering assistance to the people in need by using the Fund on practical programmes. At present, we are stepping up efforts in raising funds, listening to the views of the relevant organizations and people, organizing the governing committee, as well as examining the operational arrangements of the Fund. We will, from time to time, give an account of our work progress to the public so that the Fund can be activated as soon as possible and timely assistance can be offered to those in need.

President, I mentioned the relationship between the legislature and the executive at the debate on the Motion of Thanks every year because it is my belief that, with the executive and the legislature committing themselves to their respective roles, our governance and administration can advance with the times and tie in with the needs of the public. These are reasonable expectations for us. The Government has all along been attaching importance to the role of the Legislative Council as an important channel for reflecting public opinions and monitoring the Government. We have endeavoured to maintain close contacts with Members, listening to and taking into account the Legislative Council's views on major policies, legislative proposals or funding proposals.

The case regarding the making of certain subsidiary legislation has given rise to some recent discussion about the executive and the legislature "competing for powers". I have to point out that Hong Kong is a society of the rule of law.

It is imperative and essential for the Administration to, on the basis of the legal opinions provided to it, interpret and invoke the law. It is not new that the executive and the legislature have divergent legal views, just as the fact the Legislative Council often holds different views from the Government on certain policies and affairs. I believe that it is most important for the executive and the legislature to adopt a rational and practical attitude and resolve the differences in a prudent manner.

With these remarks, President, I hope Members will vote against all amendments but vote in favour of the Motion of Thanks.

SECRETARY FOR JUSTICE (in Cantonese): President, the Member who has commented most on issues relating to the administration of justice and legal services is Dr Margaret NG. I would like to take this opportunity to thank Dr NG for her views and would like to give responses to some of her comments.

First, Dr NG has expressed her concern about police handling of demonstrators, and reminded me to pay special attention to this aspect.

President, I would like to emphasize that the SAR Government fully respects the public's constitutional rights of peaceful assembly, processions and demonstrations. In fact, we are obliged to safeguard these rights. However, the court of Hong Kong has repeatedly emphasized that these rights are rights of peaceful assembly, processions and demonstrations. While ensuring that those who want to lawfully exercise constitutional rights may be able to do so on the one hand, we have to maintain public order and safeguard the rights of other people on the other. This has always been a difficult task. However, it is worth noting that principles in this respect have been mentioned in the previous judgments delivered by the court. For example, in delivering its judgments on some cases, the Court of Appeal pointed out that the freedom of peaceful assembly will not be infringed by the measures taken by the police to preserve the public peace and to prevent injury to life and property. If the police do not discharge these duties, the right of peaceful assembly will, on the contrary, be undermined.

President, in discharging their enforcement and prosecution functions in this respect, it is imperative for law enforcement officers and the Department of

Justice to rigidly adhere to legal principles and the established and open prosecution policy as well as to make independent decisions. I believe that police officers have received a lot of professional training in this respect, especially in respect of the handling of cases of relatively sensitive nature.

Moreover, the Department of Justice will organize meetings with officers in the Hong Kong Police Force and in other law enforcement authorities on a regular basis, with a view to reviewing the prosecutorial work. Guidelines and training will also be provided to them as and when necessary. In addition, after the institution of prosecution in a certain case, the Department of Justice is still obliged to ensure that continuation of the prosecution remains in the public interest. If the circumstances have changed or new evidence has emerged, it may be necessary to review the prosecution decisions.

However, most importantly, we must bear in mind that we have a very mature and independent judicial system. The court is a gate-keeper in which we can put our trust. If the prosecution is unsubstantiated, the court will definitely not allow the prosecution to proceed. Therefore, I hope Members can have faith in our court which will protect our constitutional rights. Members should also respect the judgments delivered by the court.

As regards the so-called political prosecution mentioned by Mr James TO, I would like to point out that, with so many safeguards in place and under such a comprehensive legal framework, it is outright impossible for law enforcement officers to institute political prosecution indiscriminately in Hong Kong.

President, the second aspect that Dr NG has mentioned is her concern about the bill that introduces limited liability partnership (LLP) for solicitors' practices in Hong Kong. First of all, I would like to thank Dr NG and the relevant Bills Committee for their efforts and contribution in ensuring that good progress are being made on the scrutiny of the Bill. I believe the area of concern that Dr NG has raised may be relevant to proposed section 7AC of the Legal Practitioners (Amendment) Bill 2010. The proposed section provides that the protection for innocent partners offered under the Bill is not available to an LLP partner if he knew or ought reasonably to have known of a default at the time of its occurrence, and failed to exercise reasonable diligence to prevent its occurrence.

President, since the Bill restricts the liability of an LLP partner, it is therefore essential to protect consumer interests with the proposed section. After the introduction of LLP practices, the partner resources available for bearing the liability arising from LLP practices will decrease correspondingly. It is therefore necessary for the Bill to strike a proper balance between consumer protection and the practising needs of law firms. In this respect, the Consumer Council also supports the incorporation of the proposed section into the Bill. However, we will definitely continue our efforts in liaising with The Law Society of Hong Kong with a view to striking a balance on this issue, so as to arrive at a solution that will balance the interests of all parties.

President, regarding the third aspect, Dr NG advocates more effective application of mediation in dispute resolution. In fact, many Members have expressed such concerns. I would like to say a few words on this topic. After the Working Group on Mediation under the Department of Justice has published its report for public consultation early this year, we have received a lot of responses which are rather positive. To follow up on various issues, a Mediation Task Force will be set up shortly to examine the way forward for promoting the greater and more effective application of mediation in Hong Kong, including public education and publicity, the accreditation of mediators, and the legislative framework of mediation services. We intend to provide an account of the progress of our work to the Panel on Administration of Justice and Legal Services in due course.

