

# OFFICIAL RECORD OF PROCEEDINGS

Wednesday, 8 May 2013

The Council met at Eleven o'clock

## MEMBERS PRESENT:

THE PRESIDENT

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

THE HONOURABLE ALBERT HO CHUN-YAN

THE HONOURABLE LEE CHEUK-YAN

THE HONOURABLE JAMES TO KUN-SUN

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

THE HONOURABLE LEUNG YIU-CHUNG

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

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

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

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

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

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

THE HONOURABLE WONG KWOK-HING, M.H.

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

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

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

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

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

THE HONOURABLE CYD HO SAU-LAN

THE HONOURABLE STARRY LEE WAI-KING, J.P.

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

THE HONOURABLE CHAN HAK-KAN, J.P.

THE HONOURABLE CHAN KIN-POR, B.B.S., J.P.

DR THE HONOURABLE PRISCILLA LEUNG MEI-FUN, J.P.

DR THE HONOURABLE LEUNG KA-LAU

THE HONOURABLE CHEUNG KWOK-CHE

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

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

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

THE HONOURABLE PAUL TSE WAI-CHUN, J.P.

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

THE HONOURABLE LEUNG KWOK-HUNG

THE HONOURABLE ALBERT CHAN WAI-YIP

THE HONOURABLE WONG YUK-MAN

THE HONOURABLE CLAUDIA MO

THE HONOURABLE MICHAEL TIEN PUK-SUN, B.B.S., J.P.

THE HONOURABLE NG LEUNG-SING, S.B.S., J.P.

THE HONOURABLE STEVEN HO CHUN-YIN

THE HONOURABLE FRANKIE YICK CHI-MING

THE HONOURABLE WU CHI-WAI, M.H.

THE HONOURABLE YIU SI-WING

THE HONOURABLE GARY FAN KWOK-WAI

THE HONOURABLE MA FUNG-KWOK, S.B.S., J.P.

THE HONOURABLE CHARLES PETER MOK

THE HONOURABLE CHAN CHI-CHUEN

THE HONOURABLE CHAN HAN-PAN

DR THE HONOURABLE KENNETH CHAN KA-LOK

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

THE HONOURABLE LEUNG CHE-CHEUNG, B.B.S., M.H., J.P.

THE HONOURABLE KENNETH LEUNG

THE HONOURABLE ALICE MAK MEI-KUEN, J.P.

DR THE HONOURABLE KWOK KA-KI

THE HONOURABLE KWOK WAI-KEUNG

THE HONOURABLE DENNIS KWOK

THE HONOURABLE CHRISTOPHER CHEUNG WAH-FUNG, J.P.

DR THE HONOURABLE FERNANDO CHEUNG CHIU-HUNG

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

DR THE HONOURABLE HELENA WONG PIK-WAN

THE HONOURABLE IP KIN-YUEN

DR THE HONOURABLE ELIZABETH QUAT, J.P.

THE HONOURABLE MARTIN LIAO CHEUNG-KONG, J.P.

THE HONOURABLE POON SIU-PING, B.B.S., M.H.

THE HONOURABLE TANG KA-PIU

DR THE HONOURABLE CHIANG LAI-WAN, J.P.

IR DR THE HONOURABLE LO WAI-KWOK, B.B.S., M.H., J.P.

THE HONOURABLE CHUNG KWOK-PAN

THE HONOURABLE CHRISTOPHER CHUNG SHU-KUN, B.B.S., M.H., J.P.

THE HONOURABLE TONY TSE WAI-CHUEN

**MEMBERS ABSENT:**

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

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

**PUBLIC OFFICERS ATTENDING:**

PROF THE HONOURABLE ANTHONY CHEUNG BING-LEUNG, G.B.S.,  
J.P.

SECRETARY FOR TRANSPORT AND HOUSING

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

SECRETARY FOR HOME AFFAIRS

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

SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY

THE HONOURABLE GREGORY SO KAM-LEUNG, G.B.S., J.P.

SECRETARY FOR COMMERCE AND ECONOMIC DEVELOPMENT

THE HONOURABLE WONG KAM-SING, J.P.

SECRETARY FOR THE ENVIRONMENT

MS JULIA LEUNG FUNG-YEE, S.B.S., J.P.

UNDER SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY

MR YAU SHING-MU, J.P.

UNDER SECRETARY FOR TRANSPORT AND HOUSING

**CLERKS IN ATTENDANCE:**

MR KENNETH CHEN WEI-ON, S.B.S., SECRETARY GENERAL

MRS JUSTINA LAM CHENG BO-LING, DEPUTY SECRETARY GENERAL

MR ANDY LAU KWOK-CHEONG, ASSISTANT SECRETARY GENERAL

MISS ODELIA LEUNG HING-YEE, ASSISTANT SECRETARY GENERAL

**PRESENTATION OF PETITION**

**PRESIDENT** (in Cantonese): Presentation of petition. Mr Dennis KWOK presented a petition co-signed by him and Ms Cyd HO in accordance with Rule 20 of the Rules of Procedure.

**MR DENNIS KWOK** (in Cantonese): President, I am grateful for your permission for me to present the petition co-signed by me and Ms Cyd HO. I will now give a brief account on the petition.

Recently, it was exposed that former Commissioner of the Independent Commission Against Corruption (ICAC), Timothy TONG, had made a number of visits out of Hong Kong during his term of office and attended inappropriate entertainment activities with officials across the boundary and posted to Hong Kong, seriously undermining the credibility and image of the ICAC. Furthermore, information supplied by the ICAC in response to the follow-up questions raised by Legislative Council Members at the Finance Committee meeting was incomplete and inaccurate, and might have misled the Legislative Council. I therefore sincerely implore Members to follow up on the matter together to rescue the credibility and image of the ICAC, and reinstate Hong Kong's core values of honesty and integrity.

Thank you, President.

(See Annex I for the petition)

(Ms Cyd HO immediately stood up)

**MS CYD HO** (in Cantonese): President, I request that the petition be referred to a select committee in accordance with Rule 20(6) of the Rules of Procedure.

**PRESIDENT** (in Cantonese): According to Rule 20(6) of the Rules of Procedure, I now call upon those Members who support the request to rise in their places.

**PRESIDENT** (in Cantonese): Members please remain standing.

(The Clerk indicated that the names of the standing Members had been recorded)

**PRESIDENT** (in Cantonese): Please be seated. Members who supported this request are: Mr WU Chi-wai, Mr James TO, Mr Albert HO, Ms Cyd HO, Mr CHEUNG Kwok-che, Mr LEUNG Yiu-chung, Mr IP Kin-yuen, Dr Helena WONG, Ms Emily LAU, Mr LEE Cheuk-yan, Dr Fernando CHEUNG, Mr Kenneth LEUNG, Mr Charles Peter MOK, Mr SIN Chung-kai, Mr Dennis KWOK, Dr KWOK Ka-ki, Ms Claudia MO, Dr Kenneth CHAN, Mr Alan LEONG, Mr Gary FAN, Mr WONG Yuk-man, Mr CHAN Chi-chuen, Mr Albert CHAN, Mr Frederick FUNG and Dr Joseph LEE, a total of 25 Members. Is there any Member who stood up just now but was not named?

Since a total of 25 Members supported the request, the petition will be referred to a select committee in accordance with Rule 20(6) of the Rules of Procedure.

## TABLING OF PAPERS

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

Subsidiary Legislation/Instruments	<i>L.N. No.</i>
Patents Ordinance (Amendment of Schedule 1) Order 2013 .....	62/2013
Registered Designs Ordinance (Amendment of Schedule) Regulation 2013.....	63/2013
Trade Marks Ordinance (Amendment of Schedule 1) Regulation 2013.....	64/2013
Layout-design (Topography) of Integrated Circuits (Designation of Qualifying Countries, Territories or Areas) (Amendment) Regulation 2013 .....	65/2013

Inland Revenue (Double Taxation Relief and Prevention of Fiscal Evasion with respect to Taxes on Income and Capital) (Republic of Austria) (Second Protocol) Order .....	66/2013
Inland Revenue (Double Taxation Relief and Prevention of Fiscal Evasion with respect to Taxes on Income) (Canada) Order.....	67/2013
Inland Revenue (Double Taxation Relief and Prevention of Fiscal Evasion with respect to Taxes on Income) (Jersey) Order.....	68/2013
Employees Retraining Ordinance (Amendment of Schedule 2) Notice 2013.....	69/2013

#### Other Paper

- No. 92 — Early Retirement Ex-gratia Payment Fund for Aided Secondary School Teachers  
Financial statements for the year ended 31 August 2012

### WRITTEN ANSWERS TO QUESTIONS

#### Measures to Prevent Students from Being Influenced by Biased Political Propaganda in Liberal Studies Lessons

1. **MS STARRY LEE** (in Chinese): *President, the contents of Liberal Studies (LS) curriculum include the theme of "rule of law and socio-political participation", which aims to encourage students to discuss Hong Kong people's participation in socio-political affairs. An organization which supports in principle the Occupy Central movement has recently compiled a teaching kit for use by LS teachers for explaining the movement to their students. However, it has been reported that only one page of the 39-page teaching kit, which is less than 3% of the total volume of the kit, contains materials that lead students to discuss different views. Some teachers have pointed out that the teaching kit*



*shows an obvious political orientation, and it lacks elements of diversification and critical thinking which should be included in LS teaching materials. On the other hand, under section 98(2) of the Education Regulations (Cap. 279 sub. leg. A), the Permanent Secretary of the Education Bureau may give directions in writing or other guidance to the management authority of any school as to the dissemination of information or expression of opinion of a political nature in that school, so as to ensure that the information or opinion is unbiased. In this connection, will the Government inform this Council:*

- (a) whether it has assessed if the aforesaid teaching kit meets the requirement of the Curriculum and Assessment Guide for LS, which is recommended for use by the Education Bureau, that is, "helping each student to respect pluralism of cultures and views, and be a critical, reflective and independent thinker", and hence is not biased political information; if the assessment results are in the negative, whether the authorities have given any directions in writing or other guidance to the management authority of schools on the use of the teaching kit;*
- (b) whether any measures are in place to prevent teaching materials with obvious political orientations from becoming promotional materials for advancing political movements in schools; if so, of the details; if not, the reasons for that; and*
- (c) whether it has given any guidance or formulated any measures according to the aforesaid provision to ensure that students will not be influenced by biased political propaganda in LS lessons; if it has, of the details; if not, the reasons for that?*

**SECRETARY FOR EDUCATION** (in Chinese): President, our reply to the Member's question is as follows:

- (a) The Education Bureau has provided guidelines for schools and teachers in the context of the Notes on Selection of Textbooks and Learning Materials for Use in Schools, the LS curriculum documents and teacher training programmes, in which they are reminded of the importance to exercise professionalism in selecting teaching and learning resources, having regard to curriculum objectives and in the

interests of student learning. Moreover, teachers should give guidance to students so that they are able to scrupulously assess the phenomena and messages contained in the information, distinguish facts from opinions, and then put forward arguments underpinned by concrete evidence and relevant information, while not falling into the trap of ignorance and bias. We believe that schools and their teaching force will continue to display professionalism and make use of their professional knowledge as well as the learning and teaching resources selected in light of the curriculum objectives and teaching goals to instill in our students a respect for different viewpoints and to develop their ability to think independently from multiple perspectives.

- (b) Under the Education Regulations, provisions governing the nature of school activities are in place for school observation. The Education Bureau respects the professional autonomy of school sponsoring bodies and schools. In addition, sustained efforts will be made to urge schools to observe the Education Regulations and to promote learning and teaching activities that are beneficial to students through different means. Hong Kong is a pluralistic society that enjoys free flow of information. It is doubtful if reference materials compiled by different organizations or groups can be effectively vetted. We consider it more effective to encourage relevant organizations or professional groups and personnel to discuss issues or prepare their reference materials from different perspectives so as to enrich students' learning in breadth and depth.
- (c) In the curriculum documents of LS, there are clear guidelines instructing teachers to provide students with objective analysis from different perspectives when teaching different issues, including those on socio-political affairs. In teacher training programmes, inspections and our other daily contacts with schools for different purposes, we also emphasize that it is important for teachers to provide diversified learning materials to ensure that students will not be influenced by any single perspective or even worse, biased political propaganda, in LS lessons. The LS aims at developing in students' positive values, multi-perspective outlook on different issues and independent thinking, which in turn, help them make balanced and reasonable judgments. The Education Bureau

respects the professional judgment of teachers and will continue to remind teachers to provide students with information from pluralistic sources through the effective use of the curriculum documents and teacher training programmes. On the basis of such information, students should be taught to appraise issues from different perspectives based on facts and evidence with the aim of nurturing them into independent thinkers who respect cultural diversity and pluralistic views and are able to make fair and reasonable judgments.

### **Combating Operation of Unlicensed Bars**

2. **MR TOMMY CHEUNG** (in Chinese): *President, I have often received complaints from members of the bar industry that members of the public often wrongly put the blame on them for the nuisance caused by unlicensed bars, which is unfair to them. They have pointed out that unlicensed bars have become the hotbed for serious criminal activities such as selling liquor without a licence, drug trafficking, drug abuse and substance abuse. However, as the police need to apply for warrants before they may enter unlicensed bars operated in private premises to conduct investigation, the successful rate in cracking down on the unlicensed bars has been extremely low. In this connection, will the Government inform this Council:*

- (a) *whether the authorities have estimated the current number of unlicensed bars in Hong Kong; if they have, of the number, together with a breakdown by district; if not, whether they will do so in order to facilitate the planning of combat operations;*
- (b) *of the respective numbers of reports received about and combat operations mounted against unlicensed bar operations by the police, as well as the respective numbers of people arrested in those operations and prosecuted subsequently, in each of the past three years;*
- (c) *whether the authorities have conducted studies to see if the number of unlicensed bars has been rising continuously and the situation is aggravating; if the findings of the studies are in the affirmative, of the details and the reasons for that; if the authorities have not conducted such studies, whether they will do so in order to find an appropriate solution to the problem;*

- (d) *of the policies and measures put in place by the authorities to combat the operation of unlicensed bars; and*
- (e) *whether the police will strengthen their intelligence work focusing on unlicensed bars, including enhancing the co-operation and liaison with social workers who counsel young people or with members of the bar industry, and holding regular meetings with them, so as to facilitate communication and intelligence gathering; if they will, of the details; if not, the reasons for that?*

**SECRETARY FOR FOOD AND HEALTH** (in Chinese): President, as in other cosmopolitan cities in the world, liquor business plays an important role in the catering, hospitality, tourism and entertainment industries in Hong Kong. However, intoxicating liquor may affect people's judgment. Places where drinkers gather are prone to be associated with crimes and nuisances. The Government has been regulating the operation of liquor-licensed premises via a licensing mechanism, which allows the operation of liquor-licensed premises only under the management of an eligible licensee on suitable premises, without jeopardizing public interest. As of 31 March 2013, there are 6 265 licensed premises that may supply liquor for customers' consumption on the premises.

Regulation 25A of the Dutiable Commodities (Liquor) Regulations stipulates that the sale of liquor is prohibited except on the authority of a liquor licence or a temporary liquor licence at any premises for consumption on those premises, a place of public entertainment or a public occasion for consumption on at the place or occasion. Regulation 32 of the same also provides that if a police officer finds any person drinking intoxicating liquor in any premises or place in which such liquor is sold by retail, and a liquor licence or a temporary liquor licence in respect of such premises or place is not, on demand, produced to him, the police officer may arrest any person found drinking therein. If such a place is in fact unlicensed, the person in charge of the premises or place shall be guilty of violating the relevant licensing requirement for liquor selling under Regulation 17(3B) of the Dutiable Commodities Ordinance, and may be subject to prosecution. Upon conviction, he would be liable to a maximum penalty of \$1 million in fine and imprisonment for two years.

Our reply to the five parts of the question is as follows:

- (a) We do not keep figures on the number of establishments selling liquor without a licence. Should any unlicensed drinking establishment come to light, the police will take immediate enforcement actions.
- (b) We do not keep complaint figures about premises selling liquor without a licence.

Figures on the handling and enforcement operations conducted by the police against establishments selling liquor without a licence in the past three years are listed below:

	2010	2011	2012
Operations against Premises Selling Liquor without a Licence	251	326	212
Persons Arrested for Selling Liquor without a Licence	89	70	187
Persons Prosecuted for Selling Liquor without a Licence	50	60	81

Considering the potential threat to public order, public safety and public interest posed by premises selling liquor without a licence, the police adopt a zero-tolerance policy against these premises. The police will take immediate and appropriate enforcement actions as and when irregularity is found.

- (c) and (d)

The Government is not pursuing any study concerning establishments selling liquor without a licence at the moment. The present focus of our work lies in regulating liquor-licensed premises through the existing licensing mechanism as prescribed in law, whilst the police is vigorously engaged in gathering intelligence and taking enforcement actions against illicit activities involving the selling of liquor without a licence.

- (e) The police adopt an intelligence-led approach in combating the selling of liquor without a licence. Individual Police Districts will

maintain close liaison with liquor-licensed premises and may organize seminars with them for the purpose of facilitating communication and co-operation.

### **Issuance of Government Bonds**

3. **MR JAMES TIEN** (in Chinese): *President, the Government launched the Government Bond Programme (Bond Programme) in 2009 and issued two rounds of inflation-linked retail bonds (iBond) under the Bond Programme, with a view to promoting the development of the retail bond market in Hong Kong and providing an investment alternative to Hong Kong residents in the high inflation environment. The Government is at present preparing to re-issue iBond of up to HK\$10 billion. In this connection, will the Government inform this Council:*

- (a) *of the respective amounts of retail and institutional bonds issued in the past four years and their ratios in the issued amounts of the Bond Programme, as well as the respective numbers of investors successfully subscribing for the bonds;*
- (b) *whether it has conducted an analysis of the background of the investors who subscribed for the aforesaid bonds; if it has, of the details; if not, the reasons for that; whether it has put in place policies to broaden the base of investors in bond subscription;*
- (c) *of the measures in place to increase the liquidity of government bonds in the secondary market;*
- (d) *whether it has planned to issue Renminbi-denominated bonds or bonds denominated in other foreign currencies; if it has, of the details and the timetable; if not, the reasons for that;*
- (e) *given that the sums received from issuance of bonds by the Government must be credited to the Bond Fund, and that the Bond Fund is placed with the Exchange Fund for investment purposes, of the respective annual returns, rates of return and administrative fees of these investments in the past three years, and the total amount of interests paid by the Government in respect of the various types of government bonds; and*

- (f) *whether the authorities have assessed if the Bond Programme has affected the quantities of bonds issued by private institutions, and if it has achieved its objectives of assisting to promote the development of the retail bond market in Hong Kong and providing an investment alternative to Hong Kong residents; if they have, of the assessment results; if not, the reasons for that?*

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

- (a) and (b)

The Government Bond Programme (GBP) consists of an institutional part and a retail part. The amounts of institutional and retail bonds issued in the past four years and their ratios in the issued amounts under the GBP were as follows:

<i>Financial Year</i>	<i>Institutional Issuance</i>		<i>Retail Issuance</i>		<i>Annual Issuance</i>
	<i>(HK\$ billion)</i>	<i>%</i>	<i>(HK\$ billion)</i>	<i>%</i>	
2009-2010	11.5	100%	-	-	11.5
2010-2011	16.0	100%	-	-	16.0
2011-2012	19.0	65.5%	10.0	34.5%	29.0
2012-2013	18.0	64.3%	10.0	35.7%	28.0
Total Issuance	64.5	76.3%	20.0	23.7%	84.5

Institutional bonds are tendered by auction in which 11 Primary Dealers (PDs) participate, and distributed to other institutional investors through these PDs. As institutional Government Bonds (GBs) can be traded in the secondary market and held by institutional investors through accounts on a nominee basis, we do not have information of the exact numbers and background of these investors. This notwithstanding, according to the understanding of the Hong Kong Monetary Authority (HKMA) from the PDs, the distribution of investors of institutional GBs at tenders is broadly as follows:

<i>Types</i>	<i>%</i>
Bank investments	81.0%
Insurance companies	6.7%
Foreign public sector investors	5.9%
Investment funds	2.9%
Pension funds	1.3%
Public sector entities	0.2%
Others	2.0%

As for the retail part, the Government has issued two series of iBonds, each in a size of HK\$10 billion, through public subscription by Hong Kong residents in their personal capacity. The numbers of Hong Kong residents successfully subscribing for iBonds were as follows:

<i>Year of iBond Issuance</i>	<i>Numbers</i>
2011	155 835
2012	332 467

Following the expansion of the issuance size of GBs, we expect the liquidity of GBs to increase gradually. This will help broaden the investors' base. We will continue to engage market players to explore measures to increase the liquidity of GBs and to broaden the investors' base.

- (c) In order to increase the liquidity of institutional GBs in secondary market, our usual practice is to enlarge the size of individual issuances as far as practicable. This helps reduce the number of tranches of outstanding bonds and minimize market fragmentation, thus facilitating trading by market participants. In addition, the Government will re-open bonds issued, as this arrangement is considered by the investing community effective to satisfy various investment and secondary market trading purposes. The Government will continue to study experiences of other markets and explore implementation of various measures to further improve the liquidity of GBs.

For retail bonds, the two series of iBonds have been listed on the Stock Exchange of Hong Kong (SEHK). Investors can trade iBonds on SEHK through securities brokers (that is, the "Exchange"



market). In addition, the HKMA has appointed 18 placing banks as market makers in the two iBond issuances. These market makers will quote a bid price to their customers upon request (that is, the "over-the-counter" (OTC) market). Having an "Exchange" market and an "OTC" market can satisfy the needs of different investors and promote the liquidity of iBonds.

- (d) The overriding objective of the GBP is to promote the further development of the local bond market. Principally, we issue Hong Kong dollar bonds under the GBP at present, in order to broaden the scale of the Hong Kong dollar bond market first. In addition, the Government will continue to closely monitor the developments of the financial markets, and to maintain dialogues with market players. Subject to market conditions and changes to market demand, the Government will consider, based on the overriding objective of promoting the further development of the local bond market, issuing bonds denominated in other currencies as appropriate, taking into account relevant factors (including interest rates and the potential impact on other prospective non-local currency bond issuers in Hong Kong), as well as the sustainability of the Bond Fund.
- (e) The Bond Fund is placed with the Exchange Fund for investment and attracts investment income on the basis of the "fixed rate" sharing arrangement applicable to fiscal reserves. The "fixed rates" applied to the Bond Fund in each year since the establishment of the GBP were as follows:

<i>Calendar Year</i>	<i>Fixed Rate</i>
2009	6.8%
2010	6.3%
2011	6.0%
2012	5.6%
2013	5.0%

According to the accounts of Bond Fund audited by the Audit Commission, the investment income, interest payment and other expenditures of the Bond Fund in the last three financial years were as follows:

<i>HK\$ ('000)</i>	<i>2011-2012</i>	<i>2010-2011</i>	<i>2009-2010</i>
Investment income	2,123,652	982,685	100,824
Interest payment	785,276	268,716	15,968
Other expenditures	32,429	975	1,031

- (f) Since the establishment of the GBP, more private sector entities have conducted Hong Kong dollar bond issuances in tandem. Between 2008 (that is, before implementation of the GBP) and 2012, issuances made by the non-public segment increased from around HK\$138 billion to almost HK\$243 billion, representing an annual growth of approximately 12.8%. This was conducive to enhancing the effectiveness of the local bond market as a financial intermediation channel to complement the banking sector and equity market. Moreover, we believe that the two issuances of iBonds have been successful in developing the local retail bond market. About 10% to 15% of investors who have subscribed for iBonds in the two issuances were first-time investors, as they specifically opened an investment account for the subscription. We believe that iBond issuances have further enhanced the investing public's awareness of and interest in bonds, through participating in the subscription and trading process, hence promoting the development of a retail bond market in Hong Kong.

### **Measures to Enhance Fire Safety in Buildings**

4. **MR CHAN KIN-POR** (in Chinese): *President, a Number 4 alarm fire broke out at South Horizons, Ap Lei Chau on 11 April this year. It has been reported that the firefighting efforts encountered difficulties, including fire appliances being unable to enter the access roads in the vicinity of the fire scene, insufficient water pressure from the building's fire hydrants, as well as some residents not hearing the alarm bells ring. Although the Fire Services Department (FSD) clarified on the following day that the fire appliances had not been obstructed when entering the emergency vehicular access (EVA) to the fire scene, some members of the public still expressed concern about the potential fire hazards in relation to the narrow EVA to the building and the inadequate maintenance of fire service installations (FSIs) and equipment, and so on. In this connection, will the Government inform this Council:*

- (a) *of the numbers of buildings and housing estates in Hong Kong which do not have a six-metre wide EVA as specified by the Building Authority under the Building (Planning) Regulations (Cap. 123, sub. leg. F); if such figures are not available, whether it will consider conducting a comprehensive survey;*
- (b) *as it has been reported that buildings completed before the commencement of the requirement in part (a) (that is, 2004) are not subject to the regulation by the provision concerned, whether the Government will consider requiring the buildings and housing estates completed before 2004 to review their designs to see if they comply with the aforesaid requirement, and assisting the buildings and housing estates concerned in putting forward comprehensive plans for improvement; and*
- (c) *as it has been reported that although annual and quarterly inspections of the fire service equipment at South Horizons had been conducted by the FSI contractor in July last year and on the day before the fire respectively, malfunctioning still occurred in the form of insufficient water pressure from the fire hydrants and failure of the alarm bells to ring, whether the Government will (i) set up an expert group to examine in depth the causes of the malfunctioning of such fire service equipment, (ii) require a comprehensive inspection to be conducted immediately of the fire service equipment in the buildings in Hong Kong, and (iii) consider prescribing requirements on strengthening the maintenance of such equipment, in order to ensure that the equipment can function in the event of fire?*

**SECRETARY FOR SECURITY** (in Chinese): President, my reply to the three parts of the question is as follows:

- (a) and (b)

According to information provided by the Development Bureau, the Building (Planning) Regulations (Cap. 123F) (the Regulations) were amended in end-2004 to stipulate that a building completed in or after 2005 must be provided with EVA to facilitate access of emergency vehicles to the building. According to the Code of Practice for the Provision of Means of Access for Firefighting and

Rescue Purposes 2004 issued by the Buildings Department (BD), the width of the concerned EVA should be no less than six m. The BD may consider exempting a building from providing an EVA if there are topographical constraints or the use of the building constitutes a lower fire risk. Between 1980 and the amendment of the Regulations, the Administration also implemented an administrative arrangement, where for building development projects involving new land grants, there was a requirement to provide a related access under the lease.

For buildings without EVA, the concerned departments may consider imposing additional requirements on fire safety measures, such as increasing the volume of fire service water tanks and providing ventilation installations at staircases for escape, and so on. The local fire stations also conduct regular inspections to the areas under its purview to familiarize themselves with the latest local developments and road conditions to ensure efficiency in operation and rescue in case of fire and other incidents.

The BD does not maintain statistics of buildings or housing estates in Hong Kong where EVAs are not provided. In the light of the measures mentioned above (that is, enhancing FSIs and familiarization of road conditions, and so on), the Government does not consider it necessary to conduct a comprehensive survey at this point.

- (c) For the concerned building in South Horizons where the fire occurred, the FSD's record shows that an annual inspection of FSIs and equipment was conducted by the registered FSI contractor in July 2012. The annual inspection certificate submitted by the contractor did not indicate any malfunctioning of the FSIs and equipment. In the period between the filing of the certificate and the concerned fire, the FSD has not received any report indicating malfunctioning of any FSIs and equipment in the concerned building either.

Regarding the malfunctioning of the FSIs in the concerned building (that is, insufficient water pressure from the fire hydrant and failure of the fire alarm) on the day of the fire, the FSD is conducting investigation, which include testing of the building's FSIs and

equipment. The Department is analysing the data collected so as to confirm the cause of the problem. It will report the result to the concerned District Council and residents' organizations when the investigation is completed.

In accordance with the Fire Service (Installations and Equipment) Regulations (Cap. 95B), an owner of FSIs/equipment shall make sure that their FSIs/equipment can function properly and have them inspected at least once a year by a registered FSI contractor, who shall forward a copy of the annual inspection certificate to the FSD within 14 days after completion of the inspection. The FSD will take enforcement actions against FSIs/equipment owners who fail to arrange inspections of their FSIs/equipment on time and against contractors who file a false or misleading certificate, and so on. The Department also conducts random checking on the annual inspection certificates and takes appropriate follow-up actions against problems shown on the certificates, such as issuing warning letter to the building concerned, and so on.

When a registered FSI contractor is convicted by the Court for contravening a regulation, the FSD will refer the case to the Registered FSI Contractors Disciplinary Board for disciplinary inquiry under the Fire Service (Installation Contractors) Regulations (Cap. 95A). Depending on the seriousness and circumstances of the individual case, the Disciplinary Board may reprimand the concerned contractor or remove it from the list of registered FSI contractors.

In addition, the FSD monitors the performance of registered FSI contractors through an administrative measure, that is, a demerit point system. The Department will record demerit points corresponding to the fault and contravention committed by the contractor. It will then adjust its frequency of inspection on FSIs and equipment maintained by such contractors in accordance with the demerit point record. This is to ensure that contractors with unsatisfactory record would be monitored more closely in order to ensure that their service level meets the required standard.

**Data on Risks Concerning Financial System**

5. **MR NG LEUNG-SING** (in Chinese): *President, in its Global Financial Stability Report published on 11 April this year, the International Monetary Fund (IMF) points out that the bold policies introduced by the central banks of various countries after the financial turmoil in 2008 have been conducive to stabilizing their markets in the short run, but the financial risks will increase the longer those policies are in place, and such risks may shift to other non-bank financial realms such as "shadow banks", pension funds and insurance companies. IMF also recommends that those responsible for monitoring the system-wide risks on non-bank financial institutions should improve their data collection. On the other hand, banks, financial institutions other than authorized institutions, funds companies and insurance companies in Hong Kong are currently regulated by different organizations. In this connection, will the Government inform this Council whether it has set up any organization to collect and analyse all relevant data on the risks concerning the financial system; if it has, of the details of its data analyses and the outcome of its assessment of the composite financial risks at the present stage; if not, the reasons for that?*

**SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY** (in Chinese): President, financial regulators concerned in Hong Kong have introduced a number of measures to manage systemic risks of the market and enhance the resilience of the financial system. They collect and analyse various data on risks to our financial system, such as:

- (i) the Hong Kong Monetary Authority collects data on the local money market, foreign exchange market and banking system liquidity and financial risks (including risks caused by the macro environment and potential risks to banking business arising from outside the banking system), and regularly monitors the overseas exposure of our banking sector as well as the lending activities of Hong Kong branches of foreign banks;
- (ii) the Securities and Futures Commission keeps a close watch on the movement of funds and developments in the local securities market, monitoring from various fronts (such as data pertaining to volatility of the stock market and the futures market, and short selling activities). It also monitors and assesses the financial position of securities dealers;

- (iii) the Office of Commissioner of Insurance continuously monitors the financial position of insurers under its supervision, including their investment portfolio, asset quality and impact of interest rate changes to their financial position, conducts stress tests on insurers from time to time, and requests insurers to regularly report their solvency ratios in order to ensure the financial soundness, capital adequacy and solvency of the insurers; and
- (iv) the Mandatory Provident Fund Schemes Authority regularly inspects the statutory returns submitted by Mandatory Provident Fund (MPF) scheme trustees and MPF schemes, and checks the compliance of MPF investments.

Apart from keeping close contact with the financial institutions under their purview, local regulators also maintain liaison with their overseas counterparts to keep track of the operating and financial situations of foreign financial institutions, in order to identify any risks to Hong Kong's financial markets and strengthen supervision of multinational financial institutions. At the same time, in accordance with the relevant Memoranda of Understanding and through other communication networks at working levels, the regulators frequently exchange information and views on matters of common concern regarding market regulation. The Administration and the regulators have also established effective platforms, including the Financial Stability Committee, to discuss the latest market and regulatory developments, monitor the overall functioning of Hong Kong's financial system, and co-ordinate cross-market risk management matters.

Notwithstanding the volatility of the global financial markets, Hong Kong's financial markets continue to operate in an orderly manner. Local financial institutions remain resilient. Banks' capital adequacy ratios have been maintaining at levels well above international requirements, and their liquidity ratios at relatively high levels. Our money market and foreign exchange market function normally. Trading, clearing and settlement in the Hong Kong Exchanges and Clearing Limited are orderly conducted. Insurers' average solvency ratios are generally higher than 200%, which are well above the statutory requirement of 100%. We will continue to monitor the developments in the global financial markets, and act swiftly as and when necessary to ensure the proper functioning of our financial markets.

**Development of Sites Zoned Comprehensive Development Area**

6. **MR TONY TSE** (in Chinese): *President, at present, quite a number of sites have been zoned "Comprehensive Development Area" (CDA) for years, but up till now, they have yet to be developed. In this connection, will the Government inform this Council:*

- (a) *of the respective numbers of CDA sites newly zoned and in aggregate in each of the years from 2007-2008 to 2012-2013, broken down by region (Hong Kong Island, Kowloon and the New Territories) and their current leasing status (that is, unleased Government land, land which has been/will soon be leased to quasi-government bodies, land which has been leased to the private sector, and others); the total area of such sites and their total permitted floor area for residential use;*
- (b) *among the sites mentioned in part (a), of the respective numbers and total areas of those with developments completed, in progress and pending; the overall floor area provided for residential use by those sites with developments completed; among those sites with developments pending, the respective numbers of those with and without approved master layout plans, as well as those which are originally zoned for other uses;*
- (c) *among the CDA sites with developments pending at present, of the number of those having been zoned for such use for six years or more, as well as the total area of such sites and the reasons for them not being developed to date;*
- (d) *of the anticipated number of sites to be zoned CDA in 2013-2014, the total area of such sites and their total permitted floor area for residential use; and*
- (e) *whether it has regularly reviewed the implementation and effectiveness of its land development policy of zoning land as CDA; if it has, of the details and results of the review; if not, the reasons for that and whether it will conduct such a review?*



**SECRETARY FOR DEVELOPMENT** (in Chinese): President, to expeditiously implement or facilitate land development for the optimization of land resources, thereby meeting the housing and various other needs of Hong Kong people, the Government has been monitoring closely the planning and development situations of different sites, including those zoned "CDA".