Last but not least, as mentioned by Dr NG, upholding the rule of law is of cardinal importance to the economic development of not only Hong Kong but also the Mainland. I cannot agree more with that view. A sound legal system that upholds the rule of law is the cornerstone of a stable society with sustainable economic development. That applies to every place in the world, including Hong Kong and the Mainland. According to my understanding and my personal contacts with people in the Mainland, including the leaders in Mainland courts and various other Mainland government officials, they share the view that a society of the rule of law is of paramount importance to the financial and economic development of our nation. Playing an increasing role in the international arena, our nation has to comply with various legal requirements in the international context, in particular those aspects pertinent to economic development. Hong Kong does have a role to play in this area. Over the past years, our efforts in this area include enhancing our Mainland counterparts'

knowledge about the common law system and providing relevant training, developing the legal services market and, at the same time, reinforcing mutual communication and understanding in legal matters through our professional legal practitioners, as well as enhancing mutual understanding through CEPA and other means.

You may also be aware that we have always strived to develop Hong Kong into a regional dispute resolution centre, and promote the development of international arbitration in Hong Kong. Apart from inviting international arbitration bodies to set up branch offices in Hong Kong, we have also pro-actively stepped up efforts in co-operating with Mainland arbitration bodies. On the preceding Monday, the Department of Justice and the China Council for the Promotion of International Trade signed the Co-operation Arrangement on Legal Services for Commercial Matters and Arbitration which aimed to foster exchanges and co-operation between Hong Kong and the Mainland. I deeply believe that these co-operation initiatives are conducive to the development of the rule of law in our nation. President, we understand the importance of these initiatives and will keep up with such efforts. The above is my response to Dr NG's comments.

With these remarks, President, I hope Members will support the Motion of Thanks. Thank you, President.

SECRETARY FOR CONSTITUTIONAL AND MAINLAND AFFAIRS (in Cantonese): President, the consistent position of the SAR Government is to promote democracy with a proactive and pragmatic attitude, trying to identify common grounds while preserving differences, with a view to achieving the ultimate goal of implementing universal suffrage under the Basic Law.

This year the SAR Government has secured the support of the public as well as political parties and groupings within and outside the Legislative Council, organizations and individuals, and a tripartite consensus has been reached in accordance with the Basic Law. Within the Legislative Council, the 2012 constitutional reform package has been endorsed by a two-thirds majority of all Members of the Legislative Council; consent has been given by the Chief Executive; and the method for selecting the Chief Executive and the method for forming the Legislative Council have been submitted to the Standing Committee

of the National People's Congress (NPCSC) for approval and record. The endorsement of the 2012 reform package is a very significant milestone in the constitutional development of Hong Kong as we can pave the way for the implementation of universal suffrage for the Chief Executive and the Legislative Council in 2017 and 2020 respectively. Our first and foremost task is to do a good job with the local legislation and the practical election arrangements for the two elections in 2012. We will give a briefing on the local legislation to the Panel on Constitutional Affairs tomorrow.

Today I notice that Mr Albert HO, Mr Ronny TONG and Ms Cyd HO have proposed various amendments and I would like to give an overall response. Mr Albert HO has requested an abolition of all appointed District Council (DC) seats and ex-officio DC seats in 2011 and his fellow party members, Mr Fred LI and other Members, have agreed and expressed support.

President, firstly, regarding ex-officio members, we need to understand and bear in mind that these rural committee chairmen are in fact elected in accordance with the Village Representative Election Ordinance. They are supported by public opinion in village elections which contain certain democratic elements. Therefore, we should not wipe off their work in rural communities and their role as a channel to reflect public opinion for years. Their participation in DCs is conducive to meeting the interests of different sectors of society and the principle of balanced participation. In view of such consideration, the SAR Government has no intention to abolish the system of ex-officio members.

As regards appointed DC members, when putting forward "one-person-two-votes" in the 2012 constitutional reform package, the Government has already made it clear that vigorous effort will be made this year and a proposal will be put forward in due course for discussion by the Legislative Council and society at large on the abolition of the DC appointment system. A decision will be made upon discussion. Regarding this issue, our foremost task is to prepare for the DC election in November 2011. We are currently dealing with the subsidiary legislation in the Legislative Council for the addition of elected DC seats from 405 to 412 for the DC election in November 2011. Hence, we can see that apart from the further democratization of having "one-person-two-votes" in the Legislative Council, we have also made more room for standing as candidates at DC level. We have in principle made it clear that the appointment system of DC members will be abolished. As such, in this

environment, we need not make a decision in haste on the issue today. I think the Council should carry out discussion on the issue of appointed DC members before putting it to vote.

In her amendment, Ms Cyd HO has again put forward the so-called "five-district referendum" and dual universal suffrage in 2012. It is already clear to us that there is no such system as "referendum" under the notion of "one country, two systems" and the Basic Law. All matters relating to constitutional development are dealt with in accordance with the "five-step mechanism" stipulated in Annex I and Annex II to the Basic Law.

The SAR Government certainly respects the opinion of more than 500 000 electors who turned out to vote on 16 May. Their preference has also been reflected in this by-election exercise — five representatives of the Legislative Council have re-joined the Council. Meanwhile, we should not forget the NPCSC Decision made in December 2007 regarding the timetable for universal suffrage, as well as the 2.8 million registered electors who chose not to vote on 16 May. The voter turnout rate of this by-election is the lowest-ever for any Legislative Council election since the establishment of the SAR. On the other hand, we can see that upon the endorsement of the 2012 reform package in June, different public opinion polls, including those conducted by universities, have revealed that 55% of Hong Kong people accept and support the 2012 reform package. Therefore, in the last half year or so, while some political parties and groupings and Members supported "resignation" to initiate a by-election and to launch a so-called "referendum", there were also other Members and parties who did not show support. The overall opinion in society and the decision within and outside the Legislative Council are clear that we support the building of consensus in our society through Legislative Council voting, thus allowing democracy to roll forward in Hong Kong.

Ms Cyd HO opines that universal suffrage can resolve the problem of wealth disparity. I have also noticed that Honourable Members agree that our political system will become more mature and our society will be in a better position to tackle various socio-economic and livelihood issues upon the implementation of universal suffrage. However, we also need to bear in mind that the system of universal suffrage is no panacea for all problems. Even if universal suffrage is implemented in future, there will still be social conflicts and social resources remain limited. The Legislative Council has to enact legislation

and the SAR Government has to formulate policies in a responsible manner so as to distribute social resources.

Therefore, at any rate, if we proceed according to the timetable for universal suffrage laid down by the NPCSC in December 2007 and strive to reach a consensus, universal suffrage will be implemented for the election of the Chief Executive in 2017, followed by the formation of the Legislative Council by universal suffrage in 2020.

Mr Ronny TONG has suggested that we enact legislation in one go and make a decision as soon as possible on the options for implementing universal suffrage in 2017 and 2020. I understand that some Members consider enactment of legislation in one go the best option for solving the problems. However, we have to pay regard to the political reality in our society and the basis of the HKSAR's constitutional structure as well. In view of various considerations, the proposal of enacting legislation in one go is not feasible. Firstly, according to the 2007 NPCSC Decision, the third-term SAR Government has been authorized to deal with the electoral methods for selecting the Chief Executive and for forming the Legislative Council in 2012 only. I believe that the issue of electing the Chief Executive by universal suffrage in 2017 will be dealt with by the Chief Executive to be elected in 2012. On the other hand, the package for forming the Legislative Council by universal suffrage in 2020 will be dealt with by the Chief Executive elected by universal suffrage in 2017.

The second consideration is that according to Articles 45 and 68 of the Basic Law, the ultimate aim of universal suffrage should be achieved in gradual and orderly progress and in the light of the actual situation in Hong Kong. What is actual situation? It means the general situation in our society nearer the time prior to a particular term of election. The Central Authorities will not authorize the current-term Chief Executive to deal with the constitutional reform package until when the next term of election is around the corner.

The third consideration I would like to share with Honourable Members is that when we talk about the implementation of universal suffrage at this moment, there are two remaining issues that are of paramount importance. One of these is the nomination procedure for the selection of the Chief Executive by universal suffrage in 2017. Assuming that we can transform the Election Committee of

1 200 members into a nominating committee of 1 200 members, what rules and regulations should we put in place before 2017 for arranging the nomination procedure? This is an important issue. The other issue of utmost importance is the question as to the retention or otherwise of functional constituencies when universal suffrage for the Legislative Council is implemented in 2020. President, there are still a lot of controversies and diverse views in our society regarding these two issues. It is difficult for us to reach a consensus on these issues within a short period of time and for any motion or proposal to be endorsed by a two-thirds majority of all Members of the Legislative Council.

The fourth consideration I would like to talk about is that despite the passage of the 2012 constitutional reform package in June this year, we have in fact dealt with the issue for almost seven years. In early 2004, the former Chief Executive appointed the Chief Secretary for Administration, the Secretary for Justice and me to form a three-member task group on constitutional development. We then started to deal with the 2007-2008 package which was voted in 2005. After the timetable for universal suffrage was attained in 2007, we have been dealing with the 2012 package in the past two to three years. We have spent as long as seven years to achieve the present consensus which has not come easily. But when did the twilight come in this regard? It came in late June when we could "find the silver lining at the end of our tethers" only about 10 days before the vote. Therefore, if we formulate a strategy today for the selection of the Chief Executive by universal suffrage seven years later and the formation of the Legislative Council by universal suffrage 10 years later, I am afraid this may not be practical nor is it the best arrangement, because if today we

(Mr LEUNG Kwok-hung stood up)

PRESIDENT (in Cantonese): Mr LEUNG, what is your question?

MR LEUNG KWOK-HUNG (in Cantonese): President, I wish to seek clarification from Secretary LAM. He said it was impossible to work out the electoral methods for 10 years afterwards. Did he refer to the NPCSC? Because this is the practice of the NPCSC.

PRESIDENT (in Cantonese): Mr LEUNG, you have used up all your time in the debate on the Motion of Thanks. Please do not violate the Rules of Procedure.

MR LEUNG KWOK-HUNG (in Cantonese): I do not get it. He did not refer did he refer to the NPCSC?

PRESIDENT (in Cantonese): Mr LEUNG, it is now the speaking time for government officials.

MR LEUNG KWOK-HUNG (in Cantonese): I wish to seek clarification from him

PRESIDENT (in Cantonese): Mr LEUNG, if you keep on interrupting the proceedings, I will have to ask you to leave this Chamber. Please sit down. You remain in this Chamber and may vote in due course.

MR LEUNG KWOK-HUNG (in Cantonese): Does he intend to clarify? I have nothing to say then.

(Mr LEUNG Kwok-hung continued to speak)

PRESIDENT (in Cantonese): Mr LEUNG, please keep quiet. Secretary for Constitutional and Mainland Affairs, please continue.

SECRETARY FOR CONSTITUTIONAL AND MAINLAND AFFAIRS (in Cantonese): President, if today we expect that Members from different political parties or groupings or independent Members can reach a consensus on the constitutional reform package to be implemented seven or 10 years from now, it is quite possible that different political parties or groupings will maintain their present standpoints, and some of the standpoints are relatively conservative. For

the implementation of universal suffrage for the Chief Executive in 2017 and for the Legislative Council in 2020, it is quite unlikely to agree on a consensus package that is relatively liberal. It is usually the case that various political parties or groupings, Members and the Government will have a clearer picture of the situation nearer the time of elections. By that time, it will be easier to identify room for manoeuvre with a view to seeking common grounds while preserving differences, as well as fostering consensus.

On the fifth aspect, we expect that election of all Legislative Council Members by universal suffrage will eventually be implemented in 2020. Everyone of us cherishes the hope the Chief Executive to be elected in 2017 (since he is elected by universal suffrage and supported by millions of votes cast by members of the public) may, with his credibility, take up the social responsibility of proposing a democratic reform package that is accepted by the community and supported by the Legislative Council, so as to fulfil the public's expectations.

Lastly, on the sixth aspect, some Members are of the view that since the constitutional reform blueprint for the 10 years subsequent to Hong Kong's reunification in 1997 had already been formulated when the Basic Law was enacted in 1990, why can we not adopt the same arrangement today by enacting legislation in relation to the constitutional reform in one go?