The reply of the Development Bureau to the various parts of the question is as follows:

- (a) Currently, "CDA" accounts for about 4% among the land area zoned "Residential", "Commercial", "Industrial", "CDA", "Government, Institution or Community" and "Other Specified Use" on statutory plans.

Currently, there are altogether 65 "CDA" sites in the urban area (including Hong Kong Island, Kowloon and Tsuen Wan/Kwai Tsing districts), covering a total land area of about 160 hectares. As regards the "CDA" sites with residential use, their total permitted residential floor area is approximately 6 379 000 sq m. Nineteen of them were newly zoned in the past six years (that is, 2007-2008 to 2012-2013, and the numbers of "CDA" sites newly zoned in each of these six years were five, one, two, seven, four and zero respectively). Five are located on Hong Kong Island (measuring about 15 hectares in total) and 14 are in Kowloon and Tsuen Wan/Kwai Tsing districts (measuring about 21 hectares in total). Among these 19 "CDA" sites, three are for development/redevelopment projects of the Urban Renewal Authority, one is designated for an MTR property development project, another two are for development/redevelopment projects of the Hong Kong Housing Authority/Hong Kong Housing Society, while the remaining ones are for private development. Nine of the sites are/partially are unleased sites.

There are currently 69 "CDA" sites in the New Territories, covering a total land area of about 560 hectares. As regards the "CDA" sites with residential use, their total permitted residential floor area is approximately 8 440 000 sq m. Eight of them, totalling about 33 hectares of land, were newly zoned in the past six years (that is, 2007-2008 to 2012-2013, with three sites newly zoned in 2010-2011

and five in 2012-2013). These eight sites (among which two are unleased sites) are all for private development.

(b) and (c)

Of the 65 "CDA" sites in the urban area, 35 of them (totalling about 102 hectares of land) have their master layout plans approved by the Town Planning Board (TPB), among which six have completed development, representing about 36 hectares of land and a total residential floor area of about 1 487 000 sq m. For the 30 urban "CDA" sites without approved master layout plans, 17 of them have been zoned "CDA" for six years or more, representing about 38 hectares of land. Among these "CDA" sites, those with residential use have a total permitted residential floor area of about 1 688 000 sq m.

Among the 69 "CDA" sites in the New Territories, 40 of them (totalling about 400 hectares of land) have their master layout plans approved by the TPB, among which eight have completed development, representing 66 hectares of land and a total residential floor area of about 522 000 sq m. Among the 29 "CDA" sites in the New Territories without approved master layout plans, 21 have been zoned "CDA" for six or more years, representing about 126 hectares of land. Among these "CDA" sites, those with residential use have a total permitted residential floor area of about 1 060 000 sq m.

Generally speaking, the TPB will rezone a "CDA" to other land use zonings as soon as possible after completion of its development so as to reflect the actual land use. Therefore, some "CDA" sites which have been rezoned after completion of development are not included in the above statistics.

Currently, the "CDA" sites without approved master layout plans are at different planning stages. For example, the developers concerned might be conducting site assembly; carrying out thorough planning studies to assess the potential impacts of the proposed developments on traffic, environment and landscape, and so on; or preparing the master layout plans, and so on. Some other "CDA"

sites fall within the areas under various ongoing planning studies undertaken by the Government, and developments within these sites cannot be carried out before completion of the said studies.

The number of sites zoned "CDA" in the outline zoning plans may vary from time to time due to changes in the land development and planning circumstances. The Administration does not keep statistics on the original planned use of a "CDA" site.

- (d) Currently we do not have the information on the sites intended to be zoned "CDA" in 2013-2014. Whenever there is a site suitable for proposed "CDA" zoning, we will submit the proposal to the TPB for consideration in accordance with the established procedures.
- (e) According to TPB's Guidelines No. 17 — Designation of "CDA" Zones and Monitoring the Progress of "CDA" Developments, the TPB will conduct a first review of each "CDA" site at the end of the third year after its zoning, and subsequently conduct a review annually.

In general, to optimize land use in response to the changing land development and planning circumstances, the TPB will propose to rezone suitable "CDA" sites to other land use zonings in the planning process, including "CDA" sites which have completed development, or have significant implementation difficulties and with slim chances of successful implementation.

### **Monitoring of Youth Pre-employment Training Programme and Youth Work Experience and Training Scheme**

7. **MR LEUNG KWOK-HUNG** (in Chinese): *President, according to the reply of the Government on 24 April this year to my question on the Youth Pre-employment Training Programme and Youth Work Experience and Training Scheme (the Scheme) under the Labour Department (LD), the LD paid a total of over \$9.8 million of training course fees to the New Territories Association Retraining Centre (NTARC) in the past three Programme Years. Such amount was far higher than the course fees the LD paid to some traditional youth service*

organizations, for example, The Hong Kong Federation of Youth Groups (HKFYG) and Caritas Hong Kong (Caritas). Quite a number of members of the public have relayed to me that the LD has showed favouritism towards pro-China organizations in the appointment of training bodies as it procured a great number of training courses from such organizations. On the other hand, some front-line social workers who are case managers of the Scheme's training courses have complained to me that the LD's monitoring of the Scheme is not as stringent as what the Government has said. When problems of the courses arise, the LD very often allows the training bodies concerned to shift the blame to their front-line social workers without verifying the facts, and has not held the persons-in-charge and supervisors of such training bodies responsible. In this connection, will the Government inform this Council:

- (a) of the respective total numbers of training courses under the Scheme offered by NTARC, HKFYG and Caritas in the past three Programme Years (set out the details in the table below);

Name of training body	Training course				
	Name	Date	Total number of hours planned	Total number of hours actually provided	Amount of funding

- (b) whether the LD had conducted inspections on the courses offered by the three training bodies mentioned in part (a) in the past three Programme Years; if so, of the total number of courses inspected, and set out by training body the names of the courses inspected, commencement date of such courses and mode of inspection (for example, visits with advance notice, surprise visit and other formats); if it had not conducted inspections, of the reasons for that;
- (c) as the Government has indicated that since the 2009-2010 Programme Year, the LD has issued a total of nine written advice/warnings to five training bodies concerning breaches detected in the courses, of the related details (set out in the table below details such as the names of the five training bodies, names of

*the courses concerned, breaches involved and the form of penalty imposed on the training bodies concerned);*

	<i>Name of training body</i>	<i>Course name</i>	<i>Breaches</i>	<i>Form of penalty imposed</i>	<i>Date of imposing penalty</i>	<i>Numbers of supervisors and social workers involved</i>	<i>Whether the training body has been appointed again to offer training courses afterwards (Yes/No)</i>
1						___supervisor(s) ___social worker(s)	
2							
3							
4							
5							

- (d) *whether the LD has conducted in-depth investigation into each of the cases (including gathering information from various persons concerned) before issuing advice/warnings to the five training bodies mentioned in part (c); if it has, of the approach of its investigation; if not, whether the LD's officers have made their judgment merely on the basis of the reports submitted by the training bodies concerned and issued such advice/warnings without conducting any investigation;*
- (e) *whether the course fees paid to the training bodies, as mentioned in the Government's reply to the aforesaid question, included case management service fees and administrative fees for handling trainees' applications for training allowances; if so, of the respective amounts of these two categories of fees paid by the LD to the three training bodies mentioned in part (a) in the past three Programme Years;*
- (f) *of the number of trainees trained by each training body appointed by the LD in each of the past three Programme Years;*

<i>Name of training body</i>	<i>Number of trainees trained in the Programme Year</i>		
	<i>2009-2010 (attendance)</i>	<i>2010-2011 (attendance)</i>	<i>2011-2012 (attendance)</i>

Name of training body	Number of trainees trained in the Programme Year		
	2009-2010 (attendance)	2010-2011 (attendance)	2011-2012 (attendance)

- (g) *of the average amount of fees paid by the LD to the training bodies for each trainee for the "job-search and interpersonal skills" course of the Scheme in each of the past three Programme Years;*
- (h) *of the average number of hours of case management service provided to each trainee under the Scheme and the average hourly fee paid by the LD for each trainee for such service in the past three Programme Years;*
- (i) *whether the LD had uncovered any false information on the training courses submitted by the training bodies of the Scheme or their staff in the past three Programme Years; if so, of the names of the training bodies concerned and the numbers of supervisors and social workers involved; whether the LD had immediately stopped payments to the training bodies concerned for the course fees after uncovering the aforesaid problem; and*
- (j) *given that the Government has indicated in its reply to the aforesaid question that, according to the LD's requirements, the training bodies are required to submit the attendance records online within one week after the completion of the training course, and other relevant reports (including the summary of course evaluation questionnaires and the original course evaluation questionnaires completed by the trainees, and so on) within two weeks after the completion of the training course, whether each of the reports submitted by the training bodies must be verified by the persons-in-charge or the supervisors responsible before submission; of the time allowed for the LD to verify the information after receiving the reports, and whether the LD has stringently vetted each and every report received to ensure authenticity of the information; of the current mechanism put in place by the LD for penalizing the persons-in-charge or supervisors of the training bodies which have submitted reports with inaccurate information?*

**SECRETARY FOR LABOUR AND WELFARE** (in Chinese): President, at present, the Scheme appoints over 50 training bodies for providing different types of courses to suit the varying demands of the trainees. Every year, the LD invites training bodies to submit proposals of training courses to the Scheme. The Vetting Committee will evaluate the proposals in terms of price and technical factors in order to appoint suitable training bodies to provide training courses for the Scheme which enrolls trainees round the year. Whether the courses may subsequently be launched and the number of trainees attending such courses will depend on the actual enrolment situation and the trainees' choices. The good attendance of individual training bodies reflects the wide variety of courses offered and higher popularity among trainees, resulting in the relatively higher amount of course fees approved.

My reply to the question raised by Mr LEUNG Kwok-hung is as follows:

- (a) The Scheme operates on the basis of Programme Year, running from September each year to August of the following year. In the past three Programme Years, training courses organized by the three training bodies are listed as follows:

<i>Name of training body</i>	<i>Course name and number of classes launched</i>					<i>Amount of Course Fee Approved</i>
	<i>Job-search</i>	<i>Discipline</i>	<i>Computer</i>	<i>Job-specific Skills</i>	<i>Others</i>	
Caritas	54	0	7	55	42	\$5,058,379
NTARC	125	3	24	107	0	\$9,806,332
HKFYG	29	0	1	42	43	\$4,741,070

The training hours of the abovementioned courses range from 48 to 180 hours. We do not keep record of the total number of hours actually provided.

- (b) In the past three Programme Years, the LD had conducted a total of 40 inspections to courses organized by the abovementioned training bodies. Details are provided at the Annex.
- (c) From the 2009-2010 Programme Year up to now, the LD has issued a total of nine written advice/warnings to five training bodies in respect of irregularities in the provision of training courses. These covered three cases of not complying with administrative procedures, three cases of providing unqualified trainers, two cases

of not enrolling trainees according to requirements and one case of not conducting the course in accordance with the proposal. We have not kept information on the number of supervisors and social workers involved. In all these cases, we have taken appropriate follow-up actions and the irregularities have been rectified. In general, for very serious breaches, the LD will immediately disqualify the training body from provision of training courses. However, the breaches involved in the nine abovementioned cases were not serious in nature and the training bodies had taken prompt remedial action. We do not consider it appropriate to reveal the identity of those training bodies which may cast doubt on the part of trainees on the quality of training programmes organized by the training bodies as a whole, thus affecting their provision of appropriate training services to trainees. All five training bodies are currently appointed to organize courses for the Scheme. The LD will step up monitoring action on the courses organized by these training bodies in view of the irregularities detected.

- (d) In appointing training bodies under the Scheme, the LD has clearly stated in the appointment letter the responsibilities of the training bodies which include complying with all administrative requirements stipulated in the Training Bodies Manual. They are also responsible for safeguarding the quality of the training courses and providing training courses in accordance with the commitment made in the training proposals. The LD handles cases where breaches of terms and conditions are detected in a serious manner. The LD inquires into the case and demands the training bodies to explain. If the case involves a complaint, the LD approaches the complainant to understand the situation. Based on information and records collected and having regard to its findings, the LD takes appropriate action including issuing advice or warning and the LD ensures that rectification are duly made by the training body. For very serious breaches, the LD will immediately disqualify the training body from provision of the training courses.
- (e) Case management service fee and administrative fee in processing training allowance were not included in the amount of course fee paid to each training body as provided in our last reply.



- (f) The total number of persons trained by all training bodies in the past three Programme Years is listed in the table below. We consider it not appropriate to further disclose the number of persons trained by individual training bodies under the Scheme because such information may indirectly expose individual organization's tendering price and affect the forthcoming procurement exercise of the Scheme.

<i>Programme Year</i>	<i>2009-2010</i>	<i>2010-2011</i>	<i>2011-2012</i>
Total number of persons trained (in man-times)	12 198	8 729	6 526

- (g) In the past three Programme Years, we paid on average about \$2,000 per trainee for the job search and interpersonal skills training.
- (h) Under the Scheme, case managers, based on their professional assessment and trainees' needs, provide individual trainees with appropriate support and services. Case management service fee is paid on an hourly basis and for services rendered. The Audit Commission conducted a study on the work of the Scheme last year. It stated in its Report No. 59 that around 80% of the claims of case management service fees approved under Scheme involved less than 20 service hours per year. The average amount of service fee per hour was \$65.
- (i) In the past three Programme Years, a training body reported to the LD on its own initiative that its internal audit revealed that it had not complied with the proposal in organizing one course and undertook to refund all monies related to that course. The LD followed up with the training body and requested the training body to take necessary action to prevent occurrence of similar incidents, in addition to making the refunds. Moreover, we have strengthened our monitoring work on the related courses. The training body reported the case on its own initiative and had taken remedial action. Given this, we do not intend to reveal the name of the training body.
- (j) After receiving reports from the training bodies, the LD conducts sample telephone checks as soon as possible to ascertain the

accuracy of the information. It is the responsibility of the training bodies to comply with the requirements as stated in the appointment letter. They have to ensure the accuracy of the information submitted to the LD. If any irregularities are detected, the LD will follow up with the training bodies. Having investigated the cases, the LD will issue advice or warning if and when deemed necessary, and follow up on the remedial measures taken by the training bodies. However, in the cases where very serious breaches are detected, the LD will immediately disqualify the training bodies concerned from provision of the training courses.

Annex

Details of Inspections by the LD  
on the Three Training Bodies

<i>Name of Training Body</i>	<i>Course Title</i>	<i>Date of Inspection</i>
Caritas	Job-search and interpersonal skills	16/9/2009
	Job-specific skills	15/10/2009
	Job-specific skills	17/11/2009
	Job-specific skills	23/11/2009
	Others	29/12/2009
	Computer application	5/1/2010
	Job-search and interpersonal skills	23/11/2010
	Job-specific skills	28/12/2010*
	Job-search and interpersonal skills	19/9/2011*
	Job-search and interpersonal skills	26/9/2011
	Others	13/12/2011
	Job-specific skills	21/12/2011
	Job-specific skills	19/1/2012
	Others	7/2/2012
	Others	30/3/2012
	Others	23/5/2012
	Others	24/5/2012
	Others	30/7/2012
	Others	15/8/2012

<i>Name of Training Body</i>	<i>Course Title</i>	<i>Date of Inspection</i>
NTARC	Job-specific skills	2/11/2009
	Job-specific skills	1/12/2009
	Job-specific skills	5/1/2010
	Job-specific skills	22/11/2010*
	Job-search and interpersonal skills	14/6/2011
	Job-specific skills	23/12/2011
	Job-search and interpersonal skills	10/1/2012
	Job-specific skills	19/1/2012
	Job-search and interpersonal skills	13/2/2012
	Job-search and interpersonal skills	26/7/2012
	HKFYG	Job-specific skills
Job-specific skills		30/12/2009
Job-specific skills		11/1/2010
Others		20/8/2010
Job-search and interpersonal skills		7/9/2010*
Others		2/12/2010
Others		31/12/2010
Job-specific skills		9/1/2012
Job-specific skills		16/1/2012
Job-specific skills		23/2/2012
Job-search and interpersonal skills		11/6/2012

Note:

\* represents surprise visits while the others are scheduled visits.

### Statistics on Transactions of Residential Properties

8. **MR GARY FAN** (in Chinese): *President, will the Government inform this Council of a breakdown, by the following value brackets, of the numbers and total values of the transactions of private residential properties in each of the past four years and from January to March this year (set out separately in tables of the same format as the following table):*

- (a) *below \$4 million;*
- (b) *from \$4 million to \$8 million;*

- (c) *from over \$8 million to \$20 million; and*
- (d) *over \$20 million?*

Year	Number of transactions	Total value of transactions	Residential properties acquired by non-Hong Kong permanent residents		Residential properties acquired in the name of a company	
			Number of transactions	Total value of transactions	Number of transactions	Total value of transactions
2009						
2010						
2011						
2012						
2013 (as at end of March)						

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

(a) to (d)

Based on the stamping applications in respect of agreements for sale of residential properties received by the Inland Revenue Department (IRD) from 2009 to March 2013, the relevant numbers of residential property transactions and total amounts of consideration involved are set out in tables 1 to 4 below, with breakdown by value groups:

Table 1 Transactions of \$4 million or below

Year	Number of transactions	Total value of transactions (in \$ million)	Residential properties acquired by non-Hong Kong permanent residents		Residential properties acquired in the name of a company	
			Number of transactions	Total value of transactions	Number of transactions	Total value of transactions
2009	103 706	197,084	2 686	4,930	8 002	15,572
2010	114 721	238,512	2 981	6,191	11 050	25,768
2011	61 820	140,296	1 884	4,354	4 261	10,471
2012	53 421	131,454	1 397	3,516	2 964	7,271
2013 (as at end of March)	9 879	25,834	81	226	201	520

Table 2 Transactions from over \$4 million to \$8 million

Year	Number of transactions	Total value of transactions (in \$ million)	Residential properties acquired by non-Hong Kong permanent residents		Residential properties acquired in the name of a company	
			Number of transactions	Total value of transactions	Number of transactions	Total value of transactions
2009	19 170	102,452	1 154	6,604	2 334	13,009
2010	27 052	147,442	1 700	9,957	5 109	28,549
2011	22 313	123,243	1 851	11,138	2 772	15,664
2012	26 307	144,716	1 231	6,982	2 365	13,632
2013 (as at end of March)	6 076	33,535	104	586	220	1,184

Table 3 Transactions from over \$8 million to \$20 million

Year	Number of transactions	Total value of transactions (in \$ million)	Residential properties acquired by non-Hong Kong permanent residents		Residential properties acquired in the name of a company	
			Number of transactions	Total value of transactions	Number of transactions	Total value of transactions
2009	7 342	91,550	595	7,377	2 394	32,079
2010	10 620	127,902	1 192	14,660	3 293	40,946
2011	8 753	102,514	1 119	12,933	2 425	30,845
2012	8 733	102,784	688	8,033	2 120	26,568
2013 (as at end of March)	2 316	26,859	72	840	82	1,017

Table 4 Transactions over \$20 million

Year	Number of transactions	Total value of transactions (in \$ million)	Residential properties acquired by non-Hong Kong permanent residents		Residential properties acquired in the name of a company	
			Number of transactions	Total value of transactions	Number of transactions	Total value of transactions
2009	2 557	98,861	176	5,228	1 482	65,679
2010	3 330	138,294	283	8,673	1 885	93,125
2011	3 148	131,545	340	11,124	1 577	79,519
2012	2 803	117,387	208	7,112	1 340	65,703
2013 (as at end of March)	429	16,346	13	360	28	1,679

Note:

\* Applicants of stamping are only required to state whether they are Hong Kong Identity Card holders but not whether they are Hong Kong permanent residents. Thus, the IRD can only provide relevant information on buyers who are non-Hong Kong Identity Card holders.

## Handling and Recycling of Food Waste

9. **MR KWOK WAI-KEUNG** (in Chinese): *President, the Government announced in this year's Policy Address the launch of the "Food Wise Hong Kong*

*Campaign" to mobilize the public as well as the industrial and commercial sectors to reduce food waste. In this connection, will the Government inform this Council:*

- (a) of the amount of food waste in Hong Kong in the past five years; the respective amounts of such food waste originating from households (household food waste) and from commerce and industry (business food waste), as well their respective percentages in the total amount of municipal solid waste (MSW) in Hong Kong;*
- (b) of the respective amounts of household food waste and business food waste recycled in Hong Kong and their percentages in the total amounts of such food waste, in the past five years;*
- (c) whether it has compiled statistics on the respective numbers of public housing estates (PHEs), Home Ownership Scheme (HOS) estates and private housing estates implementing food waste recycling schemes in each of the past five years; if so, of the details of such schemes, including the numbers of participating households and the percentage of such households in the total number of households in Hong Kong, the average amount of food waste collected from each household every year, as well as the outlets for the recycled food waste; whether the authorities have assessed the effectiveness of the schemes; if so, of the details; if not, the reasons for that;*
- (d) whether the authorities have any plan to provide more food waste recycling facilities in PHEs, HOS estates and private housing estates, and to set up food waste collection points in the community to enhance the food waste recycling network, with a view to raising both the household participation rate and the amount of household food waste collected; if so, of the details; if not, the reasons for that; whether the authorities have studied the feasibility of extending the "Community Garden Programme" to make use of the organic fertilizers converted from the food waste collected in the community; if so, of the details; if not, the reasons for that;*
- (e) whether the authorities have considered following the example of South Korea to select some PHEs on a pilot basis for installing*

*self-service food waste recycling machines to promote recycling of household food waste, and to collect data and accumulate experience for the waste charging scheme to be implemented in future, with a view to facilitating the formulation of relevant waste reduction policies;*

- (f) *whether it knows the number of food waste recycling schemes launched for the industrial and commercial sectors by the Government or non-governmental organizations in the past five years; the details of such schemes, including the average amount of food waste recycled each year and the outlets for the recycled food waste; of the policies put in place by the authorities targeting at reducing business food waste, as well as the anticipated results of such policies; and*
- (g) *of the implementation timetable of Food Wise Hong Kong Campaign; and the objective and anticipated results of the relevant activities?*

**SECRETARY FOR THE ENVIRONMENT** (in Chinese): President, our reply to the questions raised by Mr KWOK is as follows:

- (a) In the past five years, the average amount of food waste disposed of at landfills each day in Hong Kong is as follows (tonnes per day):

Year	Average Daily Disposal Quantity		
	MSW	Household Food Waste (Percentage in the Total Amount of MSW in Hong Kong)	Food Waste from the Commercial and Industrial sectors (Percentage in the Total Amount of MSW in Hong Kong)
2011	8 996	2 528 (28.1%)	1 056 (11.7%)
2010	9 114	2 397 (26.3%)	840 (9.2%)
2009	8 963	2 316 (25.8%)	964 (10.8%)
2008	9 021	2 148 (23.8%)	847 (9.4%)
2007	9 184	2 444 (26.6%)	823 (9.0%)

- (b) Over the years, the majority of our food waste from the domestic and commercial/industrial sectors has been mixed with other rubbish for

collection and disposal at landfills. A small number of commercial and industrial institutions and households have also made use of small food waste treatment machines (with a daily capacity of 5 kg to 200 kg) to recycle a small amount of food waste. The Environmental Protection Department (EPD) commissioned a pilot food waste composting plant in Kowloon Bay in August 2008 and collaborated with the commercial and industrial sectors to carry out food waste recycling and treatment to produce useful compost. Through the participation of the commercial and industrial sectors, we have gained experience for drawing up good food waste management guides. The amount and percentage of food waste from the commercial and industrial sectors recycled by this facility are as follows:

<i>Year</i>	<i>Amount of Business Food Waste Recycled</i>	<i>Percentage in the Total Amount of Food Waste from the Commercial and Industrial sectors in Hong Kong</i>
2011	561 tonnes	0.15%
2010	278 tonnes	0.09%
2009	225 tonnes	0.06%
2008	40 tonnes	0.01%

(c) and (e)

The Government launched the Food Waste Recycling Scheme in Housing Estates (the Scheme) in July 2011 through the Environment and Conservation Fund to subsidize HOS and private housing estates to organize education programmes on food waste reduction and to install treatment facilities for food waste recycling. Eleven estates were given funding support in the first phase in November 2011. In view of the generally positive results of the first phase and in response to the public's expectation to fast-track food waste recycling in Hong Kong, the second phase of the Scheme was launched in October 2012. It is estimated that about 45 additional estates will be covered in the second phase and three estates have received subsidies so far. As at to date, a total of 14 estates have been subsidized under the Scheme. Education programmes on food waste reduction and recovery organized by these estates cover about 45 000 households, of which about 1 600 would participate in source



separation and recycling of food waste. Upon full implementation of recycling of food waste in these 14 estates, we estimate that about 500 tonnes of food waste will be recycled and 100 tonnes of compost be produced per year for landscaping in the estates concerned. We are now gathering data and experience on the participating estates so as to assess the effectiveness of the scheme. This will help us identify the relevant factors for consideration in broadening the implementation of food waste recycling in Hong Kong.

Regarding PHEs, the Housing Authority has conducted food waste recycling trial schemes at seven PHEs by phases since late 2011. About 1 000 families have taken part in the trial. The food waste collected is transformed to fish feed or compost for planting in the estates. The Housing Authority will review the effectiveness of the trial schemes before deciding the way forward.

- (d) It would not be easy to separate and collect household food waste at source as the relatively limited living space in most of our households makes it difficult to install dedicated food waste collection facilities. Besides, under our relatively hot weather food waste readily gives rise to odour and hygiene issues. We are now gathering data and experience on the Scheme and relevant PHEs (please see reply to part (c) above for details) so as to analyse the factors, the relevant supporting facilities and the effectiveness for considering a broader implementation of food waste recycling in Hong Kong.

The Leisure and Cultural Services Department (LCSD) launched the Community Garden Programme in 2004 with the aim to encourage the public to participate in greening and planting activities. At present, there are 21 community gardens in the 18 districts. The LCSD will continue to identify suitable sites and create more community gardens so as to meet public demand. The EPD also provides the LCSD with food waste-turned-compost produced in the pilot food waste composting plant in Kowloon Bay. Five hundred and fifty kg of compost have been provided for use in community gardens so far. Feedback from participants has been positive. The EPD will continue to liaise with the LCSD and promote the use of food waste-turned-compost in community gardens.

- (f) The Government adopts a multi-pronged approach to tackle the household and business food waste problems in Hong Kong. The strategy focuses primarily on food waste avoidance and reduction. As for unavoidable food waste, we try to recycle it wherever possible. In recent years, apart from territory-wide education and publicity on food waste, the EPD has also promoted and launched food waste reduction and recycling programmes related to the commercial and industrial sectors in different districts. They are summarized as follows:
- (i) To take forward the "reduction first" approach and strengthen the promotion of food waste reduction, the Government set up the Food Wise Hong Kong Steering Committee in December last year to implement the Food Wise Hong Kong Campaign. The campaign aims to promote public awareness, instill behavioural change in various sectors of the community, including commercial and industrial establishments related to catering, and at the individual and household levels. The Committee will draw up good practice guides of food waste reduction at such establishments, encourage the commercial and industrial and various sectors of the community to act accordingly and share their practical experience, and facilitate food donation to charitable organizations by establishments with surplus food;
  - (ii) To support the "Save Food Day" through education and publicity to facilitate food waste avoidance and reduction by the public and relevant businesses;
  - (iii) The EPD, in collaboration with the commercial and industrial sectors, launch the Food Waste Recycling Partnership Scheme in June 2010 to assist with the training of managerial and front-line staff of participating organizations to grasp good food waste management practices. Participating organizations will carry out food waste separation at source and the EPD will deliver the food waste collected to the pilot composting plant in Kowloon Bay for recycling. As at early 2013, over 90 organizations, including hotels, food premises, markets, food factories and shopping malls, and so on, in

different districts joined the scheme. About 1 100 tonnes of food waste were recycled, and about 210 tonnes of compost produced and provided to the LCSD, schools and farms for planting. In general, feedback from users on the effectiveness of the compost is positive;

- (iv) The EPD, in collaboration with Kwun Tong District Council and the property management company of the apm shopping mall, launched the Food Waste Reduction Programme in Kwun Tong at apm in July 2011. Food premises at the mall were invited to encourage customers to minimize waste of food and carry out food waste separation and collection at source. On-site food waste treatment facility has also been installed at apm. As at late 2012, about 60 tonnes of food waste were recycled, and about 10 tonnes of compost produced for landscaping in Kwun Tong District;
- (v) The EPD, in collaboration with Tsuen Wan District Council and the property management company of the Discovery Park (DP), implements the Food Waste Reduction Programme in Tsuen Wan at the DP from December 2012 to May 2013. The campaign aims to motivate and encourage the public and the business sector to avoid or reduce food waste at source;
- (vi) In March 2012, the "Islands Food Waste Recycling Scheme" was launched on Cheung Chau and at Yung Shue Wan on Lamma Island. It aims to educate and motivate restaurants, food premises and hostels for the elderly on islands to recycle food waste and encourages waste reduction at source. Under the Scheme, food premises, hostels and shops in Cheung Chau town centre and along Yung Shue Wan Main Street are invited to collect food waste for delivery to the food waste treatment facilities on the islands where it would be recycled to organic compost. By early 2013, about 97 tonnes of food waste were recycled, and about 11 tonnes of compost produced for donation to the community for greening under the Islands Scheme. This has enabled the recycling of resources locally; and

- (vii) The EPD plans to develop in phases major modern organic waste treatment facilities where source-separated business food waste is recycled to useful biogas and compost for local use. Phase 1, with a daily capacity of 200 tonnes of food waste, will be constructed in Siu Ho Wan of Lautau. It is scheduled for completion in 2016. Phase 2, with a daily capacity of 300 tonnes of food waste, will be located in Shaling at North District. It will be completed in 2017.
- (g) To take forward the Chief Executive's pledge to promote food waste reduction, the Government announced on 3 December 2012 the setting up of the Food Wise Hong Kong Steering Committee. The Steering Committee is tasked with formulating and overseeing the implementation strategies of the Food Wise Hong Kong Campaign, which aims to promote public awareness of food waste problems in Hong Kong and co-ordinate efforts within the Government and public institutions to lead by example in food waste reduction. The objectives of the Steering Committee also include instilling behavioural change at the individual and household levels to help reduce food waste generation, drawing up and promoting good practices of food waste reduction at commercial and industrial establishments, and facilitating food donation to charitable organizations from establishments with surplus food. The Food Wise Hong Kong Campaign will be launched in May this year. There will be a host of activities, which include public education programmes via media such as television and the radio, the publication of good practices, roving exhibitions and community activities, the setting up of a dedicated website, and workshops on food waste reduction for different sectors. We will review the effectiveness of the campaign in terms of food waste reduction after the launch of the activities.

### **Independence of Criminal Prosecution Decision-making Process**

10. **MR DENNIS KWOK:** *President, Article 63 of the Basic Law provides that "the Department of Justice of the Hong Kong Special Administrative Region shall control criminal prosecutions, free from any interference". Against this constitutional background, the Securities and Futures Commission (the*

*Commission) is rather unique in being empowered, under section 388 of the Securities and Futures Ordinance (Cap. 571) (the Ordinance), to make prosecution decisions and to initiate prosecution "in its own name" for an offence under any of the relevant provisions in the Ordinance which is triable summarily before a magistrate. Also, the Commission is empowered, under sections 252 and 252A of the Ordinance, to "institute proceedings" before the Market Misconduct Tribunal upon obtaining the consent of the Secretary for Justice. In this connection, will the Government inform this Council:*

- (a) of the role of the Department of Justice (DoJ) in the Commission's process for making prosecution decisions under section 388 of the Ordinance, including (i) what actual oversight the DoJ has over the process, (ii) whether the DoJ has reviewed the Commission's internal guidelines (if any) and/or past prosecution decisions to ensure that they are in line with the DoJ's own guidelines on making prosecution decisions, and (iii) how differences in opinion between the DoJ and the Commission are to be resolved;*
- (b) of the statistics on the Commission's seeking the Secretary for Justice's consent to institute proceedings under section 252 of the Ordinance in the past three years, including (i) the total number of requests made, (ii) the number of cases for which consent had been given, and (iii) the number of those for which consent had not been given (together with the reasons for refusal); and*
- (c) whether the Government has reviewed the current arrangement for endeavouring to adhere to the basic principle of a separation and independent exercise of investigation powers from prosecution powers, including whether the Government has plans to introduce legislation or enhance its existing policies to ensure that, in line with the constitutional requirement of Article 63 of the Basic Law, the DoJ retains the ultimate control over all criminal prosecutions in Hong Kong; if it has, of the outcome and the details of the review; if not, the reasons for that?*

**SECRETARY FOR JUSTICE:** President, section 388(1) of the Securities and Futures Ordinance (Cap. 571) (SFO) provides that the Securities and Futures Commission (SFC) may prosecute in its own name offences created under the Ordinance and some other ordinances where the venue of trial is the Magistracy.

However, section 388(3) of the SFO makes it clear that this power does not derogate from the powers of the Secretary for Justice in respect of the prosecution of criminal offences.