The Basic Law was enacted in 1990 with the aim of formulating a constitutional reform package for post-reunification Hong Kong, so that the stability of the SAR may be ensured for at least 10 years. Therefore, such an arrangement was appropriate at that time. However, right now in 2010, two solid foundations are already in place for political development in future. The universal suffrage timetable drawn up in 2007 has provided a clear timeframe for the implementation of universal suffrage. The 2012 constitutional reform package passed in 2010 has stipulated that Hong Kong will be further democratized by adopting a "one-person-two-votes" arrangement, thereby laying a solid foundation for the three elections to be held in 2016, 2017 and 2020. Therefore, from the perspective of the SAR Government, we hold that the achievements made by the current-term SAR Government within its term of office are conducive to future developments. It is the most well-founded and proper way to work in accordance with the 2007 NPCSC Decision.

President, before concluding my speech, I would like to respond to the views of several Members. Ms Emily LAU has highlighted the human rights issue. She asked about the important issues that the Constitutional and Mainland Affairs Bureau had handled after taking over human rights issues in 2007. First, the Race Discrimination Ordinance has been enacted, and four support service centres for ethnic minorities have been set up. Second, we have also reviewed the Personal Data (Privacy) Ordinance. I have also mentioned earlier that after the Octopus incident, some activities will be criminalized. Enterprises transferring or selling their customers' data without authorization by customers are liable to criminal prosecution. Third, we have allocated more resources to the Equal Opportunities Commission and the Office of the Privacy Commissioner for Personal Data to roll out their work. I reckon that other Directors of Bureaux have, on various occasions, given an account of their policies on helping persons with disabilities.

Ms Miriam AU, Ms Audrey EU and some other Members have highlighted the issue of political talent. President, I have explained to the relevant Panels that we looked at the concept of "revolving door" from macro perspectives. We note that in overseas places, such as the United States, a lot of think-tanks have been set up and developed so that the political appointees working in the current-term government may, after leaving the government, join these think-tanks to continue with their policy research work for a number of years. After a lapse of one government term and another general election, these people may join the government again. These are some of the development directions that we are exploring in the long term.

Dr Priscilla LEUNG mentioned in nearly every speech her view that the community and the public expected the elected Legislative Council Members to complete their four-year term of office to serve the community. We of course share her views in this regard, but we have to examine the approaches to be taken to prevent Members from resigning indiscriminately and casually with the aim of initiating the conduct of by-elections. There are several factors that we have to take into account. We have to comply with the Basic Law — Article 26 of the Basic Law provides for the right to vote and the right to stand for election. We must handle these proposals with extreme care. We also hold that the problem may not be effectively solved if we only seek to prevent these former Members from standing in the subsequent by-elections for a certain period of time after resignation, because Members from different political parties or groupings may,

after tendering resignation, send another member belonging to the same political party to stand in the relevant by-election in order to initiate what they perceive as "electoral arrangements". However, we will continue to examine this issue and proposals will be put forth later.

President, after years of concerted efforts by all parties, we are looking for great prospects for our constitutional development. Two important foundations have already been put in place. First, the NPCSC set a universal suffrage timetable in 2007 in which a clear timeframe is stipulated, namely selection of the Chief Executive by universal suffrage in 2017, and subsequently election of all Members of the Legislative Council by universal suffrage in 2020. Second, we have reached a consensus on the 2012 constitutional reform package. The consensus has given us confidence in several aspects. First, the five-step mechanism under the Basic Law is workable and practicable. Second, the Hong Kong community is capable of reaching consensus on these sensitive and highly thorny issues pertinent to our political structure, both within and outside the Legislative Council. Third, the SAR Government can reach consensus with different political parties and groupings, including the pro-establishment camp and the pan-democratic camp. In the days to come, such consensus is also essential for us to deal with the issues pertinent to our political structure.

Therefore, President, simply put, if we can cherish the belief of seeking common grounds while preserving differences and endeavour to forge consensus, Hong Kong will, in tandem with the universal suffrage timetable, eventually implement a democratic system. There will definitely be such a day when universal suffrage will be implemented.

With these remarks, President, I hope Members will vote for the original motion and against the amendments moved by Mr Albert HO, Mr Ronny TONG and Ms Cyd HO.

SECRETARY FOR THE CIVIL SERVICE (in Cantonese): President, in the Motion of Thanks debate on the Policy Address over the past three days, Members have not spoken much on civil service matters. But I believe the Legislative Council and all Members are concerned about civil service matters, which are also the centre of attention.

The Hong Kong Civil Service is the backbone of the Government of the Hong Kong Special Administrative Region (HKSAR). The HKSAR Government is led by the Chief Executive, and under the Basic Law, the Civil Service should be dedicated and responsible to the HKSAR Government. It supports the Chief Executive and the Government in formulating, explaining and implementing policies; conducting administrative affairs; delivering public services; and undertaking law enforcement and regulatory functions. It serves the community, and contributes to the effective governance and stability and prosperity of Hong Kong.

Ms LI Fung-ying, in the debate just now, expressed her views on whether a "revolving door" arrangement should be provided for civil servants.

I would like to point out that since the introduction of the Political Appointment System in July 2002, it is the Government's policy that civil servants will have to leave the civil service before taking up political appointments. These political appointees cannot automatically return to the Civil Service and reinstate their original ranks or positions upon expiry or termination of the political appointments, with the only exception of the civil servant who serves as the Secretary for the Civil Service. Should these political appointees wish to rejoin the Civil Service, they have to follow the normal channels of going through an open and competitive recruitment process and rejoin the Civil Service after obtaining an appointment. In other words, there is no "revolving door" for civil servants.

This policy is formulated after striking a balance between two major considerations, namely, allowing civil servants who are interested in politics to participate in politics on the one hand, and avoiding role confusion between political appointees and civil servants or undermining the Civil Service that is characterized by political neutrality and impartiality, on the other. No change will be made to this policy within the tenure of the current-term Government.

The Chief Executive has pointed out in the Policy Address that against the backdrop of furthering the development of democracy in Hong Kong, it is necessary for us to enhance the governance standards, improve the quality of government services and strengthen our communication and interaction with the public. President, we will continue to enhance the qualities of civil servants by

providing training and development opportunities for them. As highlighted in the Policy Address, there will be training and exchange activities to deepen civil servants' understanding of national development and affairs. Our target is to increase the enrolment to these training activities from the existing 2 700 civil servants annually to more than 5 800 civil servants annually with effect from 2011-2012.

In addition, we will continue to provide a range of leadership training courses for high-ranking and middle-ranking civil servants with the purpose of enhancing their leadership and management ability. Short management courses on facing the media, communication skills and human resources management, for instance, will also be held for staff at all levels to upgrade their leadership skills and management ability. In 2010, around 23 000 civil servants will participate in a variety of courses provided by the Civil Service Training and Development Institute.

Besides, support will also be provided to the succession planning of departments. Apart from systematic training courses on leadership, public policies, the Basic Law and national affairs, we will arrange the secondment of civil servants with potential to Policy Bureaux. Subsidies and consultancy services will also be provided to facilitate their participation in overseas development programmes for administrators arranged by departments. We will also meet with heads of department/grade on a regular basis to help them formulate training strategies and succession planning. A guideline on succession planning will be introduced for the reference of heads of department/grade by the end of this year.

President, we are privileged to have in Hong Kong a Civil Service that is acclaimed for its efficiency and honesty. The way our Civil Service conducts itself is guided by a set of core values that have endured the test of time. These core values are commitment to the rule of law, honesty and integrity, objectivity and impartiality, political neutrality, accountability for decisions and actions, dedication, professionalism and diligence. All these values have shaped the culture and character of the Civil Service as we know it today, namely, a clean, professional and meritocratic body of public servants. It is our commitment to uphold the fine culture and character of our Civil Service.

I understand that the public have high expectation for the performance of the Civil Service and they also think there is still much room for improvement. We will keep up with our efforts and strive for excellence continuously.

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

Thank you, President.

SECRETARY FOR SECURITY (in Cantonese) : President, the SAR Government attaches great importance to the provision of effective assistance to Hong Kong people caught in distress outside Hong Kong. Most of the 30-odd improvement proposals put forward by the Security Bureau in July last year to strengthen the mechanism of assisting Hong Kong people overseas have been implemented. Among them, the three-colour (namely, Amber, Red and Black) coded Outbound Travel Alerts System was launched in October last year.

Besides, the Immigration Department has enhanced its ability to deal with emergency situations, including the improvement of the functions of the assistance request hotline and training of staff, and will by end of this year roll out the electronic network for residents to register their itineraries and emergency contact means before travelling abroad. Furthermore, we have also signed memoranda of understanding with relevant airlines confirming the arrangements with respect to reserving seats on scheduled flights or arranging chartered flights to bring back Hong Kong residents in case of needs.

To encourage young people aged between 12 and 17 to develop practical skills and leadership through participating in healthy team activities and discipline training, we plan to set up an Auxiliary Medical Services Cadet Corps under the Auxiliary Medical Services.

The Cadet Corps will commence its enrolment exercise in the 18 districts from 2011 onwards and expects to reach its target of recruiting 1 000 members in five years. We will let the cadets build up their physical fitness, broaden their horizons and enhance their sense of civic responsibility and commitment in serving the community through participating in training, outdoor activities and charitable services in different areas.

The SAR Government has always been committed to combating terrorist activities and terrorist financing. We enacted the United Nations (Anti-Terrorism Measures) Ordinance (the Ordinance) and the Amendment Ordinance in 2002 and 2004 to implement the United Nations Security Council Resolution 1373 and some of the Special Recommendations of the Financial Action Task Force on Money Laundering. Certain provisions of the Ordinance and the Amendment Ordinance have come into operation since 2002 and 2004 respectively.

The provisions of the Ordinance and the Amendment Ordinance which remain uncommenced can only come into operation after the relevant Rules of the High Court and code of practice have been made. The relevant Rules of the High Court and code of practice were passed by the Legislative Council in December 2009 and July 2010 respectively. Accordingly, we published commencement notices in the Gazette on 15 October 2010 to specify 1 January 2011 as the date on which the abovementioned uncommenced provisions will come into effect. This legislative exercise will help ensure that Hong Kong, as a member of the international community, is well placed to do our duty to tackle terrorism and terrorist financing in order to discharge our international obligations.

We have always fulfilled Hong Kong's international obligations relating to human rights. Under The United Nations Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, we will not repatriate anyone to a place where he will be subjected to torture. To ensure the fairness and effectiveness of the procedures for screening torture claims, we have implemented a series of improvement measures, including the provision of legal assistance to claimants and the appointment of adjudicators with a legal background to handle appeal cases, and so on. After the enhanced mechanism has operated for a period of time, we will put forward a legislative proposal to set up a statutory screening mechanism.

In order to improve the emergency ambulance service further, the Fire Services Department (FSD) created 30 new posts of front-line ambulance personnel in 2010-2011 to cater for the increase in service demand. We are also continuing to renew FSD's ambulance fleet. One hundred and eighty-five ambulances have so far been replaced, bringing the average age of these vehicles down to below two years. In the long term, we will improve the arrangement

for the replacement of ambulances and replace roughly one-seventh of the entire fleet annually, maintaining the average age at a healthy level.

Besides, we consulted the public on the proposed Medical Priority Dispatch System in 2009, and reported the results of the consultation to the Panel on Security in April this year. We are working out the implementation details taking into account the views of various members and stakeholder groups. Upon completion of the analysis, we will submit the detailed proposal to the Panel on Security for further discussion. In the meantime, the FSD will continue to promote the proper use of the emergency ambulance service through public education and publicity programmes.

In helping inmates rehabilitate, the Correctional Services Department will continue to implement the Risks and Needs Assessment Protocol to more accurately identify prisoners prone to custodial and re-offending risks, and to deliver rehabilitative programmes and services matching their needs based on the assessment results, facilitating their reintegration into society smoothly after release in order to reduce the chance of re-offending. In addition, we will also continue to work with non-governmental organizations and community organizations, and organize educational and publicity activities to appeal for continuous community support for rehabilitated persons.