The DoJ is conscious of its constitutional role under Article 63 of the Basic Law. It is the position of the DoJ that the SFC should at all times respect section 388(3) of the SFO as well as Article 63 of the Basic Law. For this reason, there have been high-level communications and discussions between the DoJ and the SFC in respect of the latter's co-operation and employment of its powers with respect to the investigation and prosecution of criminal cases. Throughout these communications and discussions, the DoJ stressed to the SFC that it is always important that: (1) a body with compulsory powers of investigation and a prosecutorial function exercises such function in a proper, fair and responsible manner; (2) there is full and frank accountability and in particular by an investigatory agency with other interested investigatory agencies and the prosecution service; (3) the full ambit of any criminality be fully investigated and dealt with properly; (4) a body with a regulatory and investigatory responsibility should be checked to ensure any prosecution action is done with equal measure and in an evenhanded manner to all. These communications and discussions are ongoing and it is the DoJ's intention to work out a mechanism to ensure that the power under section 388(3) of the SFO will be properly exercised with appropriate check and balance.

As far as market misconduct cases investigated by the SFC are concerned, it is the DoJ and not the SFC which makes the prosecutorial decisions in accordance with the established and published Statement of Prosecution Policy and Practice (the Prosecution Policy). In the legislative process of the Securities and Futures Bill in May 2001, the Administration acknowledged that the SFC would also make the decisions in prosecuting summarily less serious market misconduct before a magistrate in accordance with the Prosecution Policy<sup>(1)</sup>. In practice, the SFC should refer all market misconduct cases to the DoJ for advice on sufficiency of evidence and venue, and the DoJ will then advise the SFC in accordance with the Prosecution Policy. When appropriate, counsel of the DoJ will also conduct the trials and appeals of those cases. Whilst the views of the

(1) Information paper provided by the Administration on Parts XIII and XIV and Schedule 8 of the Securities and Futures Bill: Paper 12-01 (May 2001).

SFC are taken into account and given their due weight, it is the DoJ's decision which prevails.

Obtaining the Secretary for Justice's consent is a prerequisite to the SFC's institution of proceedings before the Market Misconduct Tribunal under section 252 of the SFO. This requirement is stipulated in section 252A(1) of the SFO which took effect in 2012. However, the circumstances in which the Secretary for Justice can withhold the giving of consent are confined to those set out in section 252A(2) of the SFO. Since then, there has only been one such request. The Secretary for Justice has provided a reply to the SFC. Due to the sensitive nature of the matter, it is not appropriate to disclose the details of the case or the Secretary for Justice's reply at this stage.

### **"Hong Kong: Our Home" Campaign**

11. **MR ALAN LEONG** (in Chinese): *President, the Government launched the "Hong Kong: Our Home" Campaign (the Campaign) on 23 April and will stage more than 480 events and activities in various districts throughout the territory over the next eight months. In this connection, will the Government inform this Council:*

- (a) *of the amount of money to be allocated by each Policy Bureau/department participating in the Campaign, from its approved estimates of expenditure, for implementing the Campaign (and set out the amount and usage of each expenditure item);*
- (b) *whether various Policy Bureaux/departments (in particular, the Information Services Department (ISD) which is the Secretariat of the Campaign) have engaged public relations or design companies for the Campaign; if so, of the names of the companies engaged and the amounts involved;*
- (c) *of the publicity materials, apart from file folders, badges and Octopus Card holders, to be produced by the Government for the Campaign; the parties responsible for designing various types of publicity materials and the design fees involved; the quantity to be produced and the estimated expenditure for each type of publicity*

*materials; the channels through which the Government will distribute those publicity materials;*

- (d) of the amount of expenditure incurred and the number of government employees deployed for the launch ceremony held on 23 April this year;*
- (e) of the amount of expenditure incurred and the manpower deployed for the three-day district cleansing operations which started on 26 April this year;*
- (f) since the Government will distribute gift packs to 2 000 needy families on the Hong Kong Positive Energy Day to be held on 26 May this year, of the department(s) responsible for the activity, the name of the manufacturer of those gift packs and the amount of expenditure involved, the distribution channels as well as the organizations assisting in the distribution of the gift packs;*
- (g) how the Government evaluated, when preparing for the Campaign, whether the activities proposed by partner organizations could tie in with the theme and objectives of the Campaign; who was/were responsible for such evaluation and the criteria based on which the decisions were made; whether activities involving commercial elements could be included in the Campaign;*
- (h) whether the Government had evaluated, when it approved the inclusion of the "Eco-Quality Home" activity organized by The Hongkong Electric Company Limited (HKE) in the Campaign, if commercial elements would be involved in the activity (which includes providing market information of high energy efficiency products and visiting HKE's Electric Appliances Display Centre, and so on), and if such activity could tie in with the nature and theme of the Campaign; and*
- (i) whether the Government had evaluated, when it approved the inclusion of activities involving dinner gatherings (for example, "Gorgeous Stage Tonight) in the Campaign, if such activities could tie in with the theme of the Campaign?*



**SECRETARY FOR HOME AFFAIRS** (in Chinese): President,

- (a) The Campaign aims to disseminate positive messages, encourage care and mutual help, promote environmental hygiene, strengthen social cohesion through public participation, and to provide a common platform for all bureaux and departments and partner organizations involved which share the common goals to publicize events which tie in with the Campaign theme. No specific funds have been allocated to the Campaign and no funding has been provided to departments or organizations to organize events. So far, most events included under the Campaign platform are events already being planned by relevant departments and organizations, or which are part of their regular work, hence the expenditure incurred are not part of the Campaign expenditure. With the exception of small amounts of promotional souvenir items which may be produced to tie in with the publicity, all other relevant expenses will either be borne by the ISD or by departments' existing resources.

The launching ceremony held on 23 April 2013 was specifically organized for the Campaign. \$2.76 million has been set aside for the launching ceremony and other publicity programmes prepared by the ISD from its expenditure estimates for 2013-2014. This sum includes approximately \$630,000 used for the launching ceremony. The rest are production costs of publicity videos and audio tapes, promotional souvenir items, city dress-up and display for the Campaign. Meanwhile, Radio Television Hong Kong (RTHK) has used approximately \$160,000 for the launching ceremony and Leisure and Cultural Services Department (LCSD) approximately \$10,000 on venue management, making a total of approximately \$800,000.

- (b) Neither the ISD nor other bureaux and departments hired any company to carry out public relations or design work for the Campaign.
- (c) All promotional souvenir items for the Campaign were designed in-house by the ISD staff. Apart from paper folders, badges, lapel pins and Octopus card holders, other souvenir items include T-shirts, polo shirts, self-inked stamps with the Campaign logo and paper

carry bags. The total production cost is about \$600,000. This includes the ISD's own orders and orders placed on behalf of other bureaux and departments up to now. All souvenirs will be distributed as free promotional giveaway items at events and activities that fall under the Campaign's banner through bureaux and departments.

- (d) Total expenditure incurred by the ISD, RTHK and the LCSD for the Campaign launching ceremony on 23 April 2013 was \$800,000 and funds were met from the three departments' existing resources. The launching ceremony was attended by 16 government officials who were officiating guests, 67 working staff and about 400 other participants.
- (e) One of the main responsibilities of the Food and Environmental Hygiene Department (FEHD) is to provide a clean and hygienic environment for the public. FEHD staff and its contractors provide cleansing services for public streets, markets under its management and other services to upkeep environmental hygiene in all districts every day. In addition, the FEHD's work also includes dissemination of the "Keep Hong Kong Clean" message through community involvement and organization of publicity events. The district Clean Hong Kong events held between 26 and 28 April are part and parcel of the ongoing cleansing services and promotional activities of the FEHD. There is no itemized breakdown on the expenditure and manpower involved for these events.
- (f) "Hong Kong Positive Energy Day" is organized by the Agency for Volunteer Service (AVS), a non-governmental organization, with HSBC as the title sponsor, China Resources Vanguard (Hong Kong) Co. Ltd. as co-organizer and the Partnership Fund for the Disadvantaged provides matching grants to donations made to the AVS. Materials in the gift packs are procured by AVS through tender or sponsored by corporations. The AVS also welcomes donations by Hong Kong citizens. China Resources Vanguard (Hong Kong) Co. Ltd. will provide free logistics arrangement for the gift packs. The gift packs will be distributed in all districts through volunteers from different welfare agencies, district organizations and corporate groups. 26 May 2013 is the kick-off day of the

programme and about 2 000 gift packs will be distributed to needy families. The event does not involve any government expenditure.

- (g) Under the Campaign Task Force, there are four Working Groups that co-ordinate and promote activities relating to the four supporting themes of "Vibrant Hong Kong", "Hip Hong Kong", "Caring Hong Kong" and "Fresh Hong Kong". When deciding which activities are to be included under the Campaign, the Working Groups will take into consideration the following factors: whether the activities align with the Campaign's themes and objectives; whether the participating groups share common goals with the Campaign; the scale of the activities; the level of public participation and creativity of the activities. All activities must be non-profit making despite they may be paid events or events run by commercial organizations.
- (h) In considering whether an event should be included in the Campaign, the Administration will consider if the event meets the criteria for inclusion. The main criteria include whether the event meets any one of the Campaign objectives and falls under one of its themes. The body running the event could be a private commercial firm but its proposed event must not be profit-making. For the "Eco-Quality Home" event, based on the information provided by the organizing body, the event aims to encourage the use of energy efficient electric appliances, promote green living and is non-profit making, and hence fulfils the criteria above.
- (i) When evaluating whether a partner organization's activity should be included in the Campaign, the Administration will consider whether the activity ties in with the theme and aim of the Campaign, namely to inject positive energy into society, foster social cohesion, and to promote care, mutual help and solidarity. As a case in point, the "Gorgeous Stage Tonight" organized by the Women Service Association, with residents of Kwai Tsing District as its primary targets, encompasses parent-child activities and elderly/children performances to drive home the message of mutual help and care in the neighbourhood, to foster closer ties among neighbours and to inject positive energy into the community, all of which are in line with the theme of the Campaign.

**Fire Safety of New Territories Exempted Houses**

12. **DR KWOK KA-KI:** *President, it was reported that on 27 October 2012, fire appliances and ambulances could not get to a fire scene in Wing Hing Wai, Yuen Long because the walls of some village houses in that village had encroached onto the road. It has also been reported that this has become a common, systemic and growing problem in the village environs due to the prevailing small house policy. In this connection, will the Government inform this Council:*

- (a) *how many New Territories Exempted Houses (that is, small houses) (NTEHs) are at present not provided with any emergency vehicular access (EVA);*
- (b) *how many NTEHs are expected to have no EVA once all lands zoned for "Village Type Developments" are utilized under the prevailing small house policy;*
- (c) *whether and how the authorities enforce the implementation of fire safety alternatives in NTEHs without EVA after the issue of certificates of compliance in respect of such NTEHs; if enforcement actions are not taken, of the reasons for that; whether the authorities have assessed if the existing fire safety alternatives are adequate for such NTEHs; if such an assessment has been conducted, of the outcome;*
- (d) *whether and how the authorities enforce the implementation of fire safety alternatives in NTEHs which are not provided with any vehicular access; if enforcement actions are not taken, of the reasons for that; whether the authorities have assessed if the existing fire safety alternatives are adequate for such NTEHs; if such an assessment has been conducted, of the outcome;*
- (e) *whether the authorities have reviewed if NTEHs without EVA need to have additional means of escape for occupants of upper floors; if such a review has been conducted, of the outcome;*
- (f) *whether the Secretary for Development will instruct the Director of Lands to ensure that EVAs will be provided before approving*

*applications for building new NTEHs; if he will not; of the reasons for that; and*

- (g) *how the Secretary for Development will ensure that fire safety in the village environs will be improved and will not deteriorate?*

**SECRETARY FOR DEVELOPMENT:** President, NTEHs are houses covered by the Buildings Ordinance (Application to the New Territories) Ordinance (Cap. 121), but to which the Buildings Ordinance (Cap. 123) does not apply. Under the Buildings Ordinance (Application to the New Territories) Ordinance, these houses generally cannot exceed 65.03 sq m (700 sq ft) in roof-over area, three storeys and 8.23 m (27 ft) in height. NTEHs include but are not confined to small houses built in accordance with the New Territories Small House Policy.

The arrangements for the provision of EVAs for NTEHs were introduced in 1997, refined in 2001 and modified in 2006 in consultation with government departments including the Lands Department (LandsD), Planning Department (PlanD), Home Affairs Department (HAD) and Fire Services Department (FSD) as well as Heung Yee Kuk (HYK). The relevant arrangements currently in force are as follows:

- (i) If an NTEH application site is located less than 30 m away from an existing EVA, or if a cluster of fewer than 10 houses (including the application site) is located within a radius of 30 m from the application site, provision of an EVA is not required;
- (ii) If a cluster of 10 or more houses (including the application site) are located within a radius of 30 m from an NTEH application site, the applicant should consider ways to provide an EVA to the application site;
- (iii) Where an EVA cannot be provided because of geographical constraints or problems with private land ownership, the applicant must implement one of the following fire safety alternatives:
  - (1) Automatic sprinkler installation; or

- (2) Fire detection system and hose reel system (applicable if there is no fire separation between floors of the three-storey NTEH);  
or
- (3) Fire detection system and fire extinguisher on each floor of the NTEH (applicable if there is fire separation between floors of the three-storey NTEH).

If the applicant opts for fire safety alternatives (2) or (3) above, he or his representative is required to attend a fire safety training course arranged by the FSD.

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

- (a) The EVA requirement was not imposed to construction of NTEHs before 1997. The LandsD does not have information with regard to NTEHs approved before 1997 and without provision of EVAs.

The LandsD does not keep case statistics of NTEHs involving EVAs prior to 2006. As the relevant information involves going through a large amount of dossiers, we are unable to provide such information.

Amongst the NTEH applications processed by the LandsD since the implementation of the modified EVA arrangements in July 2006 and until 31 March this year, the provision of EVAs in 5 624 applications have been confirmed not necessary after examination, the main reasons being the application sites are located less than 30 m away from an existing EVA, or a cluster of fewer than 10 houses (including the application sites) is located within a radius of 30 m from the application sites. There are also 1 419 applications in which a cluster of 10 or more houses (including the application sites) is located within 30 m from the application sites, the applicants of which have to consider ways to provide EVAs. If no EVA can be provided due to the abovementioned constraints, the applicants must implement one of the fire safety alternatives as mentioned above. There are other applications which do not require examination of the need to provide EVAs, as it is apparent that the application sites satisfy part (i) of the abovementioned criteria (for example, adjoining public access roads). The LandsD does not keep statistics of these cases.

(b) The land zoned "Village Type Development" which permits construction of NTEHs includes both private and Government land, some of which are of irregular shape and may not be suitable for development, for example, empty space between houses, back lanes and narrow strips of land alongside existing developments, access or other amenities. In addition, many NTEHs are built on land under private ownership, the size of which is not standardized. The Government is unable to assess the number of NTEHs that can be accommodated on such land, nor can we predict how many NTEH cases that might be submitted in the future will be subject to EVA requirement.

(c) and (d)

As mentioned above, NTEH applicants are required to implement fire safety alternatives as set out in the "New Territories Exempted Houses — A Guide to Fire Safety Requirements" (the Guide) if EVAs cannot be provided. The registered Fire Safety Installation (FSI) contractors or consultants commissioned by the applicants shall submit to the FSD the relevant plans setting out the FSIs/equipment in accordance with the Guide for the department's consideration and confirmation. The concerned FSIs/equipment shall be installed by a registered FSI contractor.

Upon completion of the construction of the NTEH (including the concerned fire safety alternatives) and submission of application for the Certificate of Compliance (C of C) by the NTEH applicant, the relevant New Territories District Lands Office (DLO) will liaise with the FSD and conduct site inspection to ensure the FSIs/equipment in question has been installed as per the abovementioned arrangements. The applicant is required to submit to the FSD a copy of the Certificate of Fire Safety Installations and Equipment issued by a registered FSI contractor. The FSD will arrange for inspection to determine whether the FSIs/equipment are installed in accordance with the design as set out in the afore-mentioned plans and comply with the relevant requirements, and inform the relevant DLO of the results of such inspection for its consideration for issue of C of C.

After issue of C of C, the owner of the relevant FSIs/equipment shall make sure that their FSIs/equipment can function properly, and have them inspected by a registered FSI contractor at least once a year and have the Certificate of Fire Safety Installations and Equipment issued within 14 days after completion of such inspection according to the Fire Service (Installations and Equipment) Regulations (Cap. 95B). Moreover, it may be considered as a fire hazard if FSIs/equipment cannot function effectively. The FSD may serve a Fire Hazard Abatement Notice in accordance with section 3 of the Fire Services (Fire Hazard Abatement) Regulation (Cap. 95F) to require the owner of the relevant FSIs/equipment to rectify the problem.

From the land lease perspective, a condition requiring the licensee/grantee to provide fire safety alternatives will be imposed to the relevant land lease if necessary. The licensee/grantee shall observe and comply with such requirement at all times during the term of the lease. If the licensee/grantee fails to comply with or observe such requirements, New Territories DLOs will, after seeking legal advice, take appropriate lease enforcement action.

If an EVA is provided by the relevant NTEH in accordance with requirements, the FSD will, upon notification by New Territories DLOs, arrange trial run at the relevant EVA to ensure operation efficiency during an event.

(e), (f) and (g)

As mentioned above, the present EVA arrangements are formulated in consultation with government departments including the LandsD, PlanD, HAD and FSD as well as the HYK to facilitate development of NTEHs (including small houses) in areas where such developments are permitted without compromising safety requirements. The applicants and subsequent owners of NTEHs are required to ensure that the relevant FSIs/equipment comply with the relevant requirements and can function properly. As afore-mentioned, if there is a condition in the lease requiring the licensee/grantee to provide fire safety alternatives, the



licensee/grantee shall observe and comply with such requirement at all times during the term of the lease.

The LandsD and FSD will continue to process NTEH applications in accordance with the Guide. Staff of the FSD will conduct inspections in various areas from time to time and formulate fire fighting and rescue strategies according to the distribution of buildings and the physical situation of access to ensure effective execution of fire fighting and rescue operations. The relevant government departments will continue to work together to review the arrangements from time to time to ensure the effective implementation of the present fire safety requirements.

### **Labour Dispute at Hongkong International Terminals**

13. **MR RONNY TONG** (in Chinese): *President, the 2013-2014 Budget has mentioned that the Government is conducting a study on the proposal of constructing Container Terminal 10 (CT10) in Tsing Yi to examine the technical feasibility and assess the environmental impact of the proposal. It has been reported that the Government will upgrade the shipping industry of Hong Kong and develop Hong Kong into an international shipping service centre which is comparable to that in London. However, the labour dispute at the Hongkong International Terminals (the dispute), which has lasted for weeks, has revealed the existing operational problems at the terminals, including workers having to work 24-hour shifts non-stop over a long period of time, as well as the problems regarding the working conditions for workers (including mealtime and toilet break arrangements, and so on) and operation. In this connection, will the Government inform this Council:*

- (a) *given that during the past few rounds of negotiations between the employers and employees, some representatives of the employers left the negotiation meetings halfway on various grounds (for example, the need to have meals and take medication), causing the meetings to end halfway, whether it has assessed if this situation indicates that the authorities have not actively undertaken the mediation work; if the assessment result is in the affirmative, of the reasons for that, including whether the Government is unable to carry out the*

*mediation work; if the assessment result is in the negative, why the labour dispute has lasted for weeks and the authorities have still failed to urge both the employers and employees to return to the negotiation table;*

- (b) given that under the Labour Relations Ordinance (Cap. 55), if ordinary conciliation or special conciliation fails to settle a trade dispute, the Chief Executive in Council (CE in Council) may (i) with the consent of the parties, refer the dispute to arbitration, (ii) refer the dispute to a board of inquiry, or (iii) take such other action as warranted, of the criteria based on which CE in Council decides whether to intervene in a trade dispute; if there are no such criteria, of the reasons for that;*
- (c) whether it has assessed, in this dispute, if the interests of the workers have not been adequately protected because legislation on the right of collective bargaining has not been enacted in Hong Kong; if it has, of the results; whether the Government will consider commencing the work on the legislation on the right of collective bargaining; if it will, of the details (including legislative timetable); if not, the reasons for that;*
- (d) whether the Government has assessed the losses caused by the dispute, which has lasted for weeks, to the economy of Hong Kong; why the Government has all along not made public such information; and*
- (e) whether it has studied which kind of operation mode should be used to run the new CT10, so as to improve the working conditions for workers at the Terminal (for example, avoiding the adoption of the arrangements of 24-hour non-stop shifts and three consecutive shifts, as well as improving the mealtime and toilet break arrangements for the workers); if it has not, of the reasons for that?*

**SECRETARY FOR LABOUR AND WELFARE** (in Chinese): President, my reply to the question raised by Mr Ronny TONG is as follows:

- (a) The Government attached great importance to the industrial action at the Hongkong International Terminals right from the beginning.

The Labour and Welfare Bureau and the Labour Department (LD) spared no effort in shuttling among the parties concerned and fostering dialogue with a view to resolving their differences and exploring viable solutions. The diversity of issues and number of parties involved as well as the various pre-conditions for attending conciliation meetings set by the parties concerned made it difficult in arranging and conducting conciliation meetings. The sudden cessation of one of the contractors concerned also compounded the uncertainties and difficulties of the conciliation process. Despite these, with the strenuous and unceasing efforts of the Labour and Welfare Bureau and the LD, five rounds of conciliation meetings for employers and employees were held. At the request of the Secretary for Labour and Welfare, the contractors provided a written reassurance to the LD to confirm their final pay rise package on 6 May 2013. The workers on strike announced on the same day their acceptance of the package and called off the industrial action.

- (b) The Labour Relations Ordinance provides the framework for assisting employers and employees in resolving their disputes through different means, including conciliation, mediation and arbitration with the consent of the relevant parties, and so on. In deciding whether to adopt a certain procedure, consideration would be given to the circumstances of each case, including the wishes of employers and employees concerned, the impact of the incident on members of the public and society, which approach would be most effective in resolving the problem, and so on.

For the container terminal labour dispute, the Commissioner for Labour promptly designated experienced conciliators to conciliate in the dispute and concrete progress was made. Past experience shows that negotiation and conciliation with the voluntary participation of the parties concerned are the most effective way to resolve a labour dispute. For the present case, the Labour and Welfare Bureau and the LD exerted great efforts in assisting the parties concerned to communicate and have direct dialogue with each other. In the course of the labour dispute, different measures were employed, resulting in the parties concerned adopting a pragmatic approach in resolving the case.

- (c) The labour legislation of Hong Kong affords employees with the basic rights and protection in various aspects. On this basis, employers and employees are free to negotiate having regard to the circumstances of their own industry and the labour market. To promote direct dialogues between employers and employees on employment-related matters, we have constantly encouraged employers and employees to conduct, on their own initiative and of their own volition, discussion on matters of mutual concern such as the terms of employment. We believe that employers and employees are long-term partners. Discussion and negotiation conducted between both parties on the basis of mutual understanding are vital to forging and sustaining amicable bilateral relationship.

The LD encourages and promotes the mechanism of voluntary negotiations between employers or employers associations and employees unions at the central, enterprise and industry levels. At the central level, the Labour Advisory Board comprising members from the employee and employer sectors in equal numbers as well as the Government advises the Government on the formulation of labour policies and legislation. At the industry level, tripartite committees in different industries comprising representatives of workers' unions, employers and their organizations and the LD have been set up to conduct discussion on issues pertaining to labour relations and employment of concern to the industries. At the enterprise level, we encourage employers to adopt good people management practices appropriate to the circumstances of individual organizations and maintain effective communication with their employees and employees' unions on employment matters.

We are of the view that for any negotiation or bargaining process to be successful and meaningful, it has to be voluntary. Legislating on collective bargaining can only set the rules and regulations on the process of bargaining but cannot compel the reaching of a mutually acceptable agreement. Collective bargaining between employers and employees' unions compelled by law may only strain the relationship between employers and employees and may thus be counter-productive.

- (d) According to the data announced by the Port Development Council on 15 April this year, the preliminary statistics of the total throughput of Kwai Tsing Container Terminals in March 2013 was 1.42 million Twenty-foot Equivalent Units (TEUs), 5.9% lower than that of the same period last year. However, as the strike just started towards the end of March, its impact on the overall throughput of the Hong Kong Port was not significant. The statistics for April will be announced in mid-May.
- (e) Regarding the development of CT10, the Administration is conducting two studies, including the preliminary feasibility study for CT10 at Southwest Tsing Yi and the Study on the Strategic Development Plan for Hong Kong Port 2030. Upon completion of the studies, the study results, the then global and local economic situation, the performance of the port sector, and the views of stakeholders will be taken into account when deciding on the need for developing CT10 and, if applicable, the timetable, scale and mode of operation involved.

### **Prevention of Breast Cancer and Cervical Cancer**

14. **DR ELIZABETH QUAT** (in Chinese): *President, statistics of the World Health Organization show that, in 2010, 54.8 women in every 100 000 women in Hong Kong had breast cancer. Compared with the world average ratio (39 women had breast cancer in every 100 000), Hong Kong is a place with an above average incidence rate. According to the statistics of the Hospital Authority (HA), breast cancer tops the list of the "Top Ten Cancers" for women in Hong Kong. In 2010, the life-time risk of Hong Kong women having breast cancer was one in 19. Also, eight women were diagnosed with breast cancer and at least one died of breast cancer every day on average. The Hong Kong Breast Cancer Foundation has pointed out that information of the International Cancer Screening Network shows that population-based breast cancer screening can reduce the mortality rates of various countries/regions by 20% to 38% and, at present, more than 34 countries and regions around the world (including Mainland China and Taiwan) have implemented population-based breast cancer screening. As Hong Kong has not implemented such screening, less than 5% of the 1.5 million women aged 40 to 69 have undergone the screening. On the other hand, statistics of the HA indicate that, in 2010, the life-time risk of women*

*having cervical cancer was one in 145, and one in every 445 women died of cervical cancer. In this connection, will the Government inform this Council:*

- (a) of the respective numbers of newly confirmed cases and deaths of breast cancer and cervical cancer in Hong Kong in each of the past five years;*
- (b) of the respective total expenditure on prevention and treatment for breast cancer and cervical cancer by public healthcare institutions in each of the past five years, and set out in a table the details of the amounts of expenditure on health education, medical examination and assessment, specialist treatment, operations and in-patient services, and follow-up rehabilitation, and so on; the total and a breakdown of the projected expenditure in each of the next five years;*
- (c) whether public healthcare institutions have provided subsidized breast cancer screening for women with family history of the cancer; if so, of the number of women screened, the expenditure incurred, and the breast cancer detection rate in each of the past five years; of the number of women to be screened and the projected expenditure in each of the next five years;*
- (d) whether it knows the number of women screened for breast cancer on their own expenses in private healthcare institutions, the fees involved and the breast cancer detection rate in each of the past five years;*
- (e) whether it has assessed the expenditure to be incurred each year for implementing a free breast cancer screening programme for women aged 40 to 69; if it has, of the details; if not, the reasons for that;*
- (f) of the number of women of the relevant age cohort who received screening for cervical cancer provided by public healthcare institutions, the expenditure incurred, and the cervical cancer detection rate in each of the past five years; the number of women to be screened and the projected expenditure in each of the next five years;*

- (g) *whether it knows the number of women who received cervical cancer screening and cervical cancer vaccinations on their own expenses in private healthcare institutions and the fees involved in each of the past five years;*
- (h) *whether it has assessed the respective expenditure to be incurred each year for implementing a free cervical cancer screening programme and a free cervical cancer vaccination programme for all women; if it has, of the details; if not, the reasons for that; and*
- (i) *of the respective numbers of women who received screenings for breast cancer and cervical cancer provided by each of the Woman Health Centres (WHCs) and Maternal and Child Health Centres (MCHCs) under the Department of Health (DH) in each of the past five years; whether there were differences in the numbers of women screened among various WHCs and MCHCs; if so, of the reasons for that; of the respective estimated numbers of women using such services in each of the next five years; whether there are measures to enable more women to know about such services; if so, of the details; if not, the reasons for that?*

**SECRETARY FOR FOOD AND HEALTH** (in Chinese): President, cancer is a major public health issue in Hong Kong. Its prevention, control and screening policies must be grounded on fact, scientific evidence and public interest. In examining whether to introduce a population-based screening programme or vaccination programme for a specific disease, the Government needs to carefully consider a number of factors, such as the prevalence of the disease in Hong Kong, the accuracy and the safety of the tests for the local population, as well as the effectiveness in reducing incidence and mortality rates of the disease. The Government also needs to give due consideration to the actual circumstances, such as the feasibility and cost-effectiveness of the screening programme and public acceptance.

The Government has established the Cancer Coordinating Committee, which I chair, to formulate comprehensive strategies and make recommendations for effective prevention and control of cancer. The Cancer Expert Working Group on Cancer Prevention and Screening (CEWG) was set up under the

Committee to provide recommendations on preventive measures and screening of cancers.

At present, cervical cancer screening is the only population-based cancer screening in Hong Kong which bears sufficient evidence on its effectiveness. Taking into account the recommendations of CEWG, the DH has been running a territory-wide Cervical Screening Programme in collaboration with public and private healthcare providers since March 2004, to encourage women aged 25 to 64 who have ever had sexual experience to have regular cervical smears to prevent cervical cancer. The Cervical Screening Programme also includes public education and the establishment of the Cervical Screening Information System which stores smear records and reminds women to have regular cervical smears.

The human papillomavirus (HPV) vaccine offers protection against cervical cancer, but cannot effectively protect against infections of some types of high risk HPV which are not included in the vaccine. It also cannot clear the virus in those who are already infected. For this reason, women who have received the vaccination must continue to have regular cervical smears. According to the latest recommendations issued by the Scientific Committee on Vaccine Preventable Diseases and the Scientific Committee on AIDS and Sexually Transmitted Infections under the Centre for Health Protection of the DH, Hong Kong should consider the local context and the development of scientific evidence, as well as conduct health economic evaluation of any vaccination programme. The Scientific Committees also recommended that we should strengthen the implementation of the Cervical Screening Programme in Hong Kong, raise public awareness and enhance the public's understanding of the HPV vaccine through health education and publicity. The Scientific Committees will continue to keep in view the latest developments on this subject.

Population-based breast cancer screening by mammography is a subject of controversy. In some Western countries where the incidence rate of breast cancer is relatively high, population-based mammography screening programmes have been implemented since the 1980s. However, studies have found that screening programmes were only followed by a slight drop or even no reduction in the mortality rate of breast cancer. Some studies also revealed that screening programmes have caused harm such as over-diagnosis. As a result, some Western countries are beginning to adjust their breast cancer screening policies.



Separately, while some Chinese or Asian communities have implemented population-based breast cancer screening programmes, there is no published data that reflects the effectiveness or cost-effectiveness of the programmes. There are also no studies indicating that the programmes can effectively reduce the mortality rate of breast cancer. Internationally, an independent study report in 2011 concluded that it was unclear whether mammography screening does more good than harm. Hong Kong should take reference from these experiences. CEWG considers that individual women at increased risk of breast cancer (for example, those with a family or personal history of the disease) should seek medical advice about whether they should receive breast cancer screening, but considers it unclear as to whether population-based mammography screening does more good than harm to asymptomatic women. The Government will continue to promote healthy lifestyles as the main prevention strategy, encourage breastfeeding and promote breast awareness among women, so that medical attention could be sought early if any abnormalities of the breast are identified. CEWG will continue to keep in view the latest developments on this subject.

As a matter of fact, the risk factors associated with many cancers are closely related to lifestyles. CEWG has pointed out that cancers, including breast cancer, can be effectively prevented through the adoption of healthy lifestyles, such as avoiding smoking and alcohol consumption, having regular exercise, and eating less meat and more vegetables. In this connection, the DH actively promotes healthy diets, encourages regular exercise, implements effective tobacco control measures and educates the public on alcohol-related harm, in order to prevent cancer.

Against the above background, my reply to the nine parts of the questions is as follows:

- (a) The Hong Kong Cancer Registry of the HA collects cancer data of the overall population in Hong Kong. The incidence and mortality of breast and cervical cancer in the female population are at Annex A.
- (b) The expenditure for prevention and treatment of respective cancers cannot be broken down as required by the question. The DH's spending on public health education is not classified by types of cancer. In providing treatment and care services for cancer

patients, the HA adopts a multidisciplinary approach across a number of clinical specialties. Doctors will arrange different forms of examination, pharmaceutical treatment and other adjuvant treatments in light of the patients' needs, their clinical conditions and the complexity of their diseases. Moreover, cancer patients often require integrated medical services, including general out-patient clinic and specialist out-patient clinic services, acute care, extended care and hospice care, and so on. Some cancer patients also need treatments for other diseases such as diabetes and hypertension.

- (c) There are three WHCs and 10 MCHCs under the DH providing Woman Health Service to women aged 64 or below. The service includes clinical breast examination for all participants. Women at increased risk of breast cancer will receive mammography screening after medical assessment. If abnormalities are found, they will be referred to specialists for follow-up management.

Enrolment figures for the Woman Health Service under the DH, the number of women receiving mammography screening and the number of cases referred to specialists due to breast problems are at Annex B. The DH does not keep data on the breakdown in expenditure on mammography screening or breast cancer detection rate.

- (d) The DH does not collect data on mammography screening performed in private institutions.
- (e) Given the lack of public health evidence at present, the Government has no plan to introduce a free population-based mammography screening programme, hence it has not assessed the annual expenditure for the implementation of such programme. We will continue to keep in view of the research findings by the medical sector.
- (f) The attendance of cervical screening service at MCHCs under the DH and cases referred to specialists are at Annex C. The expenditure of the Cervical Screening Programme is at Annex D. These figures are expected to remain stable over the next five years.