President, Hong Kong is one of the safest and most stable societies in the world. With the professionalism, high efficiency and dedication of the Hong Kong Police Force (HKPF), we have always been able to maintain good law and order and keep the crime rate at a low level. Compared with 2008, the overall crime rate and the violent crime rate in 2009 dropped by 1.4% and 2% respectively and the overall crime detection rate was 45.6%. Compared with the same period in 2009, the overall crime rate and the violent crime rate for the first eight months of 2010 further dropped by 4% and 4.2% and the overall crime detection rate was 41.7%. With hearty co-operation and concerted efforts from members of the public, the HKPF will continue to ensure a stable law and order situation in Hong Kong.

President, a stable society with law and order well maintained lays a foundation for members of the public to live and work in peace and contentment, and is also an important factor in attracting visitors and foreign investment. The Security Bureau and the various disciplined forces will continue their efforts in

implementing various improvement measures to consolidate and enhance our services in this regard to meet the future needs of our society.

With these remarks, President, I ask Members to support the original motion.

SECRETARY FOR HOME AFFAIRS (in Cantonese): President, I have listened to the views expressed by Members in this session and would like to thank Members for putting forward their views.

In respect of Members' proposals on district administration and the remuneration package of District Council members, I do not want to give a response here hastily.

As regards Members' queries about the membership of the Advisory Committee on Arts Development, these worries are unnecessary. Similar to the two preceding Committees, the Advisory Committee on Arts Development is comprised of persons from both inside and outside the arts community. The participation of members from different sectors is conducive to the development of arts and culture in Hong Kong. I can assure Members that there is no political consideration in inviting these members to join the Advisory Committee, neither has consideration been given to the political parties to which the members belong. In the days to come, I am prepared to exchange views with Members on issues relating to arts and culture.

Thank you, President.

PRESIDENT (in Cantonese): Ms Miriam LAU, you may now speak on the amendments. The speaking time limit is five minutes.

MS MIRIAM LAU (in Cantonese): President, as in the past, I think I do not need to use up the five minutes to speak on the amendments.

According to the Rules of Procedure, Members may move amendments to the Motion of Thanks. As the amendments are proposed by Mr Albert HO, Mr

LEE Wing-tat, Mr WONG Sing-chi, Mr Frederick FUNG and Mr Ronny TONG in their personal capacity, and Ms Cyd HO's amendment to Mr Ronny TONG's amendment is also proposed in her personal capacity, they have not been discussed in the House Committee and they do not represent any consensus of Members. As I am now speaking in my capacity as Chairman of the House Committee, I think I should not, nor is it appropriate for me to, express any views on the amendments proposed by the six Members. Moreover, I will not urge Members to support or not to support the amendments proposed by the six Members.

President, I so submit.

PRESIDENT (in Cantonese): Mr Albert HO, you may move your amendment now.

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

Mr Albert HO moved the following amendment: (Translation)

"To add ", and demands the Government to completely abolish the appointed and ex-officio seats in District Councils in 2011" immediately before the full stop."

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

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

(Members raised their hands)

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

(Members raised their hands)

Mr Albert HO rose to claim a division.

PRESIDENT (in Cantonese): Mr Albert 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 and the result will be displayed.

Functional Constituencies:

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

Dr Raymond HO, Dr David LI, Mrs Sophie LEUNG, Dr Philip WONG, Mr WONG Yung-kan, Mr LAU Wong-fat, Mr Timothy FOK, Mr Abraham SHEK, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr WONG Ting-kwong, Mr CHIM Pui-chung, Prof Patrick LAU, Dr LAM Tai-fai, Mr CHAN Kin-por, Mr IP Wai-ming, Mr IP Kwok-him, Dr PAN Pey-chyou, Mr Paul TSE and Dr Samson TAM voted against the amendment.

Ms Miriam LAU, Ms LI Fung-ying, Mr Tommy CHEUNG and Mr Vincent FANG abstained.

Geographical Constituencies:

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

Mr CHAN Kam-lam, Mr LAU Kong-wah, Mr TAM Yiu-chung, Mr WONG Kwok-hing, Mr CHEUNG Hok-ming, Ms Starry LEE, Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr WONG Kwok-kin, Mrs Regina IP, Mr LEUNG Kwok-hung and Mr Albert CHAN voted against the amendment.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 29 were present, five were in favour of the amendment, 20 against it and four abstained; while among the Members returned by geographical constituencies through direct elections, 29 were present, 16 were in favour of the amendment and 12 against it. Since the question was not agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was negatived.

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

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

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

(No Member indicated a wish to speak)

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

(Members raised their hands)

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

(No hands raised)

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

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

PRESIDENT (in Cantonese): Mr LEE Wing-tat, you may move your amendment.

MR LEE WING-TAT (in Cantonese): President, I move that Ms Miriam LAU's motion be amended.

Mr LEE Wing-tat moved the following amendment: (Translation)

"To add ", but expresses strong condemnation that the Policy Address fails to take on board the social consensus on resuming the Home Ownership Scheme ('HOS'), and urges the Government to expeditiously resume the construction of HOS flats, re-launch the Sale of Flats to Sitting Tenants Scheme, and re-examine the practice of allowing eligible white form

applicants to purchase HOS flats without premium paid in the secondary market for HOS flats, with a view to helping needy persons acquire their homes" immediately before the full stop."

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

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

(Members raised their hands)

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

(Members raised their hands)

Mr LEE Wing-tat rose to claim a division.

PRESIDENT (in Cantonese): Mr LEE Wing-tat has claimed a division. The division bell will ring for one minute.

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

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

Functional Constituencies:

Dr Margaret NG, Mr CHEUNG Man-kwong, Mr Paul CHAN, Mr CHEUNG Kwok-che, Mr IP Wai-ming, Dr PAN Pey-chyou and Dr Samson TAM voted for the amendment.

Dr Raymond HO, Dr David LI, Mrs Sophie LEUNG, Dr Philip WONG, Mr WONG Yung-kan, Mr LAU Wong-fat, Mr Timothy FOK, Mr Abraham SHEK, Dr Joseph LEE, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr WONG Ting-kwong, Mr CHIM Pui-chung, Prof Patrick LAU, Dr LAM Tai-fai, Mr IP Kwok-him and Mr Paul TSE voted against the amendment.

Ms Miriam LAU, Ms LI Fung-ying, Mr Tommy CHEUNG, Mr Vincent FANG and Mr CHAN Kin-por abstained.