- (g) The DH monitors the coverage of cervical screening among Hong Kong women through the Behavioural Risk Factor Surveillance System. According to the Behavioural Risk Factor Survey conducted in April 2012, 69.2% of women from the age group of 25-64 have ever received cervical smears. The DH does not collect data on the fees for this service provided in private institutions. The DH also does not collect data on the number of people receiving cervical cancer vaccines in private institutions or the fees involved.
- (h) Under the territory-wide Cervical Screening Programme implemented by the Government, women who wish to receive cervical smears can select their preferred service providers. As far as the DH is concerned, all 31 MCHCs provide cervical screening services. Fees will be waived for Comprehensive Social Security Allowance recipients. Moreover, a variety of woman health services are also made available by local non-government organizations (NGOs), including non-profit-making cervical screening services at a lower price. These established arrangements have been effective and hence the Government has not assessed the expenditure required for a free cervical screening programme.

Separately, as there is no health economic evaluation supporting a population-based HPV vaccination programme in Hong Kong, the Government has no plan to implement a population-based HPV vaccination programme, and hence it has not assessed the annual expenditure required for such a programme. We will continue to closely keep in view of the development of scientific evidence.

- (i) As stated in part (c), the Woman Health Service of the DH provides clinical breast examination to all participating women. The numbers of women who have enrolled for the Service, received mammography screening and cases referred to specialists due to breast problems are at Annex B. Compared with MCHCs, there are more women using the Woman Health Service at WHCs. This is because WHCs provide the Woman Health Service on a full time basis, while MCHCs also provide other services including antenatal and postnatal care, family planning, cervical screening and child health services.

Cervical screening services are provided by the DH at MCHCs. The attendance for the service is at Annex C.

At present, a number of NGOs, private hospitals and doctors already provide a wide array of health programmes for women, including breast examinations and cervical screening services. The DH has also been providing women with accurate information on women's health as well as relevant community resources through different channels in an effort to empower women to make choices that are conducive to their health and seek appropriate healthcare services where necessary. The DH will also make reference to the primary care development strategy in planning the long term development of various healthcare services. The Government will continue to collaborate with other service providers, including private doctors and NGOs, so as to enhance the primary care services.

#### Annex A

The number of cases of breast cancer and cervical cancer  
in female population of Hong Kong  
(Source: Hong Kong Cancer Registry)

<i>Year</i> <sup>Note</sup>	<i>Incidence of breast cancer</i>	<i>Number of deaths of breast cancer</i>	<i>Incidence of cervical cancer</i>	<i>Number of deaths of cervical cancer</i>
2006	2 584	463	459	133
2007	2 701	526	399	129
2008	2 616	508	358	120
2009	2 945	555	453	128
2010	3 014	561	400	146

Note:

As the data needs to be screened, traced, verified and categorized in accordance with the normal procedures of the International Agency for Research on Cancer, the latest data provided are figures as at 2010.

## Annex B

Number of enrolment for Woman Health Service of the DH  
(Source: The DH)

	2008	2009	2010	2011	2012
Chai Wan WHC	4 800	4 800	4 680	4 560	4 740
Ap Lei Chau MCHC	250	220	230	210	220
Sai Ying Pun MCHC	70	80	80	50	60
Lam Tin Woman Health Centre	6 000	5 560	5 540	5 720	5 670
Wang Tau Hom MCHC	200	200	190	180	150
West Kowloon MCHC	220	200	270	240	300
Lek Yuen MCHC	850	1 140	1 300	1 530	1 320
Ma On Shan MCHC	440	420	390	410	420
Fanling MCHC	400	430	430	450	690
Tseung Kwan O Po Ning Road MCHC	200	230	230	240	270
Tuen Mun WHC	4 600	5 690	5 270	5 500	5 010
South Kwai Chung MCHC	190	170	230	240	210
Tsing Yi MCHC	180	160	160	170	140
Total	18 400	19 300	19 000	19 500	19 200
Number of women who have received mammography screening	8 915	8 795	10 752	10 632	11,651
Number of cases referred to specialists due to breast problems <sup>Note</sup>	988	1 195	935	1 065	1 507

Notes:

This includes the number of women with abnormalities identified through clinical breast examination or mammography screening.

DH — Department of Health

MCHC — Maternal and Child Health Centre

WHC — Woman Health Centre

## Annex C

Attendance for cervical screening service at MCHCs under the DH  
and the number of women referred to specialists  
(Source: The DH)

	2008	2009	2010	2011	2012
Anne Black MCHC	1 510	1 420	1 150	1 110	1 190
Ap Lei Chau MCHC	2 100	2 000	2 100	1 800	1 410

	2008	2009	2010	2011	2012
Chai Wan MCHC	2 310	2 570	2 600	2 370	2 420
Cheung Chau MCHC	290	270	210	190	240
Mui Wo MCHC	100	100	110	80	90
Sai Wan Ho MCHC	2 880	3 210	3 350	3 220	3 240
Sai Ying Pun MCHC	1 900	2 000	1 700	1 600	1 640
Tang Chi Ngong MCHC	1 500	1 500	1 300	1 200	1 320
East Kowloon MCHC	1 120	1 150	1 100	1 110	1 210
Hung Hom MCHC	1 800	1 900	1 800	1 700	2 010
Lam Tin MCHC	2 970	2 900	3 050	3 250	3 490
Ngau Tau Kok MCHC	4 330	4 400	4 450	4 750	5 480
Robert Black MCHC	1 540	1 760	1 670	1 600	1 700
Wang Tau Hom MCHC	830	920	700	710	790
West Kowloon MCHC	6 200	6 000	6 200	6 000	5 500
Wu York Yu MCHC	2 010	1 770	1 930	1 780	2 010
Yaumatei MCHC	4 300	4 100	3 900	3 300	2 870
Fanling MCHC	5 800	5 400	5 500	5 400	6 060
Lek Yuen MCHC	8 620	8 000	8 100	7 900	8 650
Ma On Shan MCHC	2 680	2 500	2 500	2 700	2 620
Tseung Kwan O Po Ning Road MCHC	4 500	4 400	4 400	4 200	3 900
Wong Siu Ching MCHC	5 100	4 800	5 000	4 700	4 920
Madam Yung Fung Shee MCHC	6 080	5 500	5 350	5 000	5 210
Maurine Grantham MCHC	7 700	7 400	7 400	7 000	6 980
North Kwai Chung MCHC	2 420	2 540	2 600	2 440	2 520
South Kwai Chung MCHC	2 020	2 020	1 800	1 640	1 760
Tin Shui Wai MCHC	5 520	5 200	6 050	5 800	5 980
Tsing Yi MCHC	3 260	3 140	2 800	2 820	2 900
Tuen Mun Wu Hong MCHC	3 510	2 940	3 000	3 000	3 070
Tung Chung MCHC	2 010	2 030	1 980	1 730	1 860
Yan Oi MCHC	5 090	5 160	5 200	4 900	4 960
Total	102 000	99 000	99 000	95 000	98 000
Number of women referred to specialists	4 305	5 464	5 000	4 704	5 167

Notes:

DH — Department of Health

MCHC — Maternal and Child Health Centre

## Annex D

Expenditure of the Cervical Screening Programme  
(Source: The DH)

<i>Year</i>	<i>Expenditure</i>
2008-2009	\$14,200,000
2009-2010	\$13,300,000
2010-2011	\$12,100,000
2011-2012	\$12,800,000
2012-2013	\$13,100,000

**Policies and Measures to Ensure Impartiality of ICAC in Handling Complaints About Corruption**

15. **MR PAUL TSE** (in Chinese): *President, it has been reported that a retired public officer is suspected of having taken advantage of his positions for personal gains and committed misconduct during his tenure as the Commissioner of the Independent Commission Against Corruption (ICAC) and during his even earlier tenure as the Commissioner of Customs and Excise (CCE). In this connection, will the Government inform this Council:*

- (a) *of ICAC's policies and measures currently in place which are sufficient to convince the public that the ICAC will, upon receipt of any complaint about that former ICAC Commissioner, conduct an investigation in a just and impartial manner;*
- (b) *whether the authorities have reviewed if the existing appointment mechanism for the ICAC Commissioner (that is, the Commissioner shall be appointed by the Central People's Government on nomination and report by the Chief Executive under the Basic Law and the mechanism of the ICAC Commissioner being directly accountable to Chief Executive are proper and have sufficient credibility; if they have, of the progress and results; if not, the reasons for that and whether they will conduct such a review immediately;*

- (c) *of the policies and measures for tracing whether that former ICAC Commissioner, upon receipt of the complaint(s) about the suspected corruption of and dereliction of duty by the former Chief Executive (who had nominated him as the Commissioner), had stalled or impartially handled the case; and*
- (d) *of the circumstances under which the authorities may impose deduction from or even suspension of pension payments as a punishment for a retired civil servant who has been proved to have committed misconduct and dereliction of duty during his tenure as the ICAC Commissioner and/or Customs?*

**CHIEF SECRETARY FOR ADMINISTRATION** (in Chinese): President, probity is the core value of Hong Kong, a recognized clean society for many years. For 39 years, the ICAC has established its reputation locally and globally for its devotion to combating corruption and upholding Hong Kong's core value of fairness and probity. The work of ICAC is recognized by the public and there has also been very high public expectation of the personal integrity of the ICAC personnel, in particular the senior management. Recent media reports on the handling of official entertainment, gifts and duty visits by the former Commissioner of ICAC have given rise to wide community concerns. The Government attaches high importance to this incident and would handle it seriously in order to maintain public confidence in the ICAC.

To this end, the Chief Executive has announced last Thursday (2 May) the establishment of a four-member Independent Review Committee (IRC), with the Chairmen of three advisory committees, *viz.* the Advisory Committee on Corruption, the Corruption Prevention Advisory Committee and the Citizens Advisory Committee on Community Relations that oversee the work of ICAC, as well as the Chairman of ICAC Complaints Committee as members. The IRC will review the ICAC's regulatory systems and procedures for handling expenses on official entertainment, gifts and duty visits, including arrangements for application, reimbursement and approval; review the compliance of ICAC staff of all ranks during the term of the former Commissioner of ICAC with the regulatory systems and procedures; and make recommendations on any measure conducive to improving the above systems and procedures. The IRC will submit its report to Chief Executive within four months. The report of the IRC



will be released to the public, except any part which may need to be dealt with separately for legal reasons.

The Administration's reply to various parts of the question is as follows:

- (a) The ICAC has all along followed up each corruption allegation according to law. For investigations into the corruption allegations against the ICAC officers, the ICAC would seek legal advice from the Secretary for Justice in accordance with the established procedures before and after the investigations. The investigation progress and findings of all corruption complaints are reported to the Operations Review Committee which oversees the ICAC investigations. In addition, in accordance with the ICAC's internal mechanism on the declaration of conflict of interest, an ICAC officer is required to declare if there is any conflict of interest arising from the case being investigated by him/her or any person involved in the case. To ensure impartiality of the investigations, where necessary, the officer should avoid handling or having access to the case concerned after making the declaration. The ICAC would not comment on individual corruption reports or cases.
- (b) The ICAC is devoted to maintaining social justice and combating corruption. Pursuant to Article 57 of the Basic Law, a Commission Against Corruption shall be established in the Hong Kong Special Administrative Region. It shall function independently and be accountable to Chief Executive. In addition, it is stipulated in the Independent Commission Against Corruption Ordinance (Cap. 204) (ICACO) that the Commissioner of ICAC shall not be subject to the direction or control of any person other than Chief Executive. Both the Basic Law and ICACO provide for the independence of the Commissioner of ICAC so that the Commissioner can combat corruption in an impartial and all-rounded way and report to Chief Executive in respect of the functions and management issues of ICAC.

While the ICAC and the Commissioner of ICAC are administratively independent from the government organization and civil service

establishment, the ICAC, by virtue of ICACO, is subject to Government regulations and guidelines in its discharge of administrative matters, unless Chief Executive's prior approval is obtained for modifying the application of such by standing orders. In addition, the ICAC is subject to the monitoring of the five committees formed by Members of the Executive Council, Members of the Legislative Council, dignitaries of the community and professionals. Among these Committees, the Advisory Committee on Corruption oversees the management, administration, staff discipline and overall operation of ICAC, while the Operations Review Committee monitors the progress and results of all cases for investigation (including those which involve the ICAC officers). On another front, the ICAC Complaints Committee handles non-criminal complaints against the Commission and its staff members. At the same time, the Executive Council, the Legislative Council, the Audit Commission, the media and the general public have never been lax in monitoring the work of ICAC.

- (c) The ICAC would not comment on individual cases. Over the years, the ICAC has acted according to the mechanism and procedures mentioned in part (a) to ensure that all investigations are dealt with impartially, and is subject to monitoring mentioned in part (b). These mechanism and procedures are considered effective in safeguarding the ICAC's credibility.
- (d) The Administration may cancel, suspend or reduce the pension granted to a retired civil servant if he/she is convicted of one of the following criminal offences in connection with his/her previous public service under the Government as stipulated in the Pensions Ordinance (Cap. 89) or Pension Benefits Ordinance (Cap. 99):
  - (i) any offence which is certified by Chief Executive to have been gravely injurious to Hong Kong or to be liable to lead to serious loss of confidence in the public service; or
  - (ii) any offence under Part II of the Prevention of Bribery Ordinance (Cap. 201).

In addition, the pension of a retired civil servant may be cancelled, suspended or reduced if he/she is convicted of treason under section 2 of the Crimes Ordinance (Cap. 200).

### **Situation of Indiscriminate Sounding of Horns by Drivers**

16. **MRS REGINA IP** (in Chinese): *President, under regulation 43 of the Road Traffic (Traffic Control) Regulations (Cap. 374 sub. leg. G), "[n]o person shall use any audible warning device on a vehicle on a road except to warn any person on or near a road of danger." Moreover, the Commissioner for Transport may, in accordance with regulation 3 of the Regulations, erect on a road a traffic sign to prohibit a driver from sounding a horn within a restricted zone. However, I have received a complaint from a member of the public alleging that the situation of abusive use of audible warning device (that is, indiscriminate sounding of horns) by drivers has been getting increasingly worse. The member of the public requested the police to provide the figures on the relevant prosecutions and complaints, but the police advised that such information was classified as personal data under the Personal Data (Privacy) Ordinance (Cap. 486) (PD(P)O), and therefore the public had to apply for access to such information in accordance with the Code on Access to Information (the Code), with the possibility that such applications might be ultimately rejected after undergoing a complicated vetting and approval process. In this connection, will the Government inform this Council:*

- (a) *of the number of prosecutions instituted for indiscriminate sounding of horns, and the respective numbers of relevant complaints received by the police and the Transport Department (TD), in the past five years;*
- (b) *how the authorities have followed up the aforesaid complaints; whether they have examined if the penalties need to be raised; if they have, of the results; and how the authorities ensure effective law enforcement;*
- (c) *of the current number of restricted zones prohibiting the sounding of vehicle horns in Hong Kong, and the criteria for designating such*

*zones; whether the authorities will, upon request by members of the public and after conducting on-site assessments, designate the black spots of indiscriminate sounding of horns as such restricted zones; if they will not, of the reasons for that;*

- (d) of the reasons for the police classifying the figures on the prosecutions and complaints against indiscriminate sounding of horns as personal data under PD(P)O and the detailed criteria for so doing; and what other figures pertaining to prosecutions and complaints are classified as personal data; and*
- (e) how long it normally takes a member of the public to have access to the figures on the prosecutions and complaints against indiscriminate sounding of horns requested under the Code; of the respective numbers of such applications received and rejected by the police in the past five years, as well as the reasons for rejecting those applications and the types of information requested?*

**SECRETARY FOR TRANSPORT AND HOUSING** (in Chinese): President, my reply to Mrs Regina IP's question is as follows:

- (a) and (b)

Upon receiving complaints of "sounding audible warning device unnecessarily", the TD will refer them to the police for follow-up actions. The traffic condition of the location concerned and the driver's reason for sounding the horn will be identified for subsequent assessment and consideration of traffic management improvement measure, if necessary.

Upon receiving complaints of "sounding audible warning device unnecessarily" from the public, the police will deploy patrolling officers in the relevant district to carry out on-site investigation. The police will take enforcement action if contravention is confirmed. During their daily patrol duties, police officers will also institute prosecutions against offenders of the related offence.

The numbers of prosecutions and complaints regarding "sounding audible warning device unnecessarily" in recent years are tabulated at Annex. The numbers have remained relatively stable.

"Sounding audible warning device unnecessarily" is a fixed penalty offence subject to a fine of HK\$320. The Administration have no plan for the time being to raise the penalty of the offence. Nevertheless, the Administration will consider strengthening the publicity and education on the legislation concerned so as to remind drivers of the proper use of audible warning devices.

- (c) There are currently 14 silent zones in Hong Kong. Since it has already been stipulated in the existing legislation that no person shall use any audible warning device on a vehicle on a road except to warn any person on or near a road of danger, the TD will only designate nearby areas of noise-sensitive buildings, such as hospitals with in-patients, as silent zones.
- (d) The numbers of prosecutions and complaints regarding "sounding audible warning device unnecessarily" are not subject to the protection of the PD(P)O. Members of the public may seek such data from the police according to the Code.
- (e) Data access applications to the police made under the Code normally take 10 days to process. According to the information maintained by the Traffic Branch Headquarters of the police, no such applications have been received in the past five years.

Annex

Numbers of complaints\* regarding  
"sounding audible warning device unnecessarily"

	2008	2009	2010	2011	2012
Number of complaints	1	2	0	3	2

Numbers of prosecutions\* regarding  
"sounding audible warning device unnecessarily"

	2008	2009	2010	2011	2012
Number of prosecutions	39	42	39	31	40

Note:

\* The numbers of complaints are provided by the TD. The police does not keep records on such complaints. The figures on prosecutions above are mainly the numbers of prosecutions made against offenders during beat patrol duties of police officers.

### **Impact of Labour Dispute at Hongkong International Terminals**

17. **DR LAM TAI-FAI** (in Chinese): *President, the labour dispute at the Hongkong International Terminals (HIT) (the dispute) has been going on for several weeks. There are comments that all parties concerned, including the workers, employers and even the freight industry of Hong Kong as a whole, have become losers in the incident, and the occurrence of the dispute will only further weaken the capability of the freight industry of Hong Kong to withstand keen competition from the Mainland and other international terminals. Although the Government has been continuously urging all parties to exercise restraint, keep calm and resume negotiations, such efforts are of little avail so far. In this connection, will the Government inform this Council:*

- (a) *whether the authorities have assessed the impacts caused by the dispute in terms of the following:*
  - (i) *the aggregate amount of wages lost by the workers on strike;*
  - (ii) *monetary losses suffered by various contractors;*
  - (iii) *specific impacts on the operation of the HIT, including the average number of days delayed for goods delivery;*
  - (iv) *monetary losses suffered by the HIT; and*

(v) *financial losses of the import, export and re-export sectors in Hong Kong;*

*if they have, of the details; if not, the reasons for that;*

(b) *as there are comments that the dispute has escalated from an incident of labour dispute to social conflict, of the measures put in place by the authorities to effectively prevent similar disputes from recurring and the situation from deteriorating in future;*

(c) *when the Labour Department (LD) commenced its mediation work; of the number and ranks of the officers deployed by the Department to engage in the mediation work, and how they differ from those for handling other labour disputes in the past; of the process of negotiations and specific difficulties therein; whether it has investigated if there was any dereliction of duty on the part of government officers in the incident;*

(d) *whether it has assessed the impact of foreign unions' intervention in the dispute on the development of labour movement in Hong Kong and the Government's mediation effort; if it has, of the details; if not, the reasons for that;*

(e) *as Global Stevedoring Service, one of the contractors, has recently closed down its business, whether the LD has received any request of assistance from the affected terminal workers; if it has, of the details; whether it has proactively contacted other contractors to assist the unemployed workers to return to work;*

(f) *whether it has assessed the threat of the rapid development of the terminals on the Mainland in recent years to the terminals in Hong Kong and its impact on the development prospect of the freight industry in Hong Kong (with illustration of the trend of the turnover volume of the containers handled by the terminals in Hong Kong in the past five years), and if the freight industry in Hong Kong can withstand the impact of the persisted dispute; if it has, of the details; if not, the reasons for that; and*

- (g) *whether it has assessed if, under the trend of mechanization and automation in terminal operation, the terminal workers of some job types will face unemployment, which will result in labour disputes emerging one after another; if it has, of the details; if not, the reasons for that; of the reserved manpower for the terminals in Hong Kong at present and in future respectively?*

**SECRETARY FOR LABOUR AND WELFARE** (in Chinese): President, my reply to the question raised by Dr LAM Tai-fai is as follows:

- (a) (i) In the course of the industrial action a number of contractors of the HIT were involved and the number of workers on strike fluctuated. Coupled with the subsequent cessation of business of one of the contractors, we are not able to obtain precise information on the workers on strike. Based on a rough estimate, as at 6 May 2013 the aggregate amount of wages lost by the workers on strike was more than \$10 million.

(ii) to (v)

According to the data announced by the Port Development Council on 15 April this year, the preliminary statistics of the total throughput of Kwai Tsing Container Terminals in March 2013 was 1.42 million Twenty-foot Equivalent Units (TEUs), 5.9% lower than that of the same period last year. However, as the strike just started towards the end of March, its impact on the overall throughput of the Hong Kong Port (HKP) was not significant. The statistics for April will be announced in mid-May. As relevant information is not available to the Government, it is difficult to assess the losses incurred by the companies concerned. The impact on other industries in Hong Kong remains to be seen.

- (b) The LD will, as has always been the case, take all necessary measures in a proactive and pragmatic manner to closely monitor the



labour relations situation of different industries by gathering information through its contacts with employers and trade unions. Through providing advice to both employers and employees from time to time and rendering our conciliation service where necessary, we endeavour to help resolve their differences. In parallel, through various publicity and promotional activities, we encourage employers to adopt good people management practices with a view to building harmonious employer-employee relationships. Indeed, the labour relations scene in Hong Kong was generally fine over the past few years and large-scale industrial actions were not common.

- (c) The Government attached great importance to the industrial action at the HIT. Right from the start of the industrial action, a dedicated team of officers from the Labour and Welfare Bureau and the LD had been making all-out efforts to foster dialogue between the relevant parties. The team comprised the Secretary for Labour and Welfare and staff of his office, the Permanent Secretary for Labour and Welfare, the Commissioner for Labour, relevant directorate officers and experienced conciliation officers of the Labour Relations Division of the LD, totalling more than 10 officers plus other front-line supporting staff. They worked as a team to follow up and monitor the labour dispute closely and proactively.

This industrial action was rather complicated. The diversity of issues and number of parties involved as well as the various pre-conditions for attending conciliation meetings set by the parties concerned made it difficult in arranging and conducting conciliation meetings. The sudden cessation of one of the contractors concerned compounded the uncertainties and difficulties of the conciliation process. Despite these, with the strenuous and unceasing efforts of the Labour and Welfare Bureau and LD, five rounds of conciliation meetings for employers and employees were held. At the request of the Secretary for Labour and Welfare, the contractors concerned provided a written reassurance to the LD to confirm their final pay rise package on 6 May 2013. The workers on strike announced on the same day their acceptance of the package and called off the industrial action.

- (d) In handling any labour disputes, the prime task of the LD is to assist and facilitate all the relevant parties, employers, employees and trade unions to engage in direct dialogue and to help all parties explore viable options. In this particular strike, all the trade unions participating in conciliation meetings are registered trade unions in Hong Kong.
- (e) The Labour Relations Division of the LD has set up an enquiry hotline for workers affected by the cessation of business of the Global Stevedoring Service Company Limited (Global) to enquire on their employment rights and benefits under the law. As at 6 May 2013, the LD received 28 enquiries from these workers.

The HIT had indicated that the work previously undertaken by Global would be distributed to other contractors. The company also announced on 6 May 2013 that it had actively liaised with other contractors and encouraged them to hire Global's former crane operators who had not yet been employed to facilitate their return to the industry. We understand that some of the contractors have placed recruitment advertisements in the press and made phone calls to some former employees of Global to offer them employment.

- (f) The Government is conducting the Study on the Strategic Development Plan for Hong Kong Port 2030. It will take into consideration changes in the international economic environment, the port development in the neighbouring areas and the competitive edge of the HKP so as to update the port cargo forecasts, recommend how to make more efficient use of the existing port facilities, and review the future development plan for the HKP. The study is expected to be completed in the next few months.

The container throughput of the HKP in the past five years is set out below:

	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>
Throughput (million TEUs)	24.5	21.0	23.7	24.4	23.1

In the short term, as the overall capacity of the container terminals in Hong Kong cannot be fully utilized owing to the strike, freight has been delayed, and some cargo have been diverted to other ports in the region. In overall terms, the competitiveness of container terminals in Hong Kong is attributed to our free port status, efficient customs, reliability of port services and a multimodal transport network connecting Hong Kong with the Mainland and the rest of world. However, if the strike were to continue, the competitiveness of the HKP would definitely be undermined in the long run as the trade might make other freight arrangements in terms of port calls in response to the situation.

- (g) The container terminals in Hong Kong are operated by private enterprises and their mode of operation involves commercial decisions. A major contributor to the economic growth of Hong Kong is the ever increasing labour productivity across trades and industries, which is reflected by the rising average output of the labour force of Hong Kong. At present, the overall employment situation in Hong Kong remained favourable, with a relatively low unemployment rate of 3.5% (from January to March this year).

According to the statistics of the Census and Statistics Department, the employment size of container terminals, mid-stream operation and container backup activities varies slightly every year. The figure for 2009 was 8 428 persons. It rose slightly to 8 452 persons in 2010 and dropped to 7 674 persons in 2011. The statistics for 2012 are still being processed and will be available later this year.

### **New MTR Fares and Concessions**

18. **MR TANG KA-PIU** (in Chinese): *President, the Government announced earlier that the review on MTR's Fare Adjustment Mechanism (FAM) jointly conducted by the Government and the MTR Corporation Limited (MTRCL) had been completed, and the new mechanism and the new fares would take effect in June this year. The MTRCL will also launch new concessionary schemes,*

*including the "MTR City Saver" ticket (City Saver ticket) scheme and the "Monthly Pass Extra" scheme, and so on. In this connection, will the Government inform this Council if it knows:*

- (a) the new fares for the following five types of MTR journeys, and how the fare paid by a passenger who commutes 44 times each month on the same journey using an Octopus card compares with the fare paid by him using an adult Single Journey ticket;*
  - (i) from MTR Tung Chung Station to other MTR stations;*
  - (ii) from MTR Sheung Shui Station to other MTR stations;*
  - (iii) from MTR Wu Kai Sha Station to other MTR stations;*
  - (iv) from MTR Tuen Mun Station to other MTR stations; and*
  - (v) from MTR Tin Shui Wai Station to other MTR stations;*
- (b) given that after the MTR fare increases in 2010, there were situations in which the Octopus fares for 100 fare combinations were higher than their corresponding Single Journey fares, and such situations continued in 2012, whether such situations will continue after the implementation of the new fares in June this year; if so, of the reasons for that, as well as the fare combinations for which such situations will occur, and whether the authorities will instruct the MTRCL to make improvement;*
- (c) given that holders of City Saver tickets, set at a price of \$400 each, are entitled to 40 rides within 30 days (that is, the average fare per ride needs to exceed \$10 for the ticket holder to really enjoy a concession), but there is no limit on the number of rides for other monthly passes, of the justifications for the MTRCL capping the number of rides for City Saver tickets; and of the number of fare combinations with fares exceeding \$10 after the implementation of the new fares (set out the details in a table);*

- (d) *given the cap on the number of rides for City Saver tickets, whether passengers using City Saver tickets need to buy another Octopus card to pay for the fares of shorter journeys in order to benefit from City Saver tickets; if they need to, of the number of additional Octopus cards expected to be issued by the MTRCL as a result;*
- (e) *given that the Government has indicated that City Saver tickets will also cover all the stations of the additional railway lines (including South Island Line (East) and West Island Line) to be constructed in the urban area, of the details of the relevant fares;*
- (f) *given that quite a number of members of the public who have to work across districts have relayed to me that it is difficult for them to benefit from the City Saver ticket scheme and the "Monthly Pass Extra" scheme (for example, passengers who take MTR from Ma On Shan to Hong Kong Island must buy several monthly passes in order to enjoy price concessions, and passengers who travel between Tseung Kwan O and Sha Tin also cannot benefit from City Saver tickets), of the remedial measures taken by the MTRCL, and whether it will consider introducing territory-wide monthly passes; if it will, of the details; if not, how it will enable members of the public who have to work across districts to enjoy price concessions; and*
- (g) *given that the MTRCL indicated last year that it would give back to MTR passengers within one year the additional income of \$670 million generated by fare increases, of the actual amount that the MTRCL has hitherto given back to its passengers through various concessionary schemes, and the number of passengers benefited so far?*

**SECRETARY FOR TRANSPORT AND HOUSING** (in Chinese): President, the Government and the MTRCL jointly conducted the review on the FAM in accordance with the Operating Agreement (OA) signed by both parties in 2007. The outcome of the review on the FAM was announced on 16 April 2013 and the new FAM will take effect from June this year.

The Government submitted a Legislative Council Brief to the Legislative Council when the outcome of the review on the FAM was announced. The Legislative Council Brief outlines various arrangements under the new FAM. They include (1) the existing direct-drive FAM formula will be retained, with the calculation of the Productivity Factor value being subject to a new, objective and transparent methodology. With the adoption of the new methodology, the Productivity Factor value will be increased to 0.6%, as compared to the original 0.1%. The overall fare adjustment rate for 2013 will be +2.7%, lower than the original rate of +3.2%; (2) new ticket schemes, that is, MTR City Saver, Tung Chung-Nam Cheong Monthly Pass Extra and Monthly Pass Extra scheme, will be introduced to offer more significant fare concessions to medium or long-distance frequent travellers; (3) a profit sharing mechanism; (4) an affordability cap; and (5) a service performance arrangement.

My reply to Mr TANG Ka-piu's question is as follows:

- (a) Based on the overall fare adjustment rate of +2.7%, the MTRCL is now in the process of calculating adjustments to individual fares. As there are over 40 000 individual fares and there is a need to ensure that all adjustments to individual fares must equal the weighted average adjustment rate, the process of adjusting fares is complicated and the work has yet to be completed. After the completion of internal process, the MTRCL is required to provide the Government with two certificates issued by independent third party experts to certify that its fare adjustment is in compliance with the requirement under the OA before new fares are implemented. Therefore, the MTRCL is unable to provide the outcome of adjustments to individual fares for making comparisons at the moment.

In accordance with the requirement under the OA, the MTRCL will submit detailed information of the fare adjustments (including Octopus fares and Single Journey Ticket fares) to the Legislative Council Panel on Transport and the Transport Advisory Committee three weeks prior to implementation of the new fares.

- (b) In calculating individual fares, the MTRCL has all along applied the following guiding principles:
- (1) adjustments to Octopus fares are in units of 10 cents; and
  - (2) adjustments to Single Journey Ticket fares are in units of 50 cents (as MTR Ticket Issuing Machines accept coins with value of 50 cents, one dollar, two dollars, five dollars and 10 dollars).

The MTRCL advised that due to the differences in the units of adjustment to Octopus fares and Single Journey Ticket fares, the percentage increase of some Single Journey Ticket fares (most of which are Elderly or Child Concessionary Single Journey Tickets) would be quite high with a 50 cents adjustment when the above principles are applied in the calculation of individual fares. Thus, the MTRCL often decided not to adjust these Single Journey Ticket fares.

However, such arrangement has created a phenomenon that some Octopus fares are higher than the corresponding Single Journey Ticket fares. The Government has expressed its concerns over these cases to the MTRCL. In response, the MTRCL advised that it will proactively follow up. It further pointed out that if the Single Journey Ticket fares are adjusted to a level higher than the Octopus fares in one go, the increase rate may be too high and the public may not accept. The MTRCL plans to address these cases in the coming few years, with a view that Octopus fares would not be higher than the corresponding Single Journey Ticket fares eventually.

As mentioned in part (a) of the reply, the MTRCL is now in the process of calculating adjustments to individual fares and the work has yet to be completed. The MTRCL is unable to provide the outcome of adjustments to individual fares at the moment.

(c), (d) and (e)

Users of the MTR City Saver can travel 40 trips between any two stations within the designated urban area in 30 days at a price of \$400. No deposit for this ticket is required. The designated area includes all stations on Tsuen Wan Line, Island Line, Kwun Tong Line and Tseung Kwan O Line, as well as the urban stations of Tung Chung Line, East Rail Line and West Rail Line (please refer to Annex 1). The MTR City Saver will also cover stations of all future local railway lines located in the urban area, including West Island Line, South Island Line (East) and Kwun Tong Line Extension. The MTRCL has yet to set the fares of these new railway lines. The fares of new railway lines will be announced nearer the time of their openings.

The MTRCL also advised that, unlike the existing monthly passes of other railway lines, the MTR City Saver will be available for sale every day and users will not be restricted to use the ticket within a particular calendar month. A passenger can purchase another MTR City Saver immediately after he finishes the 40 trips within any 30 days.

The new MTR City Saver will adopt a new smart ticket system which is different from the existing Octopus Card. It will be used independently and not in conjunction with an Octopus Card. Currently, 95% of MTR passengers use Octopus Cards to pay their fares. As such, users of the MTR City Saver may still use their Octopus Cards to pay fares for other MTR journeys according to their travelling needs.

As regards the number of journeys with fares in excess of \$10 following the implementation of new fares, as mentioned in part (a), the MTRCL is now in the process of calculating adjustments to individual fares and the work has yet to be completed. The MTRCL is unable to provide the outcome of adjustments to individual fares at the moment.



- (f) Passengers travelling between the New Territories and urban areas can be benefited from the new Monthly Pass Extra scheme. They can enjoy unlimited rides between the designated stations on a designated railway line within a calendar month, as well as a 25% discount for any onward domestic journeys beyond with the Monthly Pass Extra.