Geographical Constituencies:

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

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

Mr LEUNG Kwok-hung and Mr Albert CHAN abstained.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 29 were present, seven were in favour of the amendment, 17 against it and five abstained; while among the Members returned by geographical constituencies through direct elections, 29 were present, 18 were in favour of the amendment, eight against it and two abstained. Since the question was not agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was negatived.

PRESIDENT (in Cantonese): Mr WONG Sing-chi, you may move your amendment.

MR WONG SING-CHI (in Cantonese): President, I move that Ms Miriam LAU's motion be amended.

Mr WONG Sing-chi moved the following amendment: (Translation)

"To add ", but expresses regret at his failure to face up to the problem of disparity between the rich and the poor and make earnest efforts to alleviate poverty, and to help the socially disadvantaged" immediately before the full stop."

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

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

(Members raised their hands)

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

(Members raised their hands)

Mr WONG Sing-chi rose to claim a division.

PRESIDENT (in Cantonese): Mr WONG Sing-chi has claimed a division. The division bell will ring for one minute.

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

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

Functional Constituencies:

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

Dr Raymond HO, Dr David LI, Mrs Sophie LEUNG, Dr Philip WONG, Mr WONG Yung-kan, Mr LAU Wong-fat, Mr Timothy FOK, Mr Abraham SHEK, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr WONG Ting-kwong, Mr CHIM Pui-chung, Prof Patrick LAU, Dr LAM Tai-fai, Mr IP Kwok-him and Mr Paul TSE voted against the amendment.

Ms Miriam LAU, Ms LI Fung-ying, Mr Tommy CHEUNG, Mr Vincent FANG, Mr IP Wai-ming, Dr PAN Pey-chyou and Dr Samson TAM abstained.

Geographical Constituencies:

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

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

Mr WONG Kwok-hing, Mr WONG Kwok-kin, Mr LEUNG Kwok-hung and Mr Albert CHAN abstained.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 29 were present, six were in favour of the amendment, 16 against it and seven abstained; while among the Members returned by geographical constituencies through direct elections, 29 were present, 17 were in favour of the amendment, seven against it and four abstained. Since the question was not agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was negatived.

PRESIDENT (in Cantonese): Mr Frederick FUNG, you may move your amendment.

MR FREDERICK FUNG (in Cantonese): President, I now propose the question to you President, I move that Ms Miriam LAU's motion be amended.

PRESIDENT (in Cantonese): You should move your amendment now. *(Laughter)*

Mr Frederick FUNG moved the following amendment: (Translation)

"To add ", but expresses deep regret that the Policy Address fails to put forward any effective strategies for resolving the problem of disparity between the rich and the poor, ignores the importance of formulating a stable and sustainable long-term housing policy and disregards the strong expectations of this Council and the general public about resuming the construction of Home Ownership Scheme flats" immediately before the full stop."

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

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

(Members raised their hands)

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

(Members raised their hands)

Mr Frederick FUNG rose to claim a division.

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

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

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

Functional Constituencies:

Dr Margaret NG, Mr CHEUNG Man-kwong, Mr Paul CHAN, Mr CHAN Kin-por, Mr CHEUNG Kwok-che, Mr IP Wai-ming and Dr PAN Pey-chyou voted for the amendment.

Dr Raymond HO, Dr David LI, Mrs Sophie LEUNG, Dr Philip WONG, Mr WONG Yung-kan, Mr LAU Wong-fat, Mr Timothy FOK, Mr Abraham SHEK, Dr Joseph LEE, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr WONG Ting-kwong, Mr CHIM Pui-chung, Prof Patrick LAU, Dr LAM Tai-fai, Mr IP Kwok-him and Mr Paul TSE voted against the amendment.

Ms Miriam LAU, Ms LI Fung-ying, Mr Tommy CHEUNG, Mr Vincent FANG and Dr Samson TAM abstained.

Geographical Constituencies:

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

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

Mr LEUNG Kwok-hung and Mr Albert CHAN abstained.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 29 were present, seven were in favour of the amendment, 17 against it and five abstained; while among the Members returned by geographical constituencies through direct elections, 29 were present, 19 were in favour of the amendment, seven against it and two abstained. Since the question was not agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was negatived.

PRESIDENT (in Cantonese): Mr Ronny TONG, you may move your amendment.

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

Mr Ronny TONG moved the following amendment: (Translation)

"To add ", and urges the Government to immediately commence work on enacting legislation in relation to the political reform in one go and seek a broad consensus, so that the SAR Government can, on this basis, expeditiously initiate the procedures of amending Annex I and Annex II to the Basic Law on the methods for selecting the Chief Executive and for forming the Legislative Council, thereby implementing genuine universal suffrage as promised in the Basic Law" immediately before the full stop."

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

PRESIDENT (in Cantonese): I now call upon Ms Cyd HO to move the amendment to Mr Ronny TONG's amendment.

MS CYD HO (in Cantonese): President, I move that Mr Ronny TONG's amendment be amended.

Ms Cyd HO moved the following amendment to Mr Ronny TONG's amendment: (Translation)

"To delete "immediately commence work on enacting legislation in relation to the political reform in one go and seek a broad consensus, so that the SAR Government can, on this basis, expeditiously initiate" before "the procedures" and substitute with "respect the aspiration of more than 500 000 electors in the '*de facto*' referendum in five geographical

constituencies' on 16 May for demanding the implementation of dual universal suffrage in 2012, and to commence"; and to delete "genuine universal suffrage as promised in the Basic Law" immediately before the full stop and substitute with "universal and equal suffrage to eliminate the disparity between the rich and the poor caused by privileges and monopolies".

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Ms Cyd HO to Mr Ronny TONG's amendment, 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)

Ms Cyd HO rose to claim a division.

PRESIDENT (in Cantonese): Ms Cyd HO has claimed a division. The division bell will ring for one minute.