For example, passengers travelling from Ma On Shan Station to Admiralty Station can purchase the new "Sheung Shui-East Tsim Sha Tsui Monthly Pass Extra" to enjoy unlimited rides on the East Rail Line and Ma On Shan Line in a calendar month, and enjoy a 25% discount on every onward journey to Admiralty Station. Similarly, a passenger commuting between Tseung Kwan O Station and Sha Tin Station can enjoy similar benefit vide similar means. Passengers do not need to purchase two or more monthly passes to enjoy the concessions.

Under the new FAM, apart from the Monthly Pass Extra, passengers using Octopus Cards to travel between the New Territories and urban areas can also benefit from other promotions, such as the "10% Same Day Second Trip Discount" promotion under the profit sharing mechanism and service performance arrangement. The MTRCL advised that the monthly passes of various railway lines and the new MTR City Saver have covered all domestic railway lines (except Disneyland Resort Line), and benefit medium or long-distance frequent travellers. The MTRCL has no plan to launch a monthly pass for the entire railway network.

- (g) An update on the usage of the \$670 million fare concessions offered by the MTRCL in 2012 is set out in Annex 2.

According to the MTRCL's estimation, as at 30 June 2013, there will be a carry forward of an unspent sum of around \$200 million committed from 2012 fare concessions scheme. All unspent sum will continue to be spent through offering concessions under the 10% Same Day Second Trip Discount. The promotional period is expected to be extended for around five months.



## Annex 2

An update on the fare concessions scheme offered  
by the MTRCL in 2012

<i>Fare concessions (concession period)</i>	<i>Amount of fare concessions (\$million)</i>	<i>Passenger trips benefited (million)</i>
"Ride 10 Get 1 Free" (18 June 2012 to 30 December 2012)	Around 170	Around 14 (this is the number of free tickets redeemed)
Free Child Travel on Saturdays, Sundays and Public Holidays (28 July 2012 to 30 December 2012)	Around 40	Around 10
"10% Same Day Second Trip Discount" (31 December 2012 to 30 June 2013)	Around 240 (projected as at 30 June 2013)	Around 3.2 per day
Others (including Tung Chung-Hong Kong Monthly Pass, \$20 MTR shops coupon for Monthly Pass purchaser, and other interchange concessions, and so on)	Around 20	Not applicable <sup>(1)</sup>
Total	Around 470 (projected as at 30 June 2013) <sup>(2)</sup>	

## Notes:

- (1) As fare concessions of different natures and promotional periods are included under "Others", it is difficult to compile the statistics of passenger trips benefited.
- (2) According to the MTRCL's estimation, as at 30 June 2013, there will be a carry forward of an unspent sum of around \$200 million committed from 2012 fare concessions scheme. All unspent sum will continue to be spent through offering concessions under the 10% Same Day Second Trip Discount. The promotional period is expected to be extended for around five months.

### Illegal Sale or Use of Electric Bicycles

19. **MR CHRISTOPHER CHUNG** (in Chinese): *President, it has recently been reported in the press that on the cycle tracks, pavements and roads of various districts in Hong Kong, there are people riding electric bicycles, which*

*look like normal bicycles but installed with small motors, at high speeds and carrying passengers and goods, thereby seriously endangering the safety of pedestrians and drivers. In this connection, will the Government inform this Council:*

- (a) of the respective numbers of persons who used electric bicycles and shop operators who sold electric bicycles, and were thus arrested, prosecuted and convicted in the past five years;*
- (b) of the number of reports of accidents involving electric bicycles received by the authorities in the past five years and the respective numbers of injuries and deaths in such accidents;*
- (c) whether it knows the places of origin and import channels of the electric bicycles mentioned in part (b); whether the Customs and Excise Department has taken any special measure to block their import to Hong Kong; and*
- (d) given that Taiwan, the United Kingdom and various provinces/municipalities on the Mainland permit the use of electric bicycles if certain requirements are complied with, whether the authorities have plans to legalize electric bicycles and impose regulation through a licensing system; if they have, of the details; if they do not have such plan in the short term, whether the police will step up law-enforcement actions against the illegal sale or use of electric bicycles?*

**SECRETARY FOR TRANSPORT AND HOUSING** (in Chinese): President, according to the Road Traffic Ordinance (Cap. 374) (the Ordinance), a bicycle means a vehicle with two wheels designed and constructed to be propelled by the use of pedals. Two-wheeled mechanically propelled vehicles (including bicycles equipped with electric motors) are regarded as "motor vehicles" and classified as motor cycles under the Ordinance. All motor vehicles which are to be used on roads must be registered and licensed. In order to be registered and licensed for use on roads, the motor vehicle concerned has to be examined for roadworthiness, that is, it should be suitable and safe for use on public roads. Motorcyclists must also obtain driving licences for driving motor cycles.

Regarding the various parts of Mr Christopher CHUNG's question, my reply is as follows:

(a) and (b)

The police and Transport Department (TD) have not maintained breakdown figures on illegal use/sale of electric bicycles and accidents involving such vehicles. Therefore, we cannot provide the relevant information.

- (c) Currently, there is no legislation against the import of electric bicycles into Hong Kong. The clearance formalities and requirements of such vehicles are no different from those of general imports. However, electric bicycles to be used on roads of Hong Kong have to be registered with and licensed by the TD or else their use would be illegal and offenders are subject to prosecution. We have not kept detailed information on places of origin and import channels of imported electric bicycles.
- (d) In assessing the roadworthiness of a motor vehicle, the TD will examine the vehicle in accordance with the requirements of the Road Traffic (Construction and Maintenance of Vehicles) Regulations (Cap. 374A) (the C&M Regulations), as well as consider its overall safety and performance on roads, and the impact it has on other vehicles or pedestrians.

The C&M Regulations require motor cycles, as motor vehicles for use on roads, to be properly designed and constructed, and be equipped with brakes meeting the required efficiency, accurate speedometers, safety glass, warning horns, mirrors, headlamps, front lamps, rear lamps, stop lamps, and so on.

Bicycles equipped with electric motors are not normally designed to the same safety and performance standards as conventional motor cycles. They are normally not considered roadworthy and would not be registered and licensed. They are also not suitable for use on cycle tracks with other bicycles due to their speed, weight and different method of control. Therefore, the Government currently

has no plan to allow the use of electric bicycles on roads of Hong Kong.

The Government will keep monitoring the situation of illegal use of electric bicycles, and the police will continue to combat offences of illegal sale/use of electric bicycles under their intelligence-based strategy.

### **Elderly Health Care Voucher Scheme**

20. **MR CHEUNG KWOK-CHE** (in Chinese): *President, recently, some elderly persons have relayed to me that the private clinics which they had been attending for medical consultation have withdrawn from the Elderly Health Care Voucher Scheme (the Scheme), rendering them unable to benefit from the Scheme when attending those clinics. In this connection, will the Government inform this Council:*

- (a) of the respective numbers of clinics which joined and withdrew from the Scheme each year since its implementation (broken down by type of healthcare profession);*
- (b) of the current number of private clinics in the territory which have not joined the Scheme;*
- (c) of the current average and the longest time taken for reimbursement of healthcare vouchers to the clinics participating in the Scheme;*
- (d) whether the authorities will streamline the administrative procedures that service providers have to deal with and shorten the time required for reimbursement of healthcare vouchers, so as to attract more service providers to join the Scheme; and*
- (e) given that, in reply to a question of this Council on the 2013-2014 Estimates of Expenditure, the authorities have indicated that to encourage the participation of service providers, they "have issued letters to service providers, private hospitals and medical organizations informing them of the latest increase in annual*

*voucher value as well as conducting briefings to service providers where appropriate", of (i) the number of letters issued to those service providers which have not yet joined the Scheme, as well as (ii) the number of briefings conducted last year and (iii) the number of briefings to be conducted next year for them?*

**SECRETARY FOR FOOD AND HEALTH** (in Chinese): President, my reply to the question raised by Mr CHEUNG Kwok-che is as follows:

- (a) As at the end of 2012, a total of 3 627 qualified healthcare service providers had enrolled in the Scheme, involving 4 945 places of practice (as a service provider can register more than one place of practice for accepting use of Health Care Vouchers). The number of enrolled healthcare service providers and their places of practice broken down by healthcare professions are at Annex A.

As at the end of 2012, 336 enrolled healthcare service providers withdrew from the Scheme. The number of service providers withdrawn from the Scheme broken down by year and healthcare professions is at Annex B.

- (b) The Department of Health (DH) does not have information concerning the number of private clinics in Hong Kong. Hence, we do not have the number of private clinics which have not participated in the Scheme.
- (c) Under the current arrangements, the DH will reimburse enrolled healthcare service providers or associated organizations of their voucher claims within 30 days after the last date of each month.
- (d) To facilitate utilization of vouchers by elders and service providers, the Government has adopted appropriate measures to streamline procedures of making voucher claims. For instance, Smart Identity Card Reader was introduced in 2010 to shorten the time for inputting information of elders to the eHealth System and to reduce errors. We will continue to review and enhance the eHealth System on a

regular basis, having regard to the views of enrolled service providers and other stakeholders.

- (e) In December 2012, the DH wrote to participating healthcare service providers, informing them of the increase of the voucher amount to \$1,000 starting from 2013 and other enhancement measures. As for service providers which have not enrolled in the Scheme, the DH has informed them of the latest development of the Scheme and encouraged their participation through relevant professional bodies.

Since the Scheme launch in 2009, the DH has been promoting and explaining the Scheme to healthcare professionals through the large-scale annual briefing sessions of Vaccination Schemes. Moreover, the DH has taken the initiative to visit clinics and places of practice of service providers in individual districts, urging them to participate in the Scheme and encouraging elders to use the vouchers. The DH will, in collaboration with various stakeholders, continue to introduce the Scheme to service providers of all relevant healthcare professions, for examples, promoting the Scheme in the latest Newsletter from the Chinese Medicine Practitioners Board of the Chinese Medicine Council of Hong Kong and at the briefing sessions organized for medical practitioners providing primary care services.

## Annex A

Number of enrolled healthcare service providers and places of practice of the Scheme

(as at 31 December each year)

Year	Medical Practitioners		Chinese Medicine Practitioners		Dentists		Occupational Therapists		Physiotherapists		Medical Laboratory Technologists	
	Service providers	Places of Practice	Service providers	Places of Practice	Service providers	Places of Practice	Service providers	Places of Practice	Service providers	Places of Practice	Service providers	Places of Practice
2008	978	1 136	460	443	142	153	9	11	129	154	8	15
2009	1 349	1 623	670	838	221	277	15	25	185	263	17	37
2010	1 432	1 752	762	946	239	280	19	38	188	237	17	37
2011	1 493	1 792	896	1 212	277	348	26	48	214	288	17	37
2012	1 599	1 986	1 120	1 539	336	430	34	62	243	325	24	47



Year	Radiographers		Enrolled Nurses		Registered Nurses		Chiropractors		Optometrists (Part I of the Register)		Total	
	Service providers	Places of Practice	Service providers	Places of Practice	Service providers	Places of Practice	Service providers	Places of Practice	Service providers	Places of Practice	Service providers	Places of Practice
2008	8	19	4	12	17	40	15	17	-	-	1 770	2 000
2009	16	35	6	14	40	69	20	21	-	-	2 539	3 202
2010	16	35	6	13	39	65	18	23	-	-	2 736	3 426
2011	16	35	7	14	49	79	25	30	46	104	3 066	3 987
2012	20	37	8	14	58	93	33	44	152	368	3 627	4 945

Notes:

- (1) Starting from September 2008, qualified healthcare service providers could apply for enrolment to the Scheme.
- (2) Starting from November 2011, optometrists (Part I of the Register) could apply for enrolment to the Scheme.

## Annex B

### Number of service providers withdrawn from the Scheme

Year	Medical Practitioners	Chinese Medicine Practitioners	Dentists	Occupational Therapists	Physiotherapists	Medical Laboratory Technologists	Radiotherapists	Enrolled Nurses	Registered Nurses	Chiropractors	Optometrists (Part I of the Register)	Total
2009	61	22	22	0	3	0	0	0	1	0	-	109
2010	49	10	9	0	6	0	0	0	2	4	-	80
2011	42	14	5	0	1	0	0	0	1	0	0	63
2012	47	14	9	0	10	0	0	0	1	1	2	84
Total	199	60	45	0	20	0	0	0	5	5	2	336

Note:

Starting from November 2011, optometrists (Part I of the Register) could apply for enrolment to the Scheme.

## Various Planning Applications for Sites in Yuen Long and Their Impacts

21. **MR ALBERT HO** (in Chinese): *President, the Planning Department (PlanD) has recently consulted members of the Yuen Long District Council on 10 planning applications for sites in Yuen Long. These applications are related to the sites in Kam Tin, Fung Lok Wai of Lau Fau Shan, Mai Po, Ngau Tam Mei, Nam Sang Wai and Lut Chau, Ma Tin Pok, Ha Ko Po Tsuen of Kam Tin and Yuen Lung Street. Most of these applications involve residential developments, while the rest of them are commercial, community facilities and nature conservation projects. Some Yuen Long residents have relayed to me their concern that the development projects involved in these applications may lead to a rapid growth in the district's population, thereby increasing the load on the traffic and other facilities in the district, as well as significantly impacting on the district's environment. In this connection, will the Government inform this Council:*

- (a) *of the total site area involved in the aforesaid applications and the area of Government land therein; the number of residential blocks to be built, the estimated number of residential flats that can be provided, and the respective resultant increases in the district's population and residential density;*
- (b) *whether the PlanD has recently received other applications involving residential developments on sites in Yuen Long; if so, of the total number of such applications and their application numbers, the total site area involved and the area of Government land therein, the number of residential blocks proposed to be built, the estimated number of residential flats that can be provided, and the respective resultant increases in the district's population and residential density;*
- (c) *of the respective numbers of residential flats under construction and those completed but not yet occupied in Yuen Long at present;*
- (d) *of the current volume/capacity ratios of the major roads in Yuen Long (including Castle Peak Road (Yuen Long Section), Kam Tin Road, Yuen Long Highways, San Tin Highway and Long Tin Road); of the respective load factors of various franchised bus routes and minibus routes in Yuen Long as well as the West Rail Line (WRL) during peak hours; whether it has assessed the impacts of the works and the subsequent population increase arising from the aforesaid applications on the load of such roads and public transport facilities; if it has, of the details;*
- (e) *given that at present shopping and leisure facilities in Yuen Long are concentrated in the Town Centre, and the pedestrian walkways and roads in the town centre are already very congested, whether it has assessed the impact of the population increase arising from the aforesaid applications on the load of the existing pedestrian walkways and roads in Yuen Long town centre; if it has, of the details;*
- (f) *whether it has assessed the impacts of pond/land filling involved in the aforesaid applications on the drainage systems of the nearby*

*areas and if such works will aggravate the problem of flooding; if it has, of the details;*

- (g) of the total Green Belt area in Yuen Long at present, and the respective areas for Conservation Area and wetland therein; whether the aforesaid applications involve any reduction in the Green Belt area; if so, of the area to be reduced and the respective areas of Conservation Area and wetland therein;*
- (h) whether it has assessed the impact of the population increase arising from the aforesaid applications on the load of the existing recreational facilities in Yuen Long; if it has, of the details;*
- (i) whether the authorities have plans to improve the roads, pedestrian walkways, public transport services, recreational facilities and drainage systems in Yuen Long to address the problems caused by the implementation of the development projects involved in the aforesaid applications; if they have, of the expenditure involved in such plans; and*
- (j) whether the aforesaid applications involve the Government's resumption of land and resettlement arrangements for residents; if so, how it plans to proceed with such work?*

**SECRETARY FOR DEVELOPMENT** (in Chinese): President, when processing planning applications, the Town Planning Board (TPB) will consider land use compatibility and whether the proposed development will bring about any adverse impact in planning terms. It will also consult the public. Upon receipt of a planning application, the TPB will forward the information of and any public views on the application via the PlanD to the relevant government departments, which will in turn advise the TPB on the environmental, traffic, infrastructure and other impacts that the proposed development may cause to the district. When examining a planning application, apart from the information submitted by the applicant, the TPB or its committees will also take into account the advice of the relevant government departments, the local and public views, planning guidelines as well as the planning intention and circumstances of the site under application, in order to evaluate whether the land use under application is suitable for the site before making any decision.

Regarding the various parts of the question, the Administration's reply is as follows:

- (a) The PlanD has recently conducted local consultations on 10 planning applications<sup>(1)</sup> in Yuen Long involving residential developments. The total site area involved in the planning applications is about 300 hectares, among which about 90 hectares are Government land. About 130 apartment buildings and about 1 400 houses will be built. If the applications are approved and the relevant developments eventually implemented, it is estimated that about 4 600 residential flats can be built and the population increase will be about 14 400.
- (b) In addition to the aforesaid 10 planning applications, we are processing another four planning applications<sup>(2)</sup> involving residential developments (non-Village Type Development) in Yuen Long. The total site area involved is about 5 hectares, among which about 1.8 hectares are Government land. About three apartment buildings and about 75 houses will be built. If the applications are approved and the relevant developments eventually implemented, it is estimated that about 580 residential flats can be built and the population increase will be about 1 700.
- (c) At present there are about 12 800 residential flats under construction in Yuen Long and the number of completed residential flats between 2011 and 2012 (that is, projects that have obtained occupation permits) is around 1 300.

(d) and (e)

*Impacts on the major roads/pedestrian walkways in Yuen Long*

In general, planning applications will be submitted to the TPB for consideration in accordance with the established procedures. In

(1) The application numbers of the subject planning applications are A/YL-KTN/370, A/YL-LFS/224, A/YL-MP/202, A/YL-KTN/371, A/YL-NTM/274, A/YL-NSW/218, A/YL-MP/205, A/YL-KTN/378, A/YL/196 and Y/YL/5.

(2) The application numbers of the subject planning applications are A/YL-NSW/216, A/YL-KTS/590, A/YL-PS/407 and A/YL-LFS/235.

their applications, applicants have to submit an impact assessment of their development projects on the major roads and junctions in the area on the basis of their estimates on the future traffic volume upon the completion of their projects. If necessary, they may propose road improvement works to reduce the impacts of increased traffic to the nearby roads.

In 13 of the abovementioned planning applications (that is, planning applications no. A/YL-KTN/370 (Kam Tin), A/YL-MP/202 (Mai Po), A/YL-KTN/371 (Kam Tin), A/YL-NTM/274 (Ngau Tam Mei), A/YL-NSW/218 (Nam Sang Wai and Lut Chau), A/YL-MP/205 (Mai Po), A/YL-KTN/378 (Ha Ko Po Tsuen of Kam Tin), A/YL/196 (Yuen Lung Street), A/YL-NSW/216 (Nam Sang Wai), A/YL-KTS/590 (Kam Tin), A/YL-PS/407 (Ping Shan), A/YL-LFS/235 (Lau Fau Shan) and Y/YL/5 (Ma Tin Pok)), the information provided by the Transport Department (TD) indicates that the current volume/capacity ratios of the related roads in these planning applications, including the abovementioned Castle Peak Road (Yuen Long Section), Kam Tin Road, and so on, are all within planning limits. With impacts on the traffic in the area within acceptable limits, the above planning applications have been endorsed by the TD's assessment.

As for the remaining planning application (A/YL-LFS/224 (Fung Lok Wai of Lau Fau Shan)), the TD points out that it is a low density residential cum conservation development located in the wetland area in the north-west of Yuen Long Industrial Estate, far away from Yuen Long Town and other major roads. Fuk Shun Street is the only existing road access to the area but it is substandard in terms of width. Taking into account the traffic assessment for the development, the TD considered it necessary to require the widening works of Fuk Shun Street (which should be widened to the standard width of 7.3 m with pedestrian walkways along) be implemented together with the development project so as to meet the traffic needs arising from the development.

*Impact on the public transport services in Yuen Long*

At present, there are 57 franchised bus routes and 41 green minibus (GMB) routes in Yuen Long District. The average occupancy rates of most of these routes range from over 30% to over 70% during peak hours. Individual routes with stronger demands have average occupancy rates of more than 80% during peak hours. Some GMB routes are fully occupied during peak hours. Regarding the WRL, its busiest section (that is, from Kam Sheung Road Station to Tsuen Wan West Station) has an average occupancy rate of about 70% during peak hours. Upon commencement of service of the Tai Wai to Hung Hom section of Shatin to Central Link in 2018, the number of train compartments of WRL trains will be increased from the existing seven to ultimately eight. By then, the overall load capacity of the WRL will be enhanced.

To meet transport demand in a timely manner, the TD and various public transport operators will review from time to time the demand and supply of public transport services in various districts in response to developments and population changes in these districts (including Yuen Long District), and will increase service provision or arrange provision of new services according to needs.

- (f) If changes of land use arising from development under planning application may possibly affect the drainage of the areas concerned, the Drainage Services Department (DSD) will require the applicant to submit a Drainage Impact Assessment (DIA) report and implement the proposed mitigation measures as contained in the approved assessment report. Regarding other planning applications for smaller-scale developments, the DSD will also require the applicants to submit drainage proposals and implement the measures as contained in the approved proposals. The purpose is to ensure that the development projects will not increase the risk of flooding in the areas concerned.

The DSD completed in 2011 the Drainage Master Plan Review Study for Yuen Long and the North District, which has set out a

series of improvement works to the drainage systems formulated to meet the needs of planning for developments up to 2030 to cater for the increase of stormwater run-off arising from the developments in these areas. For the abovementioned 14 planning applications, the DSD has suggested that the applicants should submit DIA reports upon detailed development design in future and implement the mitigation measures as proposed in the approved report so as to comply with the Drainage Master Plan in Yuen Long District and to ensure that the risk of flooding in the areas concerned will not increase as a result of the developments.

- (g) Currently, the total area of all "Green Belt" zones in Yuen Long is around 1 320 hectares, that of "Conservation Area" zones is around 2 160 hectares, "Other Specified Uses" annotated "Comprehensive Development and Wetland Enhancement Area" (OU(CDWEA)) zones around 410 hectares, and "Other Specified Uses" annotated "Comprehensive Development to include Wetland Restoration Area" (OU(CDWRA)) zones around 120 hectares. Regarding the above 14 planning applications, three of them<sup>(3)</sup> involve "OU(CDWEA)" and "OU(CDWRA)" zones. The total site area of the three planning applications is around 260 hectares, of which 190 hectares are reserved for conservation purposes as stated in the said applications. Moreover, the planning applications concerned have to comply with the requirements of Town Planning Board Planning Guidelines No. 12B: Application for Developments within Deep Bay Area under section 16 of the Town Planning Ordinance.
- (h) The recreational facilities provided by the Leisure and Cultural Services Department (LCSD) in Yuen Long include six sports centres, three swimming complexes, three squash centres, two sports grounds, two major parks and nearly 100 parks, playgrounds and sitting-out areas. In the past year, the average utilization rates for the arena of such sports centres, squash centres and the 11-a-side natural turf soccer pitches in the sports grounds were around 80%, 50% and 100% respectively.

(3) The application numbers involved are A/YL-LFS/224, A/YL-NSW/216 and A/YL-NSW/218.

To enhance the facilities of sports centres in the district so as to cater for district development and the demands of local residents, the LCSD is carrying out the "Open space in Area 117, Tin Shui Wai" and "Public Library and Indoor Recreation Centre in Area 3, Yuen Long" projects, which will provide an additional 11-a-side artificial turf soccer pitch cum 15-a-side rugby pitch and a sports centre in the district. The two projects are expected to be completed in mid-2014 and late 2015 respectively. Moreover, the LCSD is carrying out the "Construction of sitting-out area at Shap Pat Heung Shui Tsiu San Tsuen" and "Construction of multi-purpose sand court in Tin Shui Wai" projects, which will provide more sitting-out facilities to local residents and introduce sand court facilities with a view to further enhancing the ancillary recreational facilities in the district. The two projects are expected to be completed in mid-2013 and mid-2014 respectively. The above planning applications will not have adverse impact on the services of recreational facilities in the district.

(i) *Improvement to roads, pedestrian walkways and public transport services in Yuen Long*

For the planning applications mentioned above, the developers who plan and develop residential developments in the district have to conduct traffic impact assessments in relation to the planning and engineering studies for the development projects, and formulate road improvement or widening proposals. The studies should contain in-depth examination on the need and detailed proposals of the road improvement works. For the time being, the Administration does not have any concrete details and the associated costs.

Regarding public transport services, as pointed out in the reply to part (d), the TD and the public transport services operators will review from time to time the supply and demand of the services in response to the development and demographic changes in Yuen Long, and will enhance the services or arrange for new services on a need basis to ensure that the demand can be met.



*Improving the recreational facilities in Yuen Long*

The LCSD will continue to keep an eye on the development of Yuen Long, and provide suitable recreational facilities for residents of Yuen Long in response to major factors including the population growth, demand for recreational facilities, and the supply and usage rate of existing recreational facilities in the district, and by making reference to the Hong Kong Planning Standards and Guidelines.

*Improving the drainage systems of Yuen Long*

Regarding the review study mentioned in the reply to part (f), it is proposed that a series of drainage facilities (preliminary estimated cost of about HK\$2.6 billion<sup>(4)</sup>) should be constructed in Yuen Long in order to enhance its flood prevention capacity to fulfil the development needs up to 2030, and meet public expectations on enhancement of flood prevention capacity. The DSD will implement the relevant improvement works progressively in the next few years.

- (j) Most of the land involved in the above planning applications is private land. If the planning applications are approved, the development projects should be implemented by the owners of the relevant private land without involving any resumption of private land and removal compensation by the Government.

(4) The cost of the relevant works is subject to revision upon detailed design.

**Arrangements for Declaration of Interests by Members of Financial Services Development Council**

22. **MS EMILY LAU** (in Chinese): *President, the chairman of the newly established Financial Services Development Council (FSDC) reportedly said earlier that the FSDC members would declare their interests according to the Government's "established" requirements for advisory bodies. While FSDC would not require its members to make specific declarations of interests, the FSDC would advise members to exercise self-discipline in making declarations*

*and withdrawing from meetings on their own volition in the event of a potential conflict of roles. In this connection, will the executive authorities inform this Council:*

- (a) of the existing "established" arrangements for declaration of interests of advisory bodies of the Government; whether there are differences among the systems of declaration of interests for such bodies; if so, of the details; whether the declarations made by the members of such bodies are open for public inspection;*
- (b) of the arrangement for declaration of interests by the FSDC members, as well as the differences between that arrangement and those for other advisory bodies;*
- (c) why the FSDC will not require its members to make specific declarations of interests;*
- (d) whether the FSDC have declared their interests according to the "established" requirements; if not, when they are required to make the declarations; whether the declarations made by them will be made public; if not, of the reasons for that; and*
- (e) given that the interests of some the FSDC members are very closely related to those of the finance industry, how the authorities will prevent the FSDC members from making recommendations in which they themselves or their companies have direct or indirect interests?*

**SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY** (in Chinese): President, the FSDC has established a system for disclosure of interest in accordance to the Government's established arrangements and requirements.

The FSDC is an advisory body established by the Government and has no execution or regulatory functions. Therefore, the system for disclosure of interest implemented by the FSDC follows that of any advisory bodies of comparable nature.

Hence, if a FSDC member perceives a potential conflict of interest in a matter being discussed, he/she must make detailed disclosure of his/her relevant interest. The FSDC members and committee members are well aware of this guideline, which has been set out clearly.

## **BILLS**

### **First Reading of Bills**

**PRESIDENT** (in Cantonese): Bills: First Reading.

### **HONG KONG ARTS DEVELOPMENT COUNCIL (AMENDMENT) BILL 2013**

### **INLAND REVENUE (AMENDMENT) (NO. 2) BILL 2013**

### **PRODUCT ECO-RESPONSIBILITY (AMENDMENT) BILL 2013**

**CLERK** (in Cantonese): Hong Kong Arts Development Council (Amendment) Bill 2013

Inland Revenue (Amendment) (No. 2) Bill 2013

Product Eco-responsibility (Amendment) Bill 2013.

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

### **Second Reading of Bills**

**PRESIDENT** (in Cantonese): Bills: Second Reading.

### **HONG KONG ARTS DEVELOPMENT COUNCIL (AMENDMENT) BILL 2013**

**SECRETARY FOR HOME AFFAIRS** (in Cantonese): President, I move the Second Reading of the Hong Kong Arts Development Council (Amendment) Bill 2013 to amend the Hong Kong Arts Development Council Ordinance (the Ordinance). The amendments include: The Chief Executive may by notice in

the Gazette specify that individual arts workers may nominate representatives for appointment to the Hong Kong Arts Development Council (HKADC), and removing the restriction of "cross-arts interest nomination" of persons for the Chief Executive's consideration of appointment to the HKADC.

The HKADC, established in 1995, is a statutory body set up to promote the development of arts in Hong Kong. Under the Ordinance, up to 10 members of the HKADC may be nominated by "organizations or groups of organizations" specified by the Chief Executive in the Gazette for appointment to the HKADC. Each of these "organizations or groups of organizations" may nominate not more than one person for each of the art interests represented by them. These nominees are representatives of the 10 specified arts interests, namely literary arts, music, dance, drama, visual arts, film arts, arts administration, arts education, arts criticism, and Chinese opera (xiqu).

In 1995, the arts community conducted the first nomination exercise on their own to nominate the representatives of various arts interests with reference to the guidelines provided by the Government. In response to the request of the arts community, the Government started to assist the arts sector to conduct the nomination exercise since 1997. Since then, the Government has continued to improve the administrative arrangements for the nomination exercise taking into account the sector's views and make corresponding amendments to and promulgating the related administrative guidelines.

In response to the request of the arts community, starting from 1997, the Chief Executive has specified not only organizations by notice in the Gazette, but also individual arts workers, so as to enable them to take part in the nomination of representatives for appointment to the HKADC. Individual arts workers may register to take part in the nomination exercise on their own. Specified arts organizations, on the other hand, may register for their eligible members or employees to take part in the nomination exercise. We proposed to make the consequential amendments to the Ordinance to provide for the established practice of specifying individual arts workers by notice in the Gazette.

Furthermore, in response to the request of the sector, the practice of cross-arts interest nomination has been implemented since the 1999 nomination exercise. Each person taking part in the nomination exercise may cast not more than one vote in each of the 10 arts interests. In other words, a voter who is

registered under one arts interest may also vote for candidates in the other nine arts interests. Candidates who have received the highest votes in their respective arts interest will be nominated as representatives of the 10 arts interests. Such an arrangement aims to encourage voters and candidates to attach more importance to the overall development of arts instead of caring only about their respective arts interests.

When the HKADC conducted a review of the nomination exercise in 2012, it had consulted members of the public and the arts community on the need to retain cross-arts interest nomination. The majority of the views collected supported the practice of cross-arts interest nomination. We therefore proposed an amendment to the Ordinance to remove the restriction of cross-arts interest nomination.

With these remarks, President, I implore Members to support the Amendment Bill.

**PRESIDENT** (in Cantonese): I now propose the question to you and that is: That the Hong Kong Arts Development Council (Amendment) Bill 2013 be read the Second time.

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

## **INLAND REVENUE (AMENDMENT) (NO. 2) BILL 2013**

**SECRETARY FOR FINANCIAL SERVICES AND THE TREASURY** (in Cantonese): President, I move the Second Reading of the Inland Revenue (Amendment) (No. 2) Bill 2013 (the Bill). The object of the Bill is to amend the Inland Revenue Ordinance to give effect to the proposals concerning tax concessions in the 2013-2014 Budget.

Firstly, to alleviate taxpayers' burden in raising their children, the Bill proposes to increase the child allowance under salaries tax and tax under personal assessment from \$63,000 to \$70,000 for each child per annum with effect from the year of assessment 2013-2014, and the additional one-off child allowance in the year of birth will also be increased by the same rate for each child.

To encourage self-education and lifelong learning, the Bill also proposes to increase the maximum amount of deduction for expenses of self-education under salaries tax from \$60,000 to \$80,000 per annum with effect from the year of assessment 2013-2014.

The abovementioned proposed enhancements in child allowances and deduction ceiling for expenses of self-education will benefit about 310 000 taxpayers, and will altogether cost the Government about \$420 million a year.

Furthermore, to ease the community's burden amidst an uncertain external economic outlook and the risk of rising inflation, the Bill also proposes to reduce salaries tax, tax under personal assessment and profits tax for the year of assessment 2012-2013 by 75%, subject to a ceiling of \$10,000. The reduction will be reflected in the taxpayers' final tax payable for the year of assessment 2012-2013. About 1.53 million taxpayers will benefit from the proposed one-off reduction of salaries tax and tax under personal assessment, whereas the proposed one-off reduction of profits tax will benefit about 119 000 tax-paying companies which are liable to profits tax. The estimated revenue forgone is around \$9.4 billion altogether.

Details of the proposed amendments have been set out in the Legislative Council Brief issued on 23 April.

President, I hope Members will support and expeditiously pass the Bill so that we can implement the tax reduction measures early.

I so submit. Thank you, President.

**PRESIDENT** (in Cantonese): I now propose the question to you and that is: That the Inland Revenue (Amendment) (No. 2) Bill 2013 be read the Second time.

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

Secretary for the Environment.

(Secretary for the Environment was not present)

**PRESIDENT** (in Cantonese): Since the Secretary for the Environment is not present, I now suspend the meeting.

11.12 am

Meeting suspended.

11.17 am

Council then resumed.

### **PRODUCT ECO-RESPONSIBILITY (AMENDMENT) BILL 2013**

**SECRETARY FOR THE ENVIRONMENT** (in Cantonese): President, I move the Second Reading of the Product Eco-responsibility (Amendment) Bill 2013 (the Bill) for the extension of the Environmental Levy Scheme on Plastic Shopping Bags (PSB Levy Scheme).