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

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

Functional Constituencies:

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

Dr Raymond HO, Dr David LI, Mrs Sophie LEUNG, Dr Philip WONG, Mr WONG Yung-kan, Mr LAU Wong-fat, Mr Timothy FOK, Mr Abraham SHEK, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr WONG Ting-kwong, Mr CHIM Pui-chung, Prof Patrick LAU, Dr LAM Tai-fai, Mr Paul CHAN, Mr CHAN Kin-por, Mr IP Wai-ming, Mr IP Kwok-him, Dr PAN Pey-chyou, Mr Paul TSE and Dr Samson TAM voted against the amendment.

Ms Miriam LAU, Ms LI Fung-ying, Mr Tommy CHEUNG and Mr Vincent FANG abstained.

Geographical Constituencies:

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

Mr CHAN Kam-lam, Mr LAU Kong-wah, Mr TAM Yiu-chung, Mr WONG Kwok-hing, Mr CHEUNG Hok-ming, Ms Starry LEE, Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr WONG Kwok-kin and Mrs Regina IP voted against the amendment.

Mr LEUNG Kwok-hung and Mr Albert CHAN abstained.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 29 were present, four were in favour of the amendment, 21 against it and four abstained; while among the Members returned by geographical constituencies through direct elections, 28 were present, 15 were in favour of the amendment, 10 against it and two abstained. Since the question was not agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was negatived.

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

PRESIDENT (in Cantonese): Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raised their hands)

Mr IP Kwok-him rose to claim a division.

PRESIDENT (in Cantonese): Mr IP Kwok-him has claimed a division. The division bell will ring for one minute.

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

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

Functional Constituencies:

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

Dr Raymond HO, Dr David LI, Mrs Sophie LEUNG, Dr Philip WONG, Mr WONG Yung-kan, Mr LAU Wong-fat, Mr Timothy FOK, Mr Abraham SHEK, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr WONG Ting-kwong, Mr CHIM Pui-chung, Prof Patrick LAU, Dr LAM Tai-fai, Mr CHAN Kin-por, Mr IP Wai-ming, Mr IP Kwok-him, Dr PAN Pey-chyou, Mr Paul TSE and Dr Samson TAM voted against the amendment.

Ms Miriam LAU, Ms LI Fung-ying, Mr Tommy CHEUNG, Mr Vincent FANG and Mr Paul CHAN abstained.

Geographical Constituencies:

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

Mr CHAN Kam-lam, Mr LAU Kong-wah, Mr TAM Yiu-chung, Mr WONG Kwok-hing, Mr CHEUNG Hok-ming, Ms Starry LEE, Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr WONG Kwok-kin and Mrs Regina IP voted against the amendment.

Mr LEUNG Kwok-hung and Mr Albert CHAN abstained.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 29 were present, four were in favour of the amendment, 20 against it and five abstained; while among the Members returned by geographical constituencies through direct elections, 29 were present, 16 were in favour of the amendment, 10 against it and two abstained. Since the question was not agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was negatived.

PRESIDENT (in Cantonese): Ms Miriam LAU, you may now reply and you have six minutes and thirty-seven seconds.

MS MIRIAM LAU (in Cantonese): President, I believe colleagues also clearly understand that the Motion of Thanks is proposed on behalf of the House Committee in accordance with the Rules of Procedure and the tradition, aiming to provide a platform for Members to express their different views on the Chief Executive's policy address. This purpose has been achieved, as evident from the fact that in the last two days and the debate today, Members have made speeches, put forward proposals and debated enthusiastically. I hope that this debate has not only provided an opportunity for Members to speak freely, but the Chief Executive and all government officials may also bear in mind that "listen to both sides and you will be enlightened; listen to partial opinion and you will remain ignorant". I hope that they can examine and consider the views put forward by Members in a careful and sincere manner.

As the Motion of Thanks does not take any direction, and all the amendments have been negatived, what remains is only the line in my original motion "That this Council thanks the Chief Executive for his address". I hope Honourable colleagues will support this symbolic motion.

Thank you, President.

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

PRESIDENT (in Cantonese): Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raised their hands)

Mr Albert CHAN rose to claim a division.

PRESIDENT (in Cantonese): Mr Albert CHAN has claimed a division. The division bell will ring for one minute.

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

(Mr Frederick FUNG stood up)

PRESIDENT (in Cantonese): Mr Frederick FUNG, what is your problem?

MR FREDERICK FUNG (in Cantonese): President, I have pressed the wrong button. May I correct that?(*Laughter*)

PRESIDENT (in Cantonese): You may press the voting button again.

(Mr Frederick FUNG pressed the voting button again)

PRESIDENT (in Cantonese): Will Members please check their votes. Members who have pressed the wrong buttons may correct that now.(*Laughter*) If there are no queries, voting shall now stop and the result will be displayed.

Functional Constituencies:

Dr Raymond HO, Dr David LI, Mrs Sophie LEUNG, Dr Philip WONG, Mr WONG Yung-kan, Mr LAU Wong-fat, Ms Miriam LAU, Mr Timothy FOK, Mr Abraham SHEK, Ms LI Fung-ying, Mr Tommy CHEUNG, Mr Vincent FANG, Dr Joseph LEE, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr WONG Ting-kwong, Mr CHIM Pui-chung, Prof Patrick LAU, Dr LAM Tai-fai, Mr Paul CHAN, Mr CHAN Kin-por, Mr IP Wai-ming, Mr IP Kwok-him, Dr PAN Pey-chyou, Mr Paul TSE and Dr Samson TAM voted for the motion.

Dr Margaret NG, Mr CHEUNG Man-kwong and Mr CHEUNG Kwok-che voted against the motion.

Geographical Constituencies:

Mr CHAN Kam-lam, Mr LAU Kong-wah, Mr TAM Yiu-chung, Mr WONG Kwok-hing, Mr CHEUNG Hok-ming, Ms Starry LEE, Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr WONG Kwok-kin and Mrs Regina IP voted for the motion.

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

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 29 were present, 26 were in favour of the motion and three against it; while among the Members returned by geographical constituencies through direct elections, 29 were present, 10 were in favour of the motion and 18 against it. Since the question was not agreed by a majority of each of the two groups of Members present, he therefore declared that the motion was negatived.

NEXT MEETING

PRESIDENT (in Cantonese): I now adjourn the Council until 11.00 am on Wednesday, 3 November 2010.

Adjourned accordingly at ten minutes past Six o'clock.