Formally implemented on 7 July 2009, the current PSB Levy Scheme is the first mandatory producer responsibility scheme (PRS) introduced in Hong Kong. The PSB Levy Scheme mainly regulates some 3 300 registered retail outlets, mostly being chain or large retailers such as supermarkets, convenience stores and medicare and cosmetics stores. Since its implementation, the PSB Levy Scheme has been effective in significantly reducing the distribution of PSBs by registered retail outlets, estimated to be as high as 90%. Meanwhile, the majority public has developed the "Bring Your Own Bag" (BYOB) habit, leading a green lifestyle by reducing waste at source.

The Government completed the relevant public consultation exercise in 2011, with positive outcome. Accordingly, the Government proposes to extend the PSB Levy Scheme to cover the entire retail industry. The contents of the Bill reflect the views expressed by the public and the relevant trades in the course of public consultation. First of all, we propose that the PRS be extended to the maximum coverage possible, and free distribution of PSBs be banned at all points of sale in future. Members of the public will be charged at least 50 cents per bag as an economic disincentive to discourage the excessive use of PSBs.

To achieve this objective, we must strive to facilitate the inclusion of small and medium enterprises (SMEs) under the PSB Levy Scheme. The vast majority of businesses in Hong Kong's retail industry are SMEs, but if they are subject to various requirements under the existing compliance system, their current mode of business operation must undergo fundamental changes, which might not be practicable. For example, newspaper vendors, who operate as a high-speed cash trade, will have difficulty in meeting the requirements relating to registration, quarterly reporting and record keeping. Hence, we have made reference to the practice in the Mainland and Taiwan, and proposed that the PSB charge should instead be handled through a "retention by seller" approach to significantly streamline the various administrative requirements under the existing PSB Levy Scheme. This measure is not intended to raise the profits of sellers, but to encourage them to minimize the distribution of PSBs. If there is any income from the PSB charge, the retailers should favourably consider using such income to support environmental protection or other relevant charitable causes.

Moreover, we have fine-tuned the implementation details of the existing PSB Levy Scheme, taking into account practical needs and the experience gained from the first phase of operation. In this respect, we need to ensure that members of the public will not be discouraged from using PSBs for food hygiene purposes as a result of the PSB charge. Hence, the Bill proposes certain specific exclusions for items of food, drinks and medicine which are not properly packaged from the ban on free distribution of PSBs. In other words, members of the public should bring their own bags when buying packaged foodstuff items which are not exposed to the environment, and nothing may spill out of the packaging in the course of conveyance. As the relevant proposals are closely related to the people's daily lives, we will enhance publicity and public education in order to buttress the community's awareness for BYOB on the one hand, and assist members of the public to get ready on the other for the implementation of the extended PSB Levy Scheme at the earliest opportunity.

The blueprint for sustainable use of resources soon to be announced by the Government will elaborate on a "reduction first" waste management policy, and map out the Government's comprehensive strategy and action plans for the management and handling of waste in Hong Kong in the future. Today, the First and Second Readings of the Bill in the Legislative Council demonstrate exactly our commitment to taking actual actions to deal with the problem of waste in



Hong Kong. We hope that through extending the PSB Levy Scheme, public awareness of BYOB can be deepened, such that not only the use of PSBs can be reduced but also paper bags and other associated products, thereby maximizing the waste reduction impact. We will render full support to the Legislative Council in the scrutiny process, so that this meaningful environmental protection initiative can be implemented as soon as possible. I also call for the support of the retail industry so that, in the spirit of corporate social responsibility, they will not seek to circumvent the PSB Levy Scheme by switching to paper bags or shopping bags made of other materials.

Thank you, President.

**PRESIDENT** (in Cantonese): I now propose the question to you and that is: That the Product Eco-responsibility (Amendment) Bill 2013 be read the Second time.

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

Council went into Committee.

### **Committee Stage**

**CHAIRMAN** (in Cantonese): Council is now in Committee and we will continue to examine the amendments to the Appropriation Bill 2013.

**(Originally scheduled to be dealt with at the last Council meeting)**

### **APPROPRIATION BILL 2013**

**CHAIRMAN** (in Cantonese): This Committee will proceed to the fifth debate on the five amendments proposed by Mr LEUNG Kwok-hung to reduce head 22 by various amounts in respect of subhead 000. The amendments are concerned with the staff salaries of the Agriculture, Fisheries and Conservation Department (AFCD).

Members may refer to page 14 of Part II of the Script issued for the meeting on 24 April 2013. We are still using the last Script, but Members should avoid repeating the points previously made at the last meeting when they speak.

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

**MR CHAN CHI-CHUEN** (in Cantonese): I am grateful to the Chairman for his handling of the 148 joint debates in the past few days and convening of a closed meeting on last Friday. This is because more people have come to understand that the responsibility should not only be borne by the Legislative Council alone, the Government should also face the problem. They also understand that we are here to solve but not create problems, and the Chairman's decision to cut off the filibuster is not the best, most effective or one and only solution. Here, I also wish to tell Members that the Financial Secretary .....

(Mr LEUNG Kwok-hung stood up)

**CHAIRMAN** (in Cantonese): Mr CHAN Chi-chuen, please hold on and be seated.

Mr LEUNG Kwok-hung, what is your point?

**MR LEUNG KWOK-HUNG** (in Cantonese): I wish to adjust the lighting.

**CHAIRMAN** (in Cantonese): Please be seated. Mr CHAN Chi-chuen, please continue.

**MR CHAN CHI-CHUEN** (in Cantonese): I am coming to the question very soon. I thought the Chairman was going to stop me from speaking. The Financial Secretary will meet with us on Friday in the hope of seeking a better solution. Recently, a number of TV broadcasters have conducted opinion polls, and the findings of one of them showed that 70% of the respondents supported us,

and I am very thankful to them. It is now the sixth day of the meeting and I must reiterate — just in case Members have forgotten about them — that our two major requests are "a refund of \$10,000" and universal retirement protection.

I will now speak on the fifth joint debate concerning the AFCD. I am speaking for the first time and I intend to finish off the matter within two to three speeches. Given that the four joint debates from the fifth to the eighth are all concerned with the AFCD, with the fifth and the sixth ones dealing with the AFCD's staff salaries and departmental expenses respectively, I beg the Chairman for indulgence that in the course of discussion, some information may overlap and cannot be differentiated. I hope the Chairman will understand that this is not our deliberate attempt to procrastinate by making repetitions, and allow the discussion to continue.

The seventh and eighth joint debates are highly specific. For example, the seventh one is concerned with the Society for the Prevention of Cruelty to Animals and welfare organizations, whereas the eighth one is concerned with a technical head. The scope of our discussion therefore draws from broad to narrow.

I will now speak on the fifth joint debate concerning the emoluments of AFCD staff. I support Mr LEUNG Kwok-hung's amendment to reduce the expenditure on staff emoluments from \$610 million to \$100. In fact, Mr LEUNG Kwok-hung has put forward a total of five amendments concerning salaries, provident fund, allowances and job-related allowances.

As an established practice, I will examine the functions of the department in question and its programmes to see if the targets have been met or missed. Members should support our amendments to reduce the expenditures of the AFCD.

As its name suggests, the AFCD is comprised of three parts, namely fisheries, agriculture and conservation. Yet, its programmes are not categorized in the same way. For Programme (1), Agriculture, Fisheries and Fresh Food Wholesale Markets, it is partially overseen by the Food and Health Bureau for matters of food safety, whereas matters of agriculture and fisheries are overseen by the AFCD.

Programme (2) is Nature Conservation and Country Parks. This is pretty complicated as it involves tourism and environmental protection, which may also be covered by the current discussion. Programme (3) is Animal, Plant, Fisheries Regulation and Technical Services. Although it covers a number of areas, I will mainly elaborate why I support the proposed reduction of expenditure on staff emoluments from the perspective of agriculture and animal welfare.

Let us look at the aim and objective of the AFCD in respect of agriculture. It aims "to facilitate agricultural and fisheries production and improve productivity". Later, I will evaluate whether the AFCD has achieved its targets in respect of agriculture on the basis of its aim.

Under the brief description, the AFCD has set out its major work on agriculture, including the provision of infrastructural support, technical assistance and advice, credit facilities and vocational training to local farmers and fishermen; the conduct of adaptive and technical studies and introduction of modern technology and practices to facilitate efficient production and improve the quality of agricultural and fisheries products; the planning and implementation of effective management activities and services for promoting sustainable development of the agriculture and fisheries industries; the provision of administrative and technical support to the operation of the Vegetable Marketing Organization and the Fish Marketing Organization. First of all, we will examine if the AFCD has managed to improve productivity and facilitate agricultural production. Regarding the data contained in this book thick like a "telephone directory", it would be most practical to look at the production. The production of vegetables, measured in terms of tonnes, has remained at 16 300 tonnes for two consecutive years in 2011 and 2012, and is expected to maintain at this level in 2013 as well. Judging from the figure, there is no target this year of facilitating production as it is no different from that of last year and the year before. I am not going to mention the data on fisheries as I have no intention to discuss it in this speech.

This "telephone directory" has also set out the matters requiring special attention in 2013-2014, among which is "assist farmers to capture high-value market niches by providing technical advice on organic cultivation and intensive greenhouse production". Of the five major targets, this is the only one which touches on agriculture, thus showing the seriously lopsided policies of the AFCD. I dare not say it stresses fisheries to the neglect of agriculture because I am not

sure if it really stresses fisheries. I can only say that it has downplayed agriculture. Given that agriculture constitutes one third of the AFCD, so even if Members do not support a reduction of the AFCD's expenditures across the board, they would support a reduction by one third after listening to my speech.

After the delivery of the Budget, the Secretary for Food and Health made a speech at the special Finance Committee meeting held on 12 April and in which only one paragraph was devoted to agricultural development. Since there is only one paragraph, I am going to read it out: "On supporting agricultural development, the Government has been making use of the Agricultural Development Fund under the Vegetable Marketing Organization to facilitate the further development of local agriculture by developing modern and environmentally-friendly farming technologies with emphasis on preservation of natural resources and the agricultural ecology, and yielding quality and high-value agricultural produce safe for consumption, thereby assisting the industry in moving towards sustainable development. The Government will continue with its work in this area." Just one paragraph and that is all. In the entire speech made by the Secretary for Food and Health on that day, only one single paragraph touched on agriculture. We always say that the SAR Government does not have any agricultural policy. I do not intend to discuss the general problems of policy for a discussion on agricultural policy may take a few days. As noted from the webpage of the AFCD, its vision is to see our community enjoy a reliable and plentiful supply of safe and high quality fresh food, which certainly includes agricultural products. Perhaps the AFCD may say that incidents of contaminated vegetables or malachite green are rarely heard in Hong Kong in recent years, but in order to ensure that our community enjoy safe and high quality fresh food, a more effective approach is to sustain local supply.

From the data quoted by me earlier or the speech made by the Secretary, we can see that the Hong Kong Government or the AFCD is merely paying lip-service and negligible support has been provided for agriculture. As a matter of fact, all governments are obliged to ensure that their citizens have safe and sufficient food. It is therefore essential for all countries and regions to formulate their own agricultural policies so as to ensure some degree of self-sufficiency in food supply. If the environment or resources available do not allow them to be self-sufficient in food, they will have to purchase imports. Differences in the economic model and agricultural policies have prompted even major agricultural

countries to import certain items from other countries. Take Hong Kong as an example, we often consume vegetables. Compared with those major cities .....

**CHAIRMAN** (in Cantonese): Mr CHAN, let me remind you once again that the local agricultural policy bears no direct relevance to the emoluments of AFCD staff, so please do not dwell on the details.

**MR CHAN CHI-CHUEN** (in Cantonese): Chairman, instead of examining the agricultural policy from a general perspective, I am using the figures to show how little the AFCD has done in agriculture. Let me cite some examples to convince colleagues, Members or members of the public that my argument is tenable. I originally intended to discuss the self-sufficiency rates of supply of vegetables of different regions or provinces, but I do not wish to go any further now. A conclusion of my argument is that the relevant rate is only 2.3% for Hong Kong, which is lower than Beijing, Tsingdao, Nanjing and even Singapore.

I started studying Hong Kong's agriculture in recent years, and have kept in view the work of the AFCD. Let me quote a realistic example. Arising from my concern about the development of North East New Territories in recent years, I have discussed with farmers of the New Territories on the support rendered to them by the AFCD. Since organic and toxic-free cultivation are major topics which Members may be familiar with, they should have a lot to share. And yet, there is something which Members may not be aware. I must take this opportunity to remind the AFCD to deal with the problem of vegetables.

Apart from "hormone castrated cockerel", we also have "gripe water vegetables". At present, Mainland farmers are using ....., Gripe water is actually a growth hormone to make vegetables grow healthier and faster. While the radius of normal vegetables is only 0.5 inch, it is 1.5 inches for those fed with gripe water.

**CHAIRMAN** (in Cantonese): Mr CHAN, I still cannot hear how the information supplied by you bears any direct relevance to the emoluments of AFCD staff.

**MR CHAN CHI-CHUEN** (in Cantonese): Okay, let me briefly finish off this part and I will not discuss the agricultural policy in great detail.

In response to the agricultural problems in Hong Kong and the proposed salary cut for AFCD staff, the Secretary may say that the agricultural policy is actually a land policy. Without land, no cultivation is possible and nothing could be done by the AFCD. If we increase the provisions for the AFCD, agricultural production may also increase. And yet, if we approach Secretary for Development Paul CHAN over this issue, he will probably reply that the agricultural policy falls outside the purview of his Policy Bureau but within the remit of Secretary Dr KO. Both of them nonetheless failed to properly answer the question.

In our opinion, the Government does have a policy, one to drain the lifeblood of the local agricultural industry. Members may notice from the data that both production and agricultural land are declining year on year. I have compiled some statistics, which show that since 1997, the land used for the production of flowers, field crops and orchards, as well as idle or agricultural land has been decreasing year on year. Some of them have even decreased exponentially. In other words, Hong Kong does not have any agricultural policy except for the one to drain the lifeblood of the agricultural industry. The emoluments for AFCD staff responsible for agriculture work — expenditure on emoluments is the question under discussion in this session — should at least be reduced by one third.

The AFCD has merely pretended to do something about local agriculture, but nothing has actually been done. Nor has it implemented policies formulated by the Policy Bureau. The organization of farmer markets and organic markets, and the promotion of new agricultural products available in Kowloon's Fa Hui Park which are vowed to have improved quality are nothing but mere gestures. Praising the cultivation practices by displaying a couple of sweet potatoes is but a scam. Does it worth spending such a large sum of money each year (*The buzzer sounded*) .....

**CHAIRMAN** (in Cantonese): I would like to remind Members again that government policies belonging to a specific area do not bear direct relevance to

the emoluments of the staff of a particular department. Even if the inadequacies of the relevant policies as highlighted by Members are all substantiated, they would not have any implication on the emoluments of the staff of that particular government department. Members should take note of this when they speak.

Does any other Member wish to speak?

**MR LEUNG KWOK-HUNG** (in Cantonese): Good morning, Chairman. I will heed your advice and refrain from talking about policies. But even if I do not talk about policies, I still need to point out the problem that the AFCD has failed to enforce policies since I am demanding a reduction of its staff emoluments.

My argument has to do with the naming of Hong Kong. Our city is named "香港" in Chinese for it was widely circulated that Agarwood or Incense Trees (沉香) abounded in the territory<sup>1</sup>. With regard to the Programmes of the AFCD, Programme (2) involves nature conservation and country parks, whereas Programme (3) involves animal, plant and fisheries regulation and technical services. In fact, the issue of Agarwood is very important. Mr CHAN Chi-chuen said earlier on that the AFCD attaches importance to the fisheries industry to the neglect of the agricultural industry ..... While Agarwood can sink to the bottom of the sea, it obviously does not belong to the fisheries industry but definitely belongs to the agricultural industry. Regrettably, the AFCD has not fulfilled its duty to implement the relevant policies. Agarwood is very precious. Whether in the international community or our Motherland, high priority is given to protecting this plant species. What does this has to do with my argument? It means that the AFCD must ensure that Incense Trees will not be subject to excavation and felling in Hong Kong while having regard to international covenants and the State's regulation on Hong Kong. Besides, the work of the protection of Agarwood must be practical. We must not put it aside and let it stew in its own juice. This issue has aroused quite extensive concern over the past two years mainly .....

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<sup>1</sup> The Chinese names of Hong Kong (香港) and Agarwood (沉香) both contain the character "香", which literally means fragrant



**CHAIRMAN** (in Cantonese): Please point out as soon as possible how this issue raised by you now is related to the staff emoluments of the AFCD.

**MR LEUNG KWOK-HUNG** (in Cantonese): Their salaries have to be cut if they have not done their job. Their emoluments can take various forms, including allowance. Since they are ineffective in their work, can we reduce their allowance?

**CHAIRMAN** (in Cantonese): You have already explained this point clearly and please put forward new arguments. Let me reiterate this: Please do not speak at length on a particular policy blunder that you think the Government has made.

**MR LEUNG KWOK-HUNG** (in Cantonese): No, Chairman, you misunderstood it. This is not a question of policy blunders. The Government has policies in place, just that the staff have failed to enforce them. Chairman, do you not think that I have reflected the actual situation in what I have just said? That is, the Government has policies in place, just that the AFCD staff have not carried out their work effectively. Such being the case, is a reduction of their allowance relevant to my argument? There is a policy problem, and there is the problem of the policies not being enforced. It should be relevant, right?

**CHAIRMAN** (in Cantonese): Please explain your point clearly.

**MR LEUNG KWOK-HUNG** (in Cantonese): My point is that Agarwood is native to Hong Kong, and local Incense Trees have been felled by so many people because of the huge demand for Agarwood in the Mainland. Let me cite an example. According to the information of the police, in 2009, there were a total of 18 cases of the felling of Buddhist pines and Incense Trees with five people being arrested but in 2011 — Chairman, you must pay attention to this and please listen to how poorly they have performed — the number of cases increased to 64 (representing a three-fold increase) with 56 people being arrested (representing a 10-fold increase). Both the number of cases and the number of

people who committed this offence have increased. This is just the information from the police. Let us look at the records of the AFCD: The AFCD received seven cases of illegal felling of *Aquilaria Sinensis* in 2010 and the number increased drastically to 30 last year.

Under which ordinance is *Aquilaria Sinensis* (or Agarwood) protected? This is very important. Just the name of the ordinance already sounds awesome. It is governed by the Protection of Endangered Species of Animals and Plants Ordinance. The Chinese name of Hong Kong, "香港", comes from the Chinese name of *Aquilaria Sinensis*, "土沉香". Without *Aquilaria Sinensis*, there will not be Hong Kong, or Hong Kong would have to be renamed as "冇港", meaning a harbour of nothing. Even if our Government is too lazy to draw up policies ..... Given the restrictions imposed by international covenants and the laws in our Motherland, Hong Kong should draw up policies accordingly and in fact, it is not the case that the AFCD does not have policies, just that it has failed to enforce the policies effectively. Therefore, is it justified for me to reduce their emoluments?

Moreover, the worst thing is that — actually I personally do not wish to cut their emoluments — the spokesman of the AFCD even said that they had conducted site surveys on 116 fung shui woodlands and found Agarwood in 84 of them, but they did not compile statistics on the number of Incense Trees in Hong Kong. Buddy, they do not even know what they should protect. Of those 116 fung shui woodlands — we all know that you, Chairman, had been in charge of rural matters and you should know that fung shui woodlands are under protection — Agarwood is found in 84 of these woodlands and as a result, people simply go there to dig and fell these trees. Why are the authorities unable to crack these cases? Why can they not protect these Incense Trees?

**CHAIRMAN** (in Cantonese): Mr LEUNG, you have spoken for more than seven minutes on Agarwood alone. Please do not waste any more time on this.

**MR LEUNG KWOK-HUNG** (in Cantonese): I think this point alone can justify a reduction of their emoluments.

My second point is that the AFCD has outrageously used animal traps to capture dogs. Dogs are not wild animals, and they do not attack human beings. If the AFCD uses animal traps to capture dogs, it might as well just kill them. It is very undesirable to use animal traps to capture dogs because animal traps ..... Chairman, have you seen the programmes on Discovery Channel? Even a twig can be snapped by it. What will happen to the dogs if animal traps are used to capture them?

Why should animal traps be used? It is because the AFCD knows nothing about the characteristics of dogs. In other words, they regard dogs as animals that attack human beings. Dogs in Hong Kong are mostly domestic dogs, just that they may have lost their masters. Our situation is unlike that in foreign countries where some dogs live in the wild, just as wolves do. If the AFCD received complaints about sightings of animals with tendencies to attack human beings, such as wolves or South China tigers, in certain parts of the countryside, the laying of animal traps would be understandable. But if they lay animal traps mainly as a means to capture dogs, I would consider them unkind, and this is a slap in the face of the many organizations and individuals campaigning for animals' rights. On the one hand, it is the Government's policy to promote kindness towards animals or pets and on the other, the AFCD, for the sake of its own convenience ..... Chairman, if your wife culls a chicken with a cleaver for slaughtering cows, you will ask her if she is out of her mind .....

**CHAIRMAN** (in Cantonese): Mr LEUNG, as this is the third time that you are speaking, please do not say anything that is not directly related to the question.

**MR LEUNG KWOK-HUNG** (in Cantonese): Alright, let us not talk about your wife.

(A voice said, "So ridiculous".)

**MR LEUNG KWOK-HUNG** (in Cantonese): If it is my mother ..... I was wrong in using you as an example.

This is exactly the meaning of "why bother using a butcher's cleaver to cull a chicken". Because using a butcher's cleaver to cull a chicken shows incompetence and amounts to a waste of resources. Worse still, they do not only use a butcher's cleaver to cull a chicken but they even want to make sure that the chicken is mercilessly culled, or it turns out that the chicken should not be culled in the first place, and this shows that their performance is grossly not up to the mark. As we can see, it is not the case that the Government does not have any policy. The Government does have policies, just that the policies are not clear or the policies cannot be turned into guidelines in more express terms, and that explains why these problems have emerged. Certainly, concerning the problems with the Government, the Chairman does not allow me to talk about them and I am well aware of this. But given an ambiguity in the Government's policies, the AFCD has carried out work in the opposite direction and done these things which have given cause for criticisms.

To sum up, whether in respect of the problem of Agarwood or the use of a butcher's cleaver to slaughter dogs, the AFCD should not have made these mistakes. Chairman, I do not wish to be wordy, or else you would say that I am long-winded. I hold that it is reasonable to reduce their allowance. If colleagues consider my proposal unreasonable, I hope that they can express their views, or if colleagues think that the percentage of the reduction is disproportionate, I would also like to listen to their views, especially ..... I would like to ask the Chairman if any public officer concerned is here in this Chamber to listen to our debate today.

**CHAIRMAN** (in Cantonese): It is up to the Government to decide which public officer will attend the meeting.

**MR LEUNG KWOK-HUNG** (in Cantonese): If he does not reply to me ..... I am proposing to cut the emoluments for his staff to the extent that only \$100 is left in the estimated expenditure and yet, he is not here to attend the meeting?

I am sorry, Chairman. I should not have asked this question, but I really think that this is not at all reasonable.

**CHAIRMAN** (in Cantonese): Mr LEUNG, if you have finished your speech on the amendment, please do not further speak on other matters.

**MR LEUNG KWOK-HUNG** (in Cantonese): I understand, Chairman. I am coming to the end right away. I would like to implore you to request the Government to make arrangements for the relevant public officers to attend the relevant parts of our meeting, so that they can at least contribute some efforts to rescuing their reputation and protecting their staff's salaries and allowances. Is that possible? I humbly ask them to fulfil their duties, and do not keep on saying that we are causing delays. I hope that they can really give us a reply. Is that possible?

Thank you, Chairman, and Happy New Year.

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

**MR WONG YUK-MAN** (in Cantonese): Chairman, this is the fifth joint debate which covers amendments from No 135 to No 139. All of these amendments are proposed by Mr LEUNG Kwok-hung, and I oppose them because I think they are really going too far. Buddy, these people are a group of technocrats or professional bureaucrats and you are going to cut their emoluments to a mere \$100 to \$1,000. This is so outrageous, and I definitely do not support it. You have proposed to cut their estimated expenditure for the whole year, especially the part on staff emoluments — Chairman, we are, of course, talking about emoluments — These Amendment Nos 135 to 139 are all proposed by Mr LEUNG Kwok-hung who seeks to reduce their emoluments to \$100 or \$1,000. Mr "Long Hair", what is the point of leaving \$100 or \$1,000 for them? This is very much questionable.

Certainly, when it comes to these proposals, we still have to talk about the cases of dereliction of duty on the part of the AFCD staff over the past year, in order to consider Mr LEUNG Kwok-hung's proposal of cutting their emoluments since they are derelict of their duties. Besides, Chairman, as you know, compared with the number of permanent staff in other departments, the AFCD

establishment is quite large as it has over a thousand or some 2 000 staff. Buddy, they are all working to make ends meet, and over 2 000 families are at stake here.

We must be very careful about proposals to reduce staff emoluments. This is different from the reduction of staff emoluments of the Chief Executive's Office (CEO), such as reducing the remuneration of the Director of CEO, the Information Coordinator, and so on, as we discussed on a previous occasion. Buddy, they certainly are not worth their pay which is pitched at such high levels and the reduction of their salaries is fully justified. But in the case of the AFCD, especially when it involves civil servants whose annual salary is no more than \$550,000 on average, if the staff emoluments were reduced to only \$100 to \$1,000 as suggested by you, they might end up receiving a few cents only and this is really going too far. So, you said just now that you would wish to hear some opposing views, and I oppose your proposals. See?

Therefore, I will oppose these amendments put forward by Mr LEUNG Kwok-hung. Although we are allies, we must base on facts in our discussion and we must not gainsay a person's good words just because we do not like him. Likewise, when a person makes a good point, I must not dismiss it because he is an enemy. But if he advances an incorrect argument, I, being a teacher or a friend of his, will have to refute it, OK? So, I will not digress from the question.

Let us look at how the staff of the AFCD are derelict of their duties. Over the past year, H7N9 is of greater concern to me or to many Hong Kong people — many people may not know that "H7N9" can be used as an abuse, but I am not going to explain it here. The awareness of the prevention of H7N9 has been inadequate. An example is that in around early April this year, the public were gravely concerned about the H7N9 epidemic wreaking havoc in the Mainland. This aroused great concern in Hong Kong. Some reporters found a lot of pigeons' droppings in places where hoards of wild pigeons gather, and the public had had contact with these pigeons and fed them. Some people also found in Causeway Bay carcasses of wild pigeons and called the authorities concerned, but the staff of the AFCD arrived only more than two hours later. As regards this handling approach and the sluggishness in taking actions, especially at a time when everybody was fearful of the H7N9 wreaking havoc and possibly invading Hong Kong, the authorities should really have acted resolutely and arrived at the scene expeditiously. That they arrived only more than two hours later is an

instance of their dereliction of duty. Despite that they are derelict of their duties, there is still no reason to reduce the department's staff emoluments to a mere \$100, which means that after allocation, they may receive a share of only one cent. I think they should not be subject to a pay cut to this extent for such dereliction of duty on their part. What other options are there? We can further think about it.

Of course, we must first talk about how the staff are derelict of their duties in order to justify a reduction of their salaries. We will not talk about the system; nor will we talk about the policy. These will be discussed in the debates to be held later. I guess Mr LEUNG Kwok-hung, who has spoken thrice, will not be able to speak any further in this debate. We can then move onto the sixth debate in which policies will be discussed, and there will be plenty of time for him to speak then. Is that right, "Brother Hair"? Over the past year ..... We will not discuss this specifically. There are actually a lot more examples. The approach taken to save animals is so bureaucratic, is it not? To put it plainly, many organizations have criticized the AFCD for being slow in response. For example, when dogs are found to be starving and trapped behind the meshed-fencing enclosing village houses and even when the AFCD is notified, the staff arrived only a long time afterwards. Moreover, there are cat killers in certain districts and some places are already hit the hardest, which is so frightening. But what has the AFCD done?

There are also the nuisances caused by wild monkeys. Chairman, you have grandchildren, right? I have grandchildren too, and I was scared when I took my grandchildren to see monkeys. I only went there once or twice and I dare not go again, for I fear that the monkeys would jump at us, which would be very dangerous. In fact, unauthorized monkey feeding is prohibited in law, right? But the authorities have failed to enforce the law effectively. The public are feeding the monkeys as they like, causing all the monkeys to dash out. This will cause not only nuisances but even injuries to the people. Under the Wild Animals Protection Ordinance, measures have been implemented since 1999 to ban feeding in country parks. There are established policies and laws but there must be people to enforce them, and the situation is extremely confusing in this respect.

Therefore, in proposing these amendments, we can at least tell more people what these government departments are doing. When we tell them to browse

GovHK, the one-stop portal of the Government, they only care to find out about the services provided. When we tell them to find out from the Government's webpage what the AFCD is doing, what the Correctional Services Department (CSD) is doing and what the Fire Services Department is doing, there is just nobody who cares to do so. Through these long, elaborate debates, we can nevertheless discuss the work of each and every department in great detail, and there are still more to come, right? There will be the CSD, the Food and Environmental Hygiene Department, and so on, and any department can be discussed for a long time. This will enable members of the public in Hong Kong to gain some further understanding of these government departments, so that with regard to these government departments that are using public coffers, the public will know in which aspects they have performed well and in which aspects they have not, right?

So, with regard to these amendments about cutting the staff emoluments proposed by Mr LEUNG Kwok-hung, I find them somewhat ridiculous. Having said that, they still have positive effects because people like us who oppose him can at least have a chance to discuss these amendments, right? Mr Michael TIEN is looking at me here, and he seems to show disapproval of these amendments. Perhaps he thinks that "Long Hair" is really making a fuss as he keeps on repeating the same arguments for a reduction of their wages to such an extent. But Mr Michael TIEN can rise to speak, right? He, however, refused to speak because he simply cannot spend some time pointing out the absurdity of Mr LEUNG Kwok-hung's remarks, for he does not wish to help him with this filibustering. How pathetic is this. He obviously takes exception to his remarks. But I can speak up, and I am pointing out that he is wrong right now, and I am expressing my view that his amendments are most ridiculous, right? Such reduction of the staff wages certainly must not be allowed. I have cited some examples of dereliction of duty for him though. These examples abound, and I have a whole pile of examples here.

Chairman, we have really made preparations, for I do not wish to see you pulling a long face and telling me that I have strayed away from the question. There are so many examples, such as monkeys being abused by a "butcher" who poured acid over them at Monkey Mountain, and the authorities turning a blind eye to the felling of Agarwood. I have a huge stack of these examples. There are also cases of trees falling down during typhoons, cases of tree-saving efforts not yielding results, the incident of the AFCD catching a piglet alive and the case



in which a wild boar mother fed and played with her four piglets but the AFCD intruded on their family happiness, causing great confusions. All these cases are justifications for a reduction of their wages because they have been derelict of their duties, right? Private enterprises always stress that staff wages should be performance-linked, but it is ridiculous to look at these amendments of Mr LEUNG Kwok-hung from the perspective of linking wages with performance, is it not? How can it work with a pay of just one cent? "Brother Hair", it is better to simply dismiss them, so that each staff member gets one more cent. Based on the proposed amount, they may have only two or three cents each, as the AFCD now has some 2 000 staff .....

**CHAIRMAN** (in Cantonese): Mr WONG, you are making repetitions.

**MR WONG YUK-MAN** (in Cantonese): OK. I have repeated it just once. All I wish to point out is the absurdity of these amendments proposed by Mr LEUNG Kwok-hung to reduce the staff wages. That said, these amendments still have a merit in that they enable us to further review in depth the problems with the work of the AFCD in various aspects or even the areas in which they are derelict of their duties. This will have an advantage, as the AFCD can strive to correct mistakes identified while trying to do better when there are none, and these matters can be brought up for discussion, or else their wages would be cut. Now I realize that the Legislative Council has this function. Although I cannot increase government spending, I have the power to propose a reduction of government expenditure. This shows that under the provisions of the Rules of Procedure and when the Appropriation Bill is examined in this Chamber of the Legislative Council at a meeting chaired by our brilliant Chairman in accordance with the Rules of Procedure, we Members of the Legislative Council can propose amendments at the Committee stage, and when we propose amendments, the Rules of Procedure provide that we can speak for an unlimited number of times. Why is there this provision? It is meant to allow Members to speak their minds freely and enable Members to review in depth the problems with these government departments, right? Therefore, I, being a Member of the Legislative Council, must fulfil my duties by using my understanding of — I used to say all the time that I would not have known that my knowledge is so limited if not for filibustering — Those who do not filibuster will not know that they always do not show up at meetings. Chairman, I request a headcount.

**CHAIRMAN** (in Cantonese): Will the Clerk please ring the bell to summon Members back to the Chamber.

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

**CHAIRMAN** (in Cantonese): Mr WONG Yuk-man, please continue.

**MR WONG YUK-MAN** (in Cantonese): Chairman, I oppose the five amendments, namely Nos 135 to 139, proposed by Mr LEUNG Kwok-hung. I have already explained my reasons of opposition.

I shall stop here. Thank you, Chairman.

**MR LEUNG KWOK-HUNG** (in Cantonese): Chairman, this is almost my last speech, because Mr WONG Yuk-man said that I am ridiculous. I feel distressed and my reasons are too numerous to be listed.

In fact, there is this point I must throw out. Why did I say public officers must be present? The Under Secretary for Food and Health takes the blame when the AFCD is derelict of its duties because of the legislative process of the pet business. When a policy is devised at the top, there are always ways of getting around it from below. Hence, the intention of whole policy is distorted in the course of enforcement. Mr WONG Yuk-man asked me why the staff emoluments of the AFCD should be substantially reduced, in fact I do not mean to reduce it by 100% but only reduce the expenses on special allowance.

As we all know, the consultation on the Public Health (Animals and Birds) (Animal Traders) Regulations has been ongoing in this Council since January 2013. In the consultation process, almost none of the stakeholders is satisfied with the consultation conducted by the AFCD. Their dissatisfaction is clearly expressed in the public hearings conducted by this Council. As a matter of fact, this is also a subject of complaint to this Council, which shows how serious the problem is.

The consultation has triggered a big stir. Prof Sophia CHAN Siu-chee is nice in my view for she is prepared to talk to us. However, after our talk, what she said is different from what the staff of the AFCD said. Chairman, please tell us what we should do. Similarly, when I visit you in your office, what your secretary told me is different from what you said, what should we do? I was told you would be in the office at 3 pm but on my arrival, your secretary said it should be 5 pm .....

**CHAIRMAN** (in Cantonese): Mr LEUNG, as you are speaking for the fourth time, please do not put forth arguments irrelevant to the question.

**MR LEUNG KWOK-HUNG** (in Cantonese): My argument is, the consultation conducted by the AFCD is extremely unsatisfactory, to an extent that the policy objectives are ignored in the consultation process. I am not going to cite examples. There are only a few stakeholders, but I have to talk about an actual situation, which is not an example. A policy proposal was made to allow some people to obtain business licences, but no land is available in Hong Kong, because the proposal is contradictory to land ordinances in Hong Kong. The case is simple, and I do not wish to name the parties or speak more. Chairman, in all fairness, it is equivalent to driving the industry to a dead end through implementing a new policy, which leads to the demise of the whole industry.

Meanwhile, the industry of pet breeding for sales, as criticized by pet lovers, is not regulated after the shops in the industry have moved upstairs, which I will not go into the details here. The differences among policies lie in .....

**CHAIRMAN** (in Cantonese): Mr LEUNG, you are still talking about policy, which bears no direct relevance to the staff emoluments of the AFCD.

**MR LEUNG KWOK-HUNG** (in Cantonese): Chairman, please be understandable that this is the process of policy formulation, which means that in the consultation process, the AFCD failed to pay attention to giving better treatment to animals as the stakeholders wish and impose proper regulation of the

whole industry. Hence, the problem of unbalanced proportionality arises, affecting some long-established industries which can otherwise engage in pet breeding and rearing according to certain procedures and they fail to survive in the process of policy formulation. Another concern is that amateurs making profits from breeding should not be unregulated, this will create .....

**CHAIRMAN** (in Cantonese): Mr LEUNG, you are still talking about policy. If you continue with your speech like that, I will stop you from speaking once again.

**MR LEUNG KWOK-HUNG** (in Cantonese): No, please listen to me, I have not finished speaking. If it is not the intention of the authorities to create the imbalance in the course of policymaking, and the AFCD has not made sufficient efforts in the consultation process, should the staff emoluments not be reduced? This is the reason for reducing the emoluments in my view. I am not discussing policy, rather, I am discussing the promises made by Prof Sophia CHAN Siu-chee repeatedly to this Council and other stakeholders in the process of policy formulation, but the matters are overlooked in the consultation process.

Chairman, I know Members are not familiar with this matter and you will find it hard to decide whether it is right or wrong, so I will not go into the details. After all, other people have asked me to air their grievances for them, for they think that the AFCD is outrageous and the Under Secretary, Prof Sophia CHAN Siu-chee, has been done injustice. This is all I wish to say. I stop here.

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

(No Member indicated a wish to speak)

**CHAIRMAN** (in Cantonese): Does any public officer wish to speak?

(No public officer indicated a wish to speak)

**CHAIRMAN** (in Cantonese): If not, I declare that the debate has now come to a close.

**CHAIRMAN** (in Cantonese): Committee will now proceed to the sixth debate.

**CHAIRMAN** (in Cantonese): Mr LEUNG Kwok-hung has given notice to move an amendment to reduce the sum allotted to head 22 in respect of subhead 000. The amendment is related to the departmental expenses of the AFCD.

**MR LEUNG KWOK-HUNG** (in Cantonese): Chairman, I .....

**CHAIRMAN** (in Cantonese): Please move Amendment No 140.

**MR LEUNG KWOK-HUNG** (in Cantonese): Yes, I move Amendment No 140.

Chairman, my amendment aims at reducing the estimate for general departmental expenses of the AFCD. In my earlier speech, I have talked about the problem of Agarwood, so I will not speak on this problem again. However, I wish to raise another problem, the mud dredging incident. Why is it relevant to my amendment? The incident is relevant to Programme (2) "Nature Conservation and Country Parks" under head 22 in the Controlling Officer's Report. I will talk about how the AFCD handled the incident.

We all know that soil erosion in Hong Kong has been improved, but the authorities only impose control on soil erosion in country parks. Hence, illegal excavation in land other than country parks will still cause serious soil erosion. In respect of illegal excavation, unauthorized building of luxurious residence is also involved. Let me cite an example: the Tai Long Sai Wan incident involves illegal excavation works. The AFCD should proactively include the land concerned into country park areas to exercise regulation.

Let me cite another example. In my constituency, Tai Po, illegal excavation works have been carried out on almost one hectare of land. The district is facing a real problem of the whole village collapsing due to debris flow — not the people living there were swept away, but most buildings collapsed. In this regard, did the AFCD fulfil its responsibilities? The responsibilities are twofold: firstly, should the AFCD include the land concerned into development permission area plans or country park areas, so as to make timely reports and take follow-up actions? Secondly, in respect of land other than country parks, how does the AFCD enforce the law? These problems remain unresolved. As a result, the land in Tai Po, Yi O and Sai Kung are illegally excavated on a large scale for various reasons. This is the first reason why I propose reducing the estimate of departmental expenses of the AFCD.

The second reason is also relevant to my constituency, that is, the problem of country parks. President, what is well-known in country parks? As I said in the debate in this Council earlier, country parks are known for bad smell. No improvement was made to the aqua privies in most country parks — although this Council has made repeated requests to the AFCD for improvement. President, a female will feel unpleasant when she wants to use the toilet in country parks. Why should this happen? I have not yet mentioned the spread of germs, which is a more serious problem.

A total of 69 aqua privies in 24 country parks throughout Hong Kong are managed by the AFCD, but the AFCD has not put any efforts into improving aqua privies. Buddy, there is no improvement measure. In respect of this issue, I cannot help but propose a reduction of their emoluments, so that country park visitors or village residents nearby .....

**CHAIRMAN** (in Cantonese): Mr LEUNG, you have addressed the issue of staff emoluments in the previous debate session.

**MR LEUNG KWOK-HUNG** (in Cantonese): I am not talking about staff emoluments .....

**CHAIRMAN** (in Cantonese): The question now is on the departmental expenses of the AFCD.

**MR LEUNG KWOK-HUNG** (in Cantonese): ..... I do not mean to talk about staff emoluments this time, but the estimate of departmental expenses.

If the AFCD does nothing after getting the funding provision, why should the authorities give funding approval? Hence, in my view, in preparing the Budget, the authorities should give regard to the concern of the legislature and District Councils about the performance of the departments in question ..... Let me give one more example, that is, the AFCD has refused to provide water and electricity supply and public sewage network. The network is also directly related to country parks. If the AFCD provides water and electricity supply and a public sewage network, it will have to apply for funding jointly with other government departments. If the AFCD does not proactively apply for funding jointly with other government departments, how can other government departments initiate the funding application? The AFCD is seriously derelict of its duties in this matter.

I do not have special views on this amendment, but I hope other Members can give their speeches in the light of the questions raised by me.

Thank you, Chairman.

**Mr LEUNG Kwok-hung moved the following motion:**

"RESOLVED that head 22 be reduced by \$371,104,900 in respect of subhead 000."

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

**MR ALBERT CHAN** (in Cantonese): Chairman, Mr LEUNG Kwok-hung has moved many amendments but he is not familiar with every one of them. I will try to help explain his arguments, sensible viewpoints and rationale that he has failed to explain fully earlier.

Chairman, we agree to some of the amendments moved by Mr LEUNG Kwok-hung and oppose some. I will first talk about those we agree.

**CHAIRMAN** (in Cantonese): Mr CHAN, please concentrate on Amendment No 140 being dealt with in the sixth debate which is now in process. This is the only amendment being dealt with in the sixth debate.

**MR ALBERT CHAN** (in Cantonese): I see. Pardon me. I wish to focus on explaining why we support Amendment No 140. We oppose the relevant amendments to be dealt with in the seventh joint debate, and I will explain them later.

Chairman, the sixth debate involves Amendment No 140, which is a well-founded and very important amendment. It proposes to reduce the general departmental expenses from \$371 million to \$100. I believe many Members do not know what general departmental expenses are. The general departmental expenses of the AFCD in 2000 were \$121 million but this year they reach \$371 million. On a pro rata basis, the rate of increase in the general departmental expenses is far bigger than the increase in salaries. In the past 10-odd years, the staff emoluments have grown only 20% while the general departmental expenses have tripled. Why? To understand that we need to do some deductions and also find out what "general departmental expenses" are. After analysing it, we can then grasp why Mr LEUNG Kwok-hung moved this amendment, of course, I hope that was his reason, and why the People Power supports this amendment.

First of all, concerning the breakdown of the general departmental expenses, the Government has never explained the reason for the increase in this aspect. I have already pointed out that the general departmental expenses have tripled in 13 years' time, but what do these expenses involve? They involve the expenditure on the employment of non-civil service contract staff and other staff through the outsourcing system. In other words, from the overall increase in the amount of these expenses, we can clearly see that the numbers of contract staff and outsourced staff of the AFCD have increased significantly. By recruiting



contract staff and outsourced staff, the Government circumvents the general employment mechanism of civil servants; particularly, recruiting staff through contractors, it has made many unreasonable arrangements regarding the salaries, protection and benefits of such staff. Therefore, the Federation of Trade Unions which supports the interests of workers should support this amendment proposed by Mr LEUNG Kwok-hung. If this amendment is passed, it is like slapping the Government on the face, telling the Government that it cannot, through the sneaky arrangements of employing contract staff and outsourced staff, slash the workers' wages and circumvent the employment mechanism of civil servants. With an increasing number of contract workers taking up the work of the AFCD, to a certain extent it jeopardizes the interest of Hong Kong people.

The increase in the number of non-contract staff and this arrangement have also aroused our concern. Chairman, in 2011, the AFCD had 141 non-contract workers, including ordinary temporary workers and workers employed for other purposes. These 141 non-contract staff had worked continuously for at least five years, even without a contract. One of them had even worked continuously for 10 years. To this worker, his job was most insecure and to a certain extent the AFCD was like an unscrupulous employer. Besides, we have often heard of scandals about contractors in the past. For example, it has been reported in the newspapers of contractors commissioned by the AFCD deducting workers' wages. I will not go into the details of every case. Further, there are also numerous cases of contractors dismissing workers for no reason.

Also, we need to understand that the work outsourced by the AFCD is very important but involves highly polluting tasks such as picking up bird or pig carcasses on site. In many places in the New Territories, people usually dump pig carcasses illegally at the refuse collection points provided by the Government and very often the workers employed by contractors are assigned to collect these carcasses. Because of the H7N9 outbreak, the issue of bird carcasses has aroused wide concern. Therefore, since such important work may jeopardize workers' health and safety, I think it is extremely unreasonable to assign such work to workers employed by contractors as these workers have no protection under these circumstances.

As far as I understand it, some of the workers employed by the contractors are poorly paid. Therefore, the purpose of this amendment that calls for the

reduction of the expenses of \$371 million to \$100 is to force the Government to assign such important work to the staff of the AFCD so that the Government will have to employ additional civil servants. To the workers or the public, this is a win-win situation. Hence, sometimes the reduction of some expenditure items is justified. Members who support converting workers employed on contract terms to permanent terms should support Amendment No 140 proposed by Mr LEUNG Kwok-hung.

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

**MR CHAN CHI-CHUEN** (in Cantonese): Chairman, I speak in support of Mr LEUNG Kwok-hung's amendment to reduce the departmental expenses of the AFCD. In this part, I will focus on the arguments about the measures to promote animal welfare and point out why I support this amendment. Before that, I have to add a brief point. In the last session, I did not have enough time to talk about the agricultural policy and as the Chairman said, it would be more appropriate to include this part in the discussion on the departmental expenses than that on the reduction of the emoluments of the staff. I just wish to talk about one aspect. Just now I said that the SAR Government emphasized the fishing industry to the neglect of the agricultural industry, and later I said it was unclear whether it emphasized the fishing industry or not. In respect of the agricultural industry, it does not ignore it but eliminates it or at least it is eliminating the farmland and farming on land.

I hope that by means of reducing the departmental expenses of the AFCD and reducing the AFCD's support for the "factory vegetable scheme", the AFCD can be forced to discontinue the implementation of this scheme. As a matter of fact, everyone knows that the AFCD organizes a FarmFest annually to promote high-quality organic vegetables grown in factories using high technology. Some people may not have seen or heard of such factory vegetables grown not on land.

Our premise of supporting the local agricultural industry is to support the sustainable agricultural industry. The local agricultural industry has to take the course of sustainable development rather than producing vegetables like plastic

flowers in a factory. In fact, this is technologically viable and can satisfy our needs for a time. As an experiment and a new trial, I can accept such vegetables with caution. But without a long-term land farming policy — I use the term "farming" rather than "agriculture" because the production of factory vegetables is also part of the agricultural industry — it means that Hong Kong forsakes the agricultural industry and supports the promotion of factory vegetables with funding. This is putting the cart before the horse.

The intention of producing factory vegetables is to grow vegetables in a factory by means of hydroponics and this method is meant for places where the climate is unfavourable, the soil is poor and vegetables cannot be grown even in the soil of a greenhouse. However, Hong Kong can produce fruits and vegetables in different seasons, and it also has fertile soil and an effective certification system for organic produce. The AFCD has allocated plenty of resources to promoting the certification mechanism for organic produce in the past and considered it unnecessary to move the production of vegetables into factories. The only possibility is that the Department has received the instruction that the land in Hong Kong is not for growing vegetables. I have asked Secretary Dr KO Wing-man to explain the agricultural policy at a meeting of a committee. In response, he said, to this effect, "Where does the land come from? Without land, the issue about practising hydroponics in a multi-storey factory can still be discussed." However, I think that this should not be encouraged. Hence, I wish to voice objection to the Government's funding for promotion of factory vegetables by reducing the departmental expenses of the AFCD. This is my supplement to my speech in the last session.

In this session, I will explain the reasons for reducing the AFCD's departmental expenses from the perspective of animal welfare. In fact, there are two major directors and principles concerning the reduction of these expenses. First, if some people pretend to work and their work cannot achieve any results, then it is a waste of money and the expenses on them should be cut. A worse situation is that the people, who either pretend to work or truly intend to work, do a disservice out of good intentions and their work has achieved counter effects. In this case, we have stronger reasons to support the reduction of the expenses; otherwise the resources provided to the AFCD are like the ammunition for it to continue to do disservices. I think that as Members of the Legislative Council,

we will hardly be able to absolve ourselves from the blame. Hence, I must point out this.

In respect of the policy on animal welfare, Programme (3) is one of the important programme areas of the AFCD, which is about "Animal, Plant and Fisheries Regulation and Technical Services" and the estimated expenditure on this alone reaches \$270 million. The aim of this Programme is to "monitor the welfare of the animals through the enforcement of relevant legislation", which is the prime task. Therefore, next I will explore whether the AFCD can achieve the fundamental goal of promoting the welfare of the animals by carrying out the series of work funded by our appropriation. Another aim of it is "to control the diseases in animals and plants; protect public health; protect and regulate fisheries; and provide technical services."

In respect of the promotion of animal welfare, I have chosen the follow to talk about, including its work of "providing quarantine services, inspecting of animals and plants imported into Hong Kong, preventing and controlling rabies and other zoonotic diseases, testing animal diseases, ..... inspecting premises and establishments where animals are kept for exhibition or trading purposes, ..... instigating prosecution against offenders under relevant legislation." These are the tasks of the AFCD. I did not request them, but they are listed under the programme areas that the AFCD indicates that it aspires to carrying out after receiving the funds. But is it able to achieve them?

I will break it down into several points. I think that it cannot achieve them and worse still it is jeopardizing the welfare of the animals. Therefore, I think its expenditure in this area, including its policy on euthanasia that has attracted strong criticisms, should be deducted. I will also talk about the problem arising from this policy, which is the way it captures animals. After spending a good deal of resources on studies, the Government devised the "Trap-Neuter-Release/Return" Trial Scheme but it turned out to be a total failure. Moreover, there is also the Public Health (Animals and Birds) (Animal Traders) Regulations for the regulation of home breeding and animal trading pending amendment. Mr LEUNG Kwok-hung also mentioned this point just now, but he did not explain it very clearly. If I have the time, I can explain it in greater detail. Concerning all these matters that the Government requests funding to address, they not only cannot help promote the welfare of the animals but even jeopardize it.

Although Hong Kong has abolished the capital punishment, but we are inflicting death not on people but on animals every day. From the perspective that all lives are equal, unless it is necessary, otherwise euthanasia is grossly inhumane. To people, euthanasia is also a highly controversial issue. As regards animals, apart from the case that they are suddenly ill or are seriously wounded and crippled, beyond cure but need euthanasia, the annual funding that the AFCD gets is in fact the "killing charges".

Let me cite some figures. In the past three years, close to 30 000 animals were euthanized, that is, close to 10 000 were killed each year. Dividing that number with 365, we can see that every day nearly 30 lives were taken. Last year, \$1.5 million of public money was spent on these "killing charges". I remember that some Members also proposed to deduct all or one half of the expenditure on euthanasia in this part of the Budget debate of the Legislative Council in previous years. However, perhaps they do not want to get involved in the filibuster war this year and hence no one proposes to discuss this topic. I will not spend all the time in this session discussing this. However, I feel that Members who have opinion about this can seize this opportunity to express their views in the debate on Amendment No 140.

What is the situation concerning euthanasia in Hong Kong now? Last year, the AFCD captured and received 7 000 to 8 000 dogs. Some of them were adopted, some taken back by their owners and some kept by animal groups but their survival rate was very low, just about 8%. The remainder was all killed. Therefore, one of my purposes of deducting the expenditure of the AFCD is to cut these "killing charges".

Someone would say that these dogs have to be killed lest the kennels would be full. Besides, it costs a few dozen dollars every day to feed a dog. However, in terms of policy, what are the kennels used for? The animal management centres of the AFCD advise that dogs are kept for 8.1 days on average. If they are fortunate enough to be taken back by their owners or get adopted, they can escape euthanasia. The cost of euthanizing one dog is \$167. In reality, we have received many complaints about dogs being euthanized within four days despite the Government's promise that they be kept for 8.1 days on average. In other words, of all the funding appropriated to the AFCD for its expenditure, at least part of it is used for killing animals. The AFCD has never reviewed this policy after years' of practice and given a clear account of the whole

process. There are many cases of abandoned dogs being found to have died for unknown reasons two days after they were sent to the AFCD. This is the first point for my support for Mr LEUNG Kwok-hung's amendment to deduct its expenses.

My second point is about the capture of animals. Someone mentioned animal traps earlier. The methods used by the dog-catching teams of the AFCD to capture dogs are very inhumane. I wonder if Members still recall that about two years ago an AFCD team lassoed a dog in Tin Shui Wai, making the dog vomit blood, leaving a trail of blood behind. The AFCD said the dog did not vomit blood but bled because its mouth was hurt. From this we can see that the AFCD gets funding to take action, but its code of practice is highly questionable during the actions. If we reduce the relevant funding, the Government will not have the lassos to brutalize the dogs.

Some community groups suggest that this need not be done by the AFCD as it does not do it properly or know how to do it. The AFCD's Programme is to promote the welfare of animals but it fails to do so. If we deduct the relevant funding, will our streets be flooded with stray dogs? It will not as we can divert some of the funding to volunteer groups to take over the work of the dog-catching teams. At least, these groups are more compassionate and have better ways to capture the dogs. They are not concerned about value for money and they do not need to capture dogs to meet the quota, forgetting about the welfare of animals and humanitarianism in the process.

Third, in the hands of the AFCD, the "Trap-Neuter-Release/Return" Trial Scheme has been turned into a mess. From consultation, development to implementation, it is a failure. No one dares to say what the next step will be. The Government consulted the 18 District Councils in 2007 and received diverse views, with nine districts, that is, half of them supporting the scheme. This issue is just like the case of columbaria. Everyone says columbaria need to be built but if you ask any of the District Councils if a columbarium can be built in their district, the answer is it would be better to be built elsewhere. However, a columbarium will not bite, but cats and dogs will. In the end, three districts were chosen as pilot sites, namely Yuen Long, Lamma Island and Sai Kung, for the implementation, but (*The buzzer sounded*) ..... till next time.

**MS CLAUDIA MO** (in Cantonese): Hong Kong started out as a small fishing port but today the local fishing industry is obviously on the decline. Depending on our method of counting, there are only about 10 000 to 20 000 fishermen in Hong Kong. For example, do we count their family members and children who occasionally venture out with them on fishing operations? The AFCD should care about the fishing industry in Hong Kong. Inshore trawling was banned on 1 January this year and that was a right move. With people around the world becoming more and more environmentally conscious and the fact that overfishing is extremely harmful to the ecological system, fishermen are not allowed to fish close to the shore. But how can the affected fishermen maintain their livelihood? The Government has to give them compensations. But then there is this problem of the chaotic compensation arrangements, making people wonder how the AFCD, which received large amounts of expenditure to serve the people and the industry, could act in such a chaotic manner. The way it used its expenses was a waste of public money.

To my surprise, some fisherman representative actually came to me for help. What I will speak next should be spoken by the representative of the Agricultural and Fisheries Constituency for the fishermen. But obviously the representative will not speak here. I am a directly elected Member from Kowloon West and there is no fishing industry in Kowloon West. At present, the districts that have fishing activities are Aberdeen, and Sai Kung, Tuen Mun and the neighbourhood areas. However, a fisherman came to me for help as I used to be a reporter and a reporter should have a sense of public justice. I said I would help him and now I speak on behalf of the fishermen.

Concerning the compensation, the fishermen had no idea what it was about. The AFCD used the public money, public expenditure, to hold a meeting with them in the community centre in Aberdeen to consult them and to explain the situation. The public officers present were so arrogant that I personally ..... I went there on the invitation of the fishermen representative. They invited me instead of the representative of the Agricultural and Fisheries Constituency to attend the meeting. What representative was that? The fishermen present were very angry. Some shouted themselves hoarse and some even shed tears. The public officers just sat arrogantly on the stage. They were using public money and public resources, and the venue was the community centre in Aberdeen. There were reporters outside. I had nothing to do with that. I did not ask them

to come. I clearly remember that the reporters from *Sing Tao Daily* requested for admission to venue to take pictures and listen to the meeting. I said that the whole incident concerned public interest, but the public officers from the AFCD on the stage said that reporters were not allowed. I asked them on what grounds they did not let the reporters in as they were using public money, they were civil servants and the community centre was a public place. As the whole incident concerned public interest, on what grounds and with what authority did they forbid the reporters to enter? They then said it was a misunderstanding and they had not actually forbidden the reporters to come in. But they clearly said that reporters were not allowed initially.

If the AFCD uses public money to serve the public like this, I certainly agree that their expenses should be cut. I very much hope that the Member who is supposed to represent the Agricultural and Fisheries Constituency will stand up and speak. He says he represents the fishermen and farmers, but what are their right and interest that he represents? What benefits .....

**CHAIRMAN** (in Cantonese): Ms MO, what you are talking now is irrelevant to the question.

**MS CLAUDIA MO** (in Cantonese): Yes. Coming back to the question, I said I speak for the fishermen and hence the expenses of the AFCD must be deducted.

That meeting in the community centre in Aberdeen accomplished nothing and ended with a sour note.

The strangest compensation arrangement was related to the fishing vessels. For vessels that were exactly the same and went out to the sea in the same way, the owners of some vessels could get millions of dollars in compensation, others hundreds of thousands of dollars and some none, like they were totally unrelated. One extreme case was there were two vessels that always worked together and went fishing at sea together and the owner of one was compensated but the other was not. I have kept asking the AFCD for data showing the details of the compensation, including the specific amounts received by specific vessels in the districts of Island South, Aberdeen, Sai Kung, Tuen Mun, and so on, but it gave



some data and retained some others. I requested it to give the fishermen an answer because they felt very strange that under the scheme of the disbursement of *ex gratia* allowance to trawler vessel owners, simply put, the compensation, the number of vessels based in Aberdeen and Cheung Chau as their homeports that were eligible for compensation was 57 and 50 respectively. However, according to the fishermen frequented there, there was discrepancies in the numbers of vessels they knew, as much as a double. What was the AFCD doing? The fishermen demanded further answer from it because they suspected that it was involved with "nominal" vessels. What are "nominal" vessels? It is possible that Mainland vessel owners borrowing local fishermen's .....

**CHAIRMAN** (in Cantonese): Ms MO, you have spoken for more than six minutes, dwelling on the chaos involved in the AFCD's handling of a compensation case.

**MS CLAUDIA MO** (in Cantonese): It was very chaotic, absolutely substandard.

**CHAIRMAN** (in Cantonese): Please do not dwell on this point at excessive length.

**MS CLAUDIA MO** (in Cantonese): Seeing that its execution of the Government's compensation to the fishermen end up in such a state, I want to tell Members what chaos it has created to deserve to have its expenses cut. I have not finished with this part yet.

**CHAIRMAN** (in Cantonese): I have already reminded Members that they should not speak too lengthily on one single point when discussing the appropriation issue. If you have already stated your point, please do not spend more time on the specific details.

**MS CLAUDIA MO** (in Cantonese): I still wish to speak on this point because I have prepared many detailed documents and my personal arguments on that. I must tell Members another incident concerning the AFCD. It sent its own people to take the pictures of fishing vessels to distinguish which belonged to Hong Kong owners and which did not. However, many fishermen complained to me that they had been in the industry for many years and they only went fishing in the deep waters rather than close to shore occasionally. They did not understand why the AFCD was not able to take pictures of them. They said every time when the people from the AFCD came, they were not in the typhoon shelters and hence their pictures were not taken. Of course, their pictures were not taken as they had gone fishing at sea.

Chairman, given that the compensation to the affected fishermen has a direct impact on their livelihood, the way how the AFCD handled it was utterly unacceptable. Because of that, I have to speak for the fishermen and tell everyone that the AFCD had scored zero mark as regards its performance in this respect. When I asked it again for the relevant data, it told me that it was a privacy issue and I had to lodge an application to the Privacy Commissioner for Personal Data and consult him first before questioning the Department. Do you find this not very strange?

Chairman, as you told me to stop talking about the AFCD, I will talk about the issues concerning cats and dogs. Many Members would complain that I talk about cats and dogs again. But indeed the human society owes them. It was the humans that domesticate them, keep them by their side and say they are their best friends. All lives are not necessarily equal. I do not have any particularly guilty feeling when I kill a cockroach but it is against the law to kill a dog and Hong Kong banned the eating of dog meat in the 1950s. I must point out that when trying to cull stray cats and dogs — capture but not kill — the AFCD uses animal traps which purpose is not merely to trap but to trap and harm, or maim, them. I wonder if Members have seen those pictures. Organizations for animal rights have kept asking the AFCD where the animal traps came from and under what circumstances were they placed. They wanted to take a look at them and try them out, but the answer they got was that they would not be welcome to do so. The AFCD uses public money to do its work. It says it loves animals while harming the animals at the same time. How can the people of Hong Kong bear with this?

Second, the AFCD's entire animal policy is only to post advertisements on buses to persuade people to love the animals for a lifetime, that is, they should love their pets and "think carefully before keeping pets". They should be full of love. However, this is a very wrong approach, turning all animals into pure pets. Many people, not only those in Hong Kong, talk about cats and dogs every day. Someone's poodle may have a bed softer than mine. They think that since their pets already have people to love them, what is the big deal? The treatment they get, including their food, grooming and manicure, is better than ours .....

**CHAIRMAN** (in Cantonese): Ms MO, how are the contents of your speech related to the general departmental expenses of the AFCD?

**MS CLAUDIA MO** (in Cantonese): They must be related because with such expenses, the Department .....

**CHAIRMAN** (in Cantonese): Please point out the relevance.

**MS CLAUDIA MO** (in Cantonese): ..... These advertisements are produced with public money but they give the people of Hong Kong a wrong message, telling us that we have to love our pets for a lifetime. But the organization is the Society for the Prevention of Cruelty to Animals but not the Society for the Prevention of Cruelty to "Pets". The message that the AFCD gives the people is that we must love the pets for a lifetime, but we need not care about other animals, stray cats and dogs that is, and we can use animal traps to capture them. Every time when the AFCD captures animals, organizations caring about animal rights will come out and ask people to save these cats and dogs expeditiously. What kind of government department is this? From the fishing industry to animals, from *Aquilaria sinensis* to the overall environment, ..... and now simplified characters suddenly appear on the direction signs and road signs in the country parks. Do the country parks cater for Hong Kong people or the mainlanders who only recognize simplified characters? What government department is that? It is using our public money. That is utterly outrageous. Thank you.

**MS CYD HO** (in Cantonese): Chairman, regarding Mr LEUNG Kwok-hung's Amendment Nos 141 and 14 .....

**CHAIRMAN** (in Cantonese): Ms HO, we are still discussing Amendment No 140 and this is the only amendment in the sixth debate. If you wish to discuss Amendment No 141, please wait till the seventh debate.

**MS CYD HO** (in Cantonese): Pardon me, Chairman because I just turned the page and thought they belonged to the same joint debate. I will speak later. Thank you.

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

**MR WONG YUK-MAN** (in Cantonese): I will speak on Amendment No 140 proposed by Mr LEUNG Kwok-hung, which reads "RESOLVED that head 22 be reduced by \$371,104,900 in respect of subhead 000", for the purpose of reducing one whole year's estimated expenditure on the general departmental expenses of the Agriculture, Fisheries and Conservation Department from \$371,105,000 to \$100.

(THE CHAIRMAN'S DEPUTY, MR ANDREW LEUNG, took the Chair)

Deputy Chairman, you are the newcomer, I request a headcount.

**DEPUTY CHAIRMAN** (in Cantonese): Will the Clerk please ring the bell to summon Members to the Chamber.

(When the summoning bell was ringing, Mr Kenneth LEUNG stood up)

**MR KENNETH LEUNG** (in Cantonese): I have a question. Will taping the calligraphy on the furniture damage the decorations in the Chamber?

**DEPUTY CHAIRMAN** (in Cantonese): I will make enquiries with the Legislative Council Secretariat and have the person in charge give you an answer.

**MR KENNETH LEUNG** (in Cantonese): Deputy Chairman, please follow up on this because it is not right to tape things on our furniture like that.

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

**DEPUTY CHAIRMAN** (in Cantonese): Mr WONG Yuk-man, please continue.

**MR WONG YUK-MAN** (in Cantonese): Deputy Chairman, I now speak on Amendment No 140 in the sixth joint debate. I support the amendment proposed by Mr LEUNG Kwok-hung to reduce one whole year's estimated expenditure on the general departmental expenses of the Agriculture, Fisheries and Conservation Department .....

(Ms Claudia MO stood up)

**MS CLAUDIA MO** (in Cantonese): Deputy Chairman, I would like to seek a clarification. Although this may be an action art, since there are many decorations in this Chamber, would that action be tantamount to vandalism? Particularly, when the tape is peeled off, the paint may also be peeled away. Is vandalism not a criminal act?

**DEPUTY CHAIRMAN** (in Cantonese): I have already said that I will ask the Secretariat staff to answer this question.

**MS CLAUDIA MO** (in Cantonese): Deputy Chairman, I could not catch you.

**DEPUTY CHAIRMAN** (in Cantonese): I will ask the Secretariat staff to see if it will cause any damage.

**MS CLAUDIA MO** (in Cantonese): Is there a time limit? When can we get the answer?

**DEPUTY CHAIRMAN** (in Cantonese): I will ask the Secretariat staff to inspect the case. In fact, the Chairman also saw this earlier and he did not express any opinion on it and neither did you. Since some Members have mentioned it, I will ask the Secretariat staff to follow up.

**MS CLAUDIA MO** (in Cantonese): I hope that a time limit will be set as to when we will get an answer, not until next week maybe.

**DEPUTY CHAIRMAN** (in Cantonese): There is no time lime for filibustering.

**MS CLAUDIA MO** (in Cantonese): The point is not here. I hope that there is a time limit so that I know when I can get the answer.

**DEPUTY CHAIRMAN** (in Cantonese): The meeting is in progress. I will ask the Secretariat staff to follow up. They will answer the Chairman or me later. Mr WONG Yuk-man, please continue.

(Mr WONG Kwok-hing stood up)

**MR WONG YUK-MAN** (in Cantonese): Deputy Chairman, you called on me but not Mr WONG Kwok-hing, hence I can speak now.

**DEPUTY CHAIRMAN** (in Cantonese): Mr WONG Kwok-hing, what is your point?

**MR WONG KWOK-HING** (in Cantonese): Deputy Chairman, I also posted my calligraphy here last year .....

**DEPUTY CHAIRMAN** (in Cantonese): We are not debating this.

**MR WONG KWOK-HING** (in Cantonese): Thank you, Deputy Chairman.

**MR WONG YUK-MAN** (in Cantonese): In fact, it does not matter. It would be nice to post something. I do not have any opinion on that. Besides, his handwriting is not bad and if I do not filibuster, why would Mr WONG Kwok-hing write the Chinese calligraphy here?

Coming back to the question, Deputy Chairman, why should we deduct the expenditure of the AFCD for a year? That is certainly because this department is slack in carrying out the duties within its ambit. There are too many examples of this and I will cite one that may not have attracted too much attention, which is the AFCD has stocked up plenty of ivory seized by the authorities and it is a big problem.

Everyone knows that under the Convention on International Trade in Endangered Species of Wild Fauna and Flora, the Hong Kong Customs and Excise Department (C&ED) must investigate and inspect smuggled ivory and the ivory seized is turned over to the AFCD. Over the years, all the AFCD would do is to store up the large quantities of ivory and now it has tonnes of ivory in store. Many people may not be aware that the AFCD is in a dilemma because it cannot send the ivory back to the places of origin or destroy it and the only way to deal with it is to store it up or give it away as donation.

In the past three years or so, the AFCD has donated small quantities of ivory to 30 schools. Some environmental protection organizations point out that it is a big problem for the AFCD to store up so much ivory. Why do the

authorities not donate it to big shopping malls or public places for display and take the opportunity to promote the message of protecting endangered species, thereby taking full advantage of the seized ivory? Since the ivory can neither be sent back to the places of origin nor destroyed, the only way to deal with it is to store it up. But the main purpose of storing it up is for donation; otherwise, how can we find so much space to store it?

In recent years, over 10 000 kg of ivory have been seized in Hong Kong, implying that thousands of elephants have been killed. When answering the questions of the media, Mr Alan WONG, the Director of Agriculture, Fisheries and Conservation said that the smuggled ivory seized by C&ED was turned over to the AFCD for processing and storage. In the past three years alone, the total quantity of ivory seized by the C&ED reached at least 10 000 kg and tonnes of ivory have been stored up by the AFCD over the years. Therefore, given the chance, we may have to ask the AFCD for some specific figures to get an idea of the quantity of ivory it has stocked up.

The reason why ivory cannot be destroyed by burning is that when it is burnt, large quantities of air pollutants will be released. Hong Kong cannot dump all the ivory into the sea either. As for donations to schools, they are mainly used as specimens. But the work in this respect has also been poorly done and among so many schools in Hong Kong only 30 have received the donations over the years. There is obviously a manpower problem. Regarding this policy, actually it cannot be regarded as a policy but a task that needs to be done and the AFCD should be criticized for its poor performance. This is one of the points I wish to make.

As a matter of fact, apart from the ivory, there are also big problems with the AFCD's way of handling the smuggled animals and plants seized. The Department has employed over 2 000 staff and there is a wide variety of work under its ambit. No matter they are the aforementioned points involving the reduction of its expenditure, the cats and dogs problem that Ms Claudia MO most cares about, or the problems involving compensation and their livelihood that the fishermen complained to her about, these issues are all related to the AFCD. The policy is certainly the most important because once there are policy blunders, they will affect the execution of the tasks or problems will arise when the staff carry out the tasks. It takes the accountable Director of Bureau or LEUNG Chun-ying himself to improve and review the policies. Besides, LEUNG



Chun-ying often brags that he likes to grow organic vegetables in his garden for his family's consumption. If there are problems with a policy, it will affect the responsible department, resulting in mistakes made in the execution of the tasks. But disregarding the policy and just considering the execution of tasks according to the law alone, we can see that this Department also makes blunders all the time. Let me cite a very simple example. It is so easy for me to speak for 15 minutes. But as a gesture of goodwill, I can only speak once or twice in each debate; otherwise, I can speak as many times as I like on this topic.

With the ivory issue alone, I have already highlighted the big problem about the keeping of the seized animals and plants. For example, I wonder if Members still remember the incident reported in newspapers in 2008 regarding over 1 000 smuggled pyas mucosus seized by the authorities. How should they deal with them? Should they make snake soup out of them? This certainly was not the solution. However, it was very difficult to store over 1 000 pyas mucosus and unlike the snake sellers, the AFCD staff did not have the professional knowledge in this respect. In the end, all the snakes were scorched to death under the sun and the incident because a case of cruelty to animals. The dead animals gave off a foul smell. I remember it was reported that the primary pupils in the neighbourhood felt sick after inhaling the smell given off by the snakes scorched to death.

There are too many of such examples. Talking about the storing and handling of ivory, we are reminded of the many problems the AFCD has in seizing and handling the animals and plants and that has nothing to do with policies.

Moreover, recently there is another well-known and highly controversial issue. To step up the regulation of pet trading, the AFCD has conducted a public consultation on the amendment to the Public Health (Animals and Birds) (Animal Traders) Regulations (Cap. 139B). Mr CHAN Chi-chuen and I have participated in public hearings and consultations held in the meetings of the Panel of the Legislative Council. From the consultation, we learnt about many facts from the organizations that cared about animal welfare when they criticized the relevant proposals put forward by the authorities and these facts could well reflect how incompetent this department was in handling the relevant issues. There are also too many examples of this, and I do not intend to repeat them as they have been related many times in the panel meetings.

Another point that needs to be pointed out is when Ms Claudia MO talked about the problems about the fishing industry, she especially mentioned Mr Steven HO, the young Member from the functional constituencies. Ms MO might be surprised why the fishermen asked for her help instead of Mr HO's. But Ms MO does not know that these fishermen must have asked for his help first. Hence, we cannot speak like that and I do not believe that the fishermen would not raise their concern with the representative of the Agriculture and Fisheries Constituency .....

**DEPUTY CHAIRMAN** (in Cantonese): Mr WONG, please speak to the question under debate.

**MR WONG YUK-MAN** (in Cantonese): Back to the question. My point is that you were not present when Ms Claudia MO spoke .....

**DEPUTY CHAIRMAN** (in Cantonese): I did hear it.

**MR WONG YUK-MAN** (in Cantonese): ..... but since Ms Claudia MO mentioned Mr Steven HO when she spoke, so I give an explanation on his behalf. I also hope that Mr Steven HO will speak on this issue and that is why I digressed. You need not correct me so quickly as it is fine for me to speak a few more times. I have absolutely no problem with that.

I wish to point out that according to the statistics provided by the Food and Health Bureau to the Legislative Council, at present there are 11 000 people directly engaged in the fishing industry, representing less than 0.3% of the overall working population. The official statistics also show that in 2011, the total annual output of the fishing industry was \$2.5 billion, an increase of 10% over the \$2.275 billion in 2010. In 2011, the GDP of Hong Kong was \$1,820 billion, in which the fishing industry accounted for slightly more than 0.1%. Hence, the problem will soon be solved. There is no need to go to so much trouble or to waste so much public money on making compensations the fishermen; neither is it necessary to mobilize the AFCD staff to especially do so many things. Therefore, when LEUNG Chun-ying proposed to set up a \$500 million fund for

the fishing industry, I thought it was outrageous that he set up a fund at every turn. Besides, this is already a sunset industry. On account of this, the officers in the AFCD responsible for dealing with the agriculture and fisheries industries should all be sacked and this part of the departmental expenses should also be cut. This is another reason why we consider it necessary to reduce its departmental expenses.

Deputy Chairman, you may also be aware that another incident that has aroused great controversy is the development of the artificial beach at Lung Mei, Tai Po. This incident has now become a total mess, which of course also involves policies but the relevant officials responsible for the task is also to blame. The incident has already induced a great controversy and dragged on for a long time. How will it end? It involves conservation and also the natural ecology, both being related to the AFCD, but the Department has never considered making any changes in the policy concerning this artificial beach project. In respect of the AFCD's refusal to change and mend its ways, completely disregarding and not responding to the aspirations of the environmental protection organizations, should the relevant AFCD officers and even the incumbent Secretary for the Environment not bear a major share of the responsibility? Therefore, under these circumstances, it is impossible for us not to reduce the AFCD's departmental expenses.

Concerning the Lung Mei Beach, there are still plenty to talk about but to save time, I will not repeat. In one word, we have solid reasons to support this amendment to reduce one whole year's expenditure of the AFCD because it has completely failed to fulfil its duties in carrying out its undertakings. As it has failed to perform its duties, it is natural and right to deduct its departmental expenses. Thank you, Deputy Chairman.

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

**MR CHAN CHI-CHUEN** (in Cantonese): Deputy Chairman, I will continue with my speech in the sixth debate. This is not a joint debate, but an independent debate. I support Mr LEUNG Kwok-hung's amendment to reduce the annual estimated expenditure for general departmental expenses of the AFCD.

Earlier, I indicated that I will expound on my arguments for supporting such reduction from four major areas, namely, the method of capturing animals (including both stray and lost animals), the euthanasia of animals, the implementation of the "Trap-Neuter-Release" (TNR) trial programme, and the AFCD's proposed amendments to the Public Health (Animals and Birds) (Animal Traders) Regulations (the Regulations) (Cap. 139B). Just now, I have spoken on the first two major areas. I will now explain my arguments for supporting the reduction of expenditure from the two areas in relation to the TNR trial programme and the proposed amendments to the Regulations.

The AFCD has all along been criticized for its unsatisfactory performance and inhumane treatment in respect of the euthanasia of animals. Given the need to reduce the problems caused by the breeding of stray dogs and the complaints about nuisance by residents, the authorities have devised a trial programme based on the excellent concept of TNR. My points in this area are mostly related to animal welfare.

At the special meeting of the Finance Committee held on 12 April to examine the Draft Estimates, the speaking note of the Secretary for Food and Health contains three paragraphs on animal welfare. Of those paragraphs, paragraph 24 is related to matters of expenditure: "In the coming year, the AFCD will allocate about \$8 million to public education and publicity for promoting animal welfare. In addition, the AFCD will set aside \$1 million for animal welfare organizations (AWOs) to organize activities relating to animal welfare." In this regard, I consider that the AFCD's performance in both public education and publicity is below par because notwithstanding the good original intent of the TNR trial programme, it has failed to produce effective results and the way forward is also uncertain. Let me explain it briefly.

Based on the suggestions from AWOs, the AFCD proposed to implement the trial programme in three districts, namely, Yuen Long, Sai Kung and Lamma Island, and consulted the views of the local communities and District Councils accordingly in 2010. In the last debate, I have already cited some statistics from those who support and oppose the trial programme, so I will not repeat them here. Nonetheless, why was the trial programme aborted in the course of implementation due to opposition from the local communities and even the local District Councils? Why did the trial programme fail? The AFCD has an unshirkable responsibility in this matter.

The AFCD subsequently came up with a new idea. "The Department and the relevant AWOs have subsequently identified two alternative potential sites in Yuen Long and Cheung Chau and will proceed to consult" — that is, consult again — "the local community and the respective District Councils if these two sites are assessed to be suitable. If the trial is implemented, AFCD will commission an independent consultancy study to monitor the changes in the number of stray dogs at the trial sites and assess the effectiveness of the trial scheme in reducing the stray dog population."

The TNR trial programme has indeed become a laughing stock. How much public funds have been wasted? The implementation of the trial programme was beset with uncertainties. While the AFCD thought that a consensus had been reached after consultation, it turned out the local community was filled with dissenting views, necessitating the revision and suspension of the trial programme.

According to the AFCD, in 2013-2014, \$1.9 million has been earmarked for the trial programme. But how much money has been spent by the AFCD previously on the implementation of the trial programme? In this regard, the allocated resources are to be used on three areas, namely, independent consultancy study, staff (including one Veterinary Officer and three Animal Health Inspectors), and other operational and administrative expenses.

In the past three years, \$5.8 million was already spent on the armchair conduct of independent consultancy study alone. Now, the trial programme has become — I will not call it "still-born" — "reincarnated" or transformed as the AFCD tries to identify other sites for implementation. Even if the AFCD has learnt a lesson from the last experience — I do not whether the department has learnt from the last experience or not — how can it persuade the local residents in Yuen Long and Cheung Chau to agree with the implementation of the trial programme at the two identified sites?

As I said earlier, the trial programme is very much like the provision of columbaria. While the underlying principle is generally supported in the community, local residents will oppose once their own districts are involved, and the local District Councils dare not assume the responsibility. Some people may ask: Why do local residents oppose the trial programme? In fact, the crux lies in whether public education and publicity has been launched by the AFCD on

animal welfare. The AFCD's work in this regard is very feeble. People generally occupy the moral high ground and support the underlying principle of the trial programme which obviates the need to kill the animals — the best way is to capture and neuter the animals, and then return them to their original habitat. This method has been practiced in places around the world and highly effective. Many successful examples can be found in Taiwan, but I will not list them one by one here. All in all, the AFCD has handled the trial programme in a most disastrous manner.

Hence, I support that its allocation being reduced because if the AFCD is unable to do its job properly, the trial programme might as well be implemented by non-governmental organizations, rather than by the Government. Why do non-governmental organizations in Taiwan succeed, yet the Hong Kong Government has failed? How much additional resources must be earmarked for the trial programme? That concludes the part of my speech on the trial programme.

There is another area of work which the AFCD has handled disastrously, that is, the last major area I intend to speak on in respect of animal welfare — the proposed amendments to the Regulations. With regard to this major area, I can really speak for "three days and nights". The points raised by Mr LEUNG Kwok-hung in his earlier speech were not entirely clear. Is there any existing policy to allow us ..... Of course, some people would say that there are bound to be opposing views on the proposed amendments to the Regulations — pet traders will oppose them, while people concerned about animal rights or even animal rights extremists will support them.

However, that is not the true picture. After meeting with the pet groups, we discovered that some pet breeders also support the underlying principle of the proposed amendments, but it turned the problems were created by various government departments. If the proposed amendments were passed, there would actually be no need to solve the potential problems faced by pet breeders because all of them would cease operation. Let us consider the example of dog breeders. It transpires that their breeding farms are now set up on farmland, and they must be relocated to commercial land upon the enactment of the proposed amendments. If they want to maintain in-situ operation of the breeding farms on farmland, they must apply for change of land use. But as the change of land use is not under the purview of the AFCD, it must be handled by the departments

responsible for land matters and development. However, the lack of co-ordination among departments is so serious that even the relevant panel of this Council cannot deal with this case. All in all, the situation is a mess. Hence, from this perspective, we cannot support that provisions be earmarked for the AFCD to undertake the relevant work in amending the Regulations.

Why do people concerned about animal rights oppose the allocation of funds to the AFCD for it to continue to carry out the relevant work? Do they consider that having no regulation is better than having regulation? As we all know, currently, there is no regulation at all. People can sell the puppies born to female dogs they keep at home through the Internet or on the street. The buyer can then pay the seller in the form of a "red packet", and they both get what they want. Now, the Government intends to regulate this situation by amending the Regulations.

I do not intend to give a lecture on this subject because it is very complicated. In a nutshell, the AFCD proposes that three types of licences be issued, namely, Licence Category A for breeders who keep not more than four female dogs; Licence Category B for breeders who keep five or more female dogs; and any genuine pet owner who intends to sell an individual dog that he owns must have a Licence Category C. Any person who sells dogs he breeds must apply for a licence as stated above, and comply with a code of practice. The Government also intends to further tighten the law, for instance, by requiring that breeders can sell not more than three litters in 10 years.

Given that the Government is also prepared to provide funding for the amendment exercise of the Regulations, why do we still oppose this initiative? Why does this initiative also meet with opposition even from animal rights organizations and pet traders? Is it not a good thing that the Government is prepared to provide funding for this initiative? That is not what I mean. As I said earlier, I support the reduction of expenditure mainly because the Government is merely pretending to work. As such, we should of course veto the Government's funding application. Moreover, the Government's action is worse than its inaction. A case in point is the staffing arrangement after the enactment of the amended Regulations. So far, the AFCD has yet to give its reply to the panel on the staffing support required to carry out inspections on pet owners or breeders.

There is one point which I have stressed not often enough, that is, I am worried about "the existence of rules and regulations without enforcement". Even if this Council approves the funding allocation for the authorities to undertake the consultancy study and enacts the proposed amendments to the Regulations, the AFCD will still be unable to regulate domestic pet breeders due to insufficient manpower to carry out inspections. How many licences does the Government intend to issue? The Government told us that a final decision had yet to be made. If there are 100 AFCD staff responsible for carrying out inspections, it is alright even if 1 000 licences are issued. But if the AFCD plans to issue 10 000 licences, yet only 100 staff are available for carrying out inspections, there is actually no way to discharge its inspection duty properly. That is what I meant by "the existence of rules and regulations without enforcement".

Given that the AFCD has called on this Council to support this major initiative because the estimated expenditure is premised on the important policy principle of safeguarding animal welfare, why do we still oppose it? Because we discover that the AFCD has not formulated the relevant policy for the purpose of safeguarding animal welfare. Why am I saying this?

I have asked the AFCD whether the ultimate objective is to ban the trading of pets — perhaps I should not use the term "ban" — whether the ultimate objective is to minimize the trading of pets and promote animal adoption as the mainstay? I have asked the AFCD this question time and again, yet it has backed down after numerous discussions. When we first held meetings with the AFCD, we felt that it was the ultimate objective. But eventually, we discovered that it was only our wishful thinking. The AFCD stated that as dogs are private property, pet trading cannot be banned completely because it may breach the relevant provisions of Article 105 of the Basic. In other words, it is all empty talk.

Even if this Council enacts the proposed amendments to the Regulations and allocates additional resources to increase the manpower of the AFCD, it may still face the challenge of a judicial review on the question of the restriction imposed by the Government that dog breeders can sell not more than three litters in 10 years. Moreover, assuming that the proposed amendments were enacted, if a person sells a dog on the street the next day after buying it, would such an act



constitute an offence in law? Ridiculously, the Government cannot give an answer to this Council.

Now, I come to the conclusion of this part of my speech. Has the Government made mistakes with good intentions, or is it merely pretending to work? Some non-government organizations now suggest that the Government should withdraw the proposed amendments because it is even uncertain about its own logic and legal basis, the means of regulation, the number of licences to be issued and the staffing support required. In that case, should the proposed amendments be enacted, it might achieve the opposite effect of encouraging persons with no intention otherwise to breed dogs at home, giving rise to the situation of "one-flat-one-dog", that is, everybody would breed animals at home. But I do not intend to discuss this problem at length here.

It is clear from the four major areas named by me just now — I spoke on agriculture the last time, and animal welfare now — that little work has been done by the AFCD with the annual provision made by this Council, or its work has even regressed, so to speak. The Secretary said that public consultation would be conducted on the proposals to regulate pet trading, including tightening the regulation of persons who breed and sell dogs, and raising the penalties under the relevant legislation. He also hoped that such proposals would have the support of this Council. Given that Members must spend long hours debating the proposed amendments thoroughly after they have been presented to this Council, yet specific replies would not be forthcoming from the AFCD, the authorities might as well withdraw the proposed amendments so as to avoid wasting the time of this Council.

I must add one point. According to the AFCD, the department, "in conjunction with the Police and the Society for the Prevention of Cruelty to Animals (Hong Kong), provides a platform for relevant professional departments and AWOs to enhance mutual support, with a view to ensuring effective investigation of animal cruelty cases." However, we can note from newspapers or social networking websites every day that there is an increasing trend of animal cruelty cases. Nonetheless, both the AFCD and the police have refused to consider the need for establishing an "animal police" in a positive light. Although this debate is not related to "animal police", this point shows that the AFCD has flipped-flopped on this issue because as pointed out in the Draft Estimates of Head 22 under "Matters Requiring Special Attention in 2013-14",

the Department will place emphasis on "strengthening measures for stray animals management and promotion of animal welfare". But as far as I can see, nothing has been achieved by the AFCD in this regard.

Therefore, I support Amendment No 140 proposed by Mr LEUNG Kwok-hung to reduce the annual estimated expenditure for general departmental expenses of the AFCD from \$370,000,000 to \$100.

I so submit. Thank you.

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

**MR LEUNG KWOK-HUNG** (in Cantonese): Deputy Chairman, I am going to give my concluding remarks. I thank other Members for their views and their explanations why the expenditure of the AFCD should be reduced to \$100. In fact, the remarks made by a number of Members share a common point: the AFCD has failed to either appropriately implement the formulated policies or report the policy blunders to the upper-level authorities. Both constitute dereliction of duty. The policy blunders should certainly be reported to the upper level, while the AFCD personnel as civil servants should hardly absolve themselves from the blame for not reporting to the upper-level authorities.

In conclusion, I would like to cite a simple example for illustration. Concerning the Public Health (Animals and Birds) (Animal Traders) Regulations, Mr CHAN Chi-chuen has just said that I was not clear enough; that is not the case and it is just because I cannot touch upon the details. Why can this consultation conducted by the AFCD on behalf of the Food and Health Bureau not achieve the objectives? It is because all stakeholders agree with the target of the Food and Health Bureau that the trading of animals and birds must be regulated. This will be beneficial to animals and human beings alike. However, the problem is that the AFCD has told different stakeholders different stories, and it has ignored the views of different stakeholders in policymaking; thus, the objective of a win-win situation cannot be achieved.

According to Mr CHAN Chi-chuen, we should not allow animals to breed and live in confined spaces such as cages or small rooms if we agree that animal rights should be protected. A bigger space is needed and the operation of dog farms should be carried out in more spacious places. Nevertheless, it is difficult to find suitable sites in Hong Kong and the operators of dog farms must identify such sites in the rural areas. When the AFCD amends the relevant law, the operation of dog farms is regarded as a commercial activity, so the dog farms currently operating in agricultural areas are forced to wind up. After the relevant law is amended in future, these farms will have to wind up because they cannot be granted licences easily and a change in land use will be difficult. In other words, the original policy objective is to enable Hong Kong people to breed and rear dogs and other animals in more reasonable ways, yet, the industries concerned will thus be eliminated.

Moreover, we all agree that the AFCD should regulate animal trading, but the authorities have let some shops go in the course of management. For instance, some people rear a few dogs and allow them to mate, and then sell the puppies to other people. In the regulation of such trading activities, the AFCD thinks that commercial trading can be carried out in shops upstairs rather than street-level shops. The authorities will eventually not be able to carry out investigations since there are too many similar premises.

Under such a policy, the desirable development and regulation of these activities in Hong Kong will not be achieved. But in the course of the formation of the policy, a situation we do not wish to see, namely a failure to enhance regulation to make the relevant activities more humane and facilitate the Government's management, will arise. In this connection, this policy is obviously a failure, and it is just one of the examples.

As regards conniving at the feeding of monkeys, which causes the problem of the extensive breeding of monkeys, this Council has had discussions on various occasions. For example, we have raised the matter at the meetings-cum-luncheons with District Council members, and lodged complaints at the meetings of other committees, but to no avail. Moreover, the AFCD has not taken the initiative to apply to the Policy Bureau concerned for inclusion of land with conservation value which is not included in a country park area into the scope of country parks to facilitate law enforcement. This has led to the indiscriminate felling of trees and aquilaria trees, and there are no specific

solutions yet. In other words, the AFCD has not taken the initiative to identify more issues to be dealt with.

I do not want to further discuss the spending of money to carry out educational activities, which are counter-productive. The only point I wish to raise is that we have spent a lot of money on prosecution, so as to ensure that nature is not destroyed, but the effectiveness of prosecution has clearly been declining. We have allocated more public funds — the annual rate of increase is 30% — to the AFCD for the enforcement of the relevant laws, but the number of people prosecuted, the number of cases and the fine amounts have been decreasing, which is obviously disproportionate. For all these reasons, I consider it reasonable to reduce the departmental expenses of the AFCD.

Thank you, Deputy Chairman.

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

(No Member indicated a wish to speak)

**DEPUTY CHAIRMAN** (in Cantonese): Does any public officer wish to speak?

(No public officer indicated a wish to speak)

**DEPUTY CHAIRMAN** (in Cantonese): The sixth debate ends here.

**DEPUTY CHAIRMAN** (in Cantonese): We will now proceed to the seventh debate.

**DEPUTY CHAIRMAN** (in Cantonese): Mr LEUNG Kwok-hung has given notice to move four amendments to reduce head 22 by different amounts of vote in respect of subhead 000. The amendments are about the subventions of the AFCD.

**DEPUTY CHAIRMAN** (in Cantonese): Committee will now proceed to a joint debate on the four amendments.

**MR LEUNG KWOK-HUNG** (in Cantonese): Deputy Chairman, I move that Amendment No 141 as set out in Appendix I attached to the Script be passed. I am going to debate Amendment Nos 141 to 144. Amendment No 141 proposes to reduce the annual estimate for provision of subventions by the AFCD to the Society for the Prevention of Cruelty to Animals (SPCA) to \$1,000. This is consistent with the amendments that I have previously moved, and I do not wish to explain why the amount should be reduced to \$1,000.

If this Council is going to have a comprehensive debate, Honourable colleagues will notice in the course of debate whether my proposal is reasonable. The AFCD earmarks \$1 million each year as subvention to the SPCA, more than the subvention amounts for other similar organizations. Has the SPCA done anything? Let me cite a very simple example to illustrate that to Honourable colleagues.

The SPCA is a major partner of the AFCD and the AFCD uses public money to subsidize the SPCA in implementing policies. Nevertheless, the animal capturing policy of the AFCD makes members of the community very unhappy. They have not told people how they can adopt animals captured. The problem is that they only capture animals but do not give these animals away.

The first problem is that, after the AFCD has used public money to exercise its power and enforce its policies, people who love animals do not know how they can reach those lovely animals and how they can adopt these animals. The second problem is that there will be excessive numbers of dogs and cats. If the AFCD cannot improve this situation, the existing problem in Hong Kong — there are dogs and cats without owners while some who want to keep dogs and cats fail to reach them — cannot be solved.

The Government has many similar policies, for example, animals can be adopted through the animal welfare task force and under the Animal Watch Scheme. Nevertheless, the SPCA towards which the AFCD is biased fails to perform this function.

To a certain extent, the animal police or other measures proposed by the AFCD cannot be implemented. I have already said in an earlier debate that, if the AFCD does not resort to outsourcing but co-operates with non-government organizations, and if it does not regard that as a value-for-money initiative but lets some organizations that are really fond of animals or pets do the work, we could achieve twice the effect with half the effort. Let me give an example: the Alliance for Hong Kong Animal Police made up of 14 non-government organizations and supported by seven political parties has raised this issue, but it has unfortunately not received any official reply from the AFCD. As a result, we find such situations as dogs being strangled until they vomited blood or stray dogs trapped by beast traps.

These situations can actually be avoided. If only the AFCD could co-operate with different stakeholders in the community in working out programmes that are considered by various stakeholders as feasible, the current problem — the AFCD only co-operates with one or two organizations after it has been given the funding to the neglect of other stakeholders and the interest groups concerned — would not have arisen. The results are, firstly, there is a waste of public money; secondly, the policies are ineffectively implemented; and thirdly, the laymen are leading experts. In other words, the prevention of cruelty to and recovery and adoption of animals are badly handled.

I personally think that the AFCD can hardly absolve itself from the blame. I trust that it is appropriate to reduce its departmental expenses to \$1,000, such that the AFCD will draw a lesson from the bitter experience and comprehensively review the deficiencies that I have just mentioned.

I have discussed Amendment No 141 first, and I hope other Members would speak on other amendments.

**Mr LEUNG Kwok-hung moved the following motion:**

"RESOLVED that head 22 be reduced by \$999,000 in respect of subhead 000."

**DEPUTY CHAIRMAN** (in Cantonese): Does any Member wish to speak?

**MR ALBERT CHAN** (in Cantonese): Deputy Chairman, after "Long Hair" has proposed Amendment Nos 141 to 144, we have studied these amendments very carefully and found quite a lot of problems. Sometimes, amendments will force us to work hard. The amounts of these expenditures including those of the AFCD under Amendment Nos 141 to 144 only account for a negligible part of the whole Budget. For instance, the expenditure under Amendment No 144 is only \$80,000. Amendment No 144 reduces the annual estimate for provision of the AFCD's subvention for the Network of Aquaculture Centres in Asia and the Pacific from \$80,000 to \$100.

Deputy Chairman, taking a look at these amendments, we will find that they respectively have unique natures and problems. Regardless of whether we support them or not, we should consider the nature of individual items and whether the funds have been well spent. The most important point is whether Honourable colleagues understand what they read. I believe few Honourable colleagues have gone through the detailed expenses under these items. Let me share some information with Honourable colleagues to help them understand the matter before determining whether they are going to support them or not. However, even if some of them understand that and support them, they will eventually vote against the amendments proposed by "Long Hair". We will find that some information is really ridiculous if we take a closer look. Deputy Chairman, I am not talking about you, but the relevant information and organizations.

Amendment No 144 reduces the annual budget to provide for the SPCA's subvention to \$100. Among similar organizations, the SPCA is rather well-known in respect of animal care and its work in receiving abandoned cats and dogs. As government funds are at stake, we must look into the financial operation of this organization. Some figures and contents of its annual reports and the Government's information give cause for serious doubts. In response to Members' questions, the Government explained that the government funds in the years 2010-2011 and 2011-2012 respectively accounted for 0.8% and 1.2% of the SPCA's operating expenses. Therefore, government funds are small amounts to these organizations — Even if they are given \$1 million, the amount may only account for approximately 1% of the operating expenses.

If we wish to inspect its annual report to find out more about its financial operation, we will find that there is something wrong. The annual reports of

general organizations are open to the public but the SPCA is special. If you wish to read its annual reports online, you will find an English prompt when you click "annual report", and it reads, "The 2011/12 Audited Financial Statements is available for SPCA(HK) members' reference; please input the following details for membership verification. Any enquiry, please contact our Membership Department during the office hours at 2232-5548 or email to membership@spca.org.hk".

Deputy Chairman, anyone who wants to read the annual report of this organization has to particularly contact the person-in-charge of its Membership Department, and he can then read the information as a member. There is no problem if it is a general private organization such as a fraternal association because the information on the internal operation of such an organization does not need to be open to the public. However, this organization receives \$1 million from the Government each year — of course, \$1 million only accounts for 1% of the annual expenditure of the organization, which is basically negligible, but now that it has received money from Hong Kong people — the money comes from the Government; should this publicly-funded organization let the public know more about its expenditures? A person has to pay \$200 as membership fee annually to become a member of the organization, so he needs to pay \$200 before he can read its annual reports. It is uncertain if he can read it because he needs to contact the person-in-charge before he can inspect the annual reports, and he needs to input his identity card and membership number. Another issue is that all information on its audited reports and fund-raising activities is in English, and Chinese versions are not available. Certainly, I understand that quite many members of this organization are expatriates but if the information is in English ..... some organizations may present all information in English but they will provide Chinese translations. Even if there are no comprehensive word-for-word Chinese translations, many organizations will provide alternative Chinese reports, outlining the activities of the organizations.

Deputy Chairman, I very much respect the SPCA because I am acquainted with some of its members, and I understand that quite a few members deeply love dogs and cats, and they spare no effort in protecting animal rights. Many of them are wholeheartedly and sincerely doing that in good faith. Although some political parties say that they will sincerely serve Hong Kong, they are actually making use of their prestigious status to seek personal interests. Yet, many members of the SPCA are wholeheartedly making efforts. Nevertheless, it is



very unsatisfactory in terms of giving the public an account and there is much room for improvement.

Mr LEUNG Kwok-hung's proposal of this amendment provides a very good opportunity: first, it forces me to read the relevant information. I will not look up so much information if he has not proposed this amendment; second, if this amendment is passed, an alarm will be sounded for the SPCA — its funding of \$1 million to be reduced may not be a very significant financial expenditure. The situation may not be catastrophic as this may only account for approximately 1% of its annual expenditure; but the alarm at least goes off for similar organizations. They should give more thoughts to the public's right to information and information disclosure, and I emphasize that they must respect the public's right to information.

If the person-in-charge of this organization hears my remarks today, I really hope that he will make some improvements. I certainly do not expect the voting later on — I am not sure when we are going to vote as we still have 140 joint debates — I believe improvements are essential and I hope that these organizations will be forced to improve their financial transparency through this debate and voting. We frequently criticize the poor financial transparency of the Sichuan disaster relief efforts; yet many publicly-funded organizations in Hong Kong also have inadequate financial transparency.

Furthermore, let us consider some organizations monitoring public services. We can find comments on some organizations on the "iDonate" website set up by a non-government organization. This website contains the following comment on the SPCA: this organization has low fund-raising efficiency; the average cost of raising \$100 is \$48, which is really a very high proportion. Many organizations have fund-raising activities but their fund-raising costs only account for less than 10% of the funds raised, and the proportions for some organizations are even as low as 1% to 2%. It is extremely astonishing for the fund-raising cost to account for 48% of the funds raised. Some are basically making gains from fund-raising.

In view of such a high proportion, the Government will have to take a closer look at the internal operation of these organizations when it considers approving the allocation of funds to them. Probably because of historical reasons, some organizations wholeheartedly and sincerely provided services

when they were initially established; but some people seized the opportunities to take advantages. That happened in every political party, and even in this Council. I am not saying that the same is happening to the person-in-charge of the SPCA, yet the Government has the responsibility of monitoring. The situation where an organization accounts for 48% of the funds raised as the fund-raising cost warrants our concern.

This website also criticizes the SPCA for not disclosing its annual audit report, and its total revenue and expenditure are unknown, thus, it is impossible to rate this organization, and its operational efficiency and donation needs are unknown. When a certain organization harshly criticized by an independent organization continues to get \$1 million funding from the Government each year, has the Government or the AFCD casually approved the allocation of funds with eyes closed? Is there dereliction of duty on the part of the AFCD? Are some people in the AFCD particularly biased towards certain organizations? It is worth asking these further questions.

Our questioning of the AFCD about its financial expenditures comes to an end now. Yet, I think the relevant panel may have to further question the AFCD's subventions to a number of organizations in more severe and rigorous ways in the future, to find out if the AFCD's subventions and the monitoring of subventions are really adequate.

I will talk about Amendment Nos 142, 143 and 144 later on. About Amendment No 141, I have basically commented on the organization on the basis of the information and comments mentioned earlier. For this reason, I support this amendment by Mr LEUNG Kwok-hung.

**MR CHAN CHI-CHUEN** (in Cantonese): Deputy Chairman, during the seventh joint debate, I will focus my speech on Amendment No 141 proposed by Mr LEUNG Kwok-hung, which is concerned with the deduction of the yearly estimated expenditure of the AFCD for subventions granted to the SPCA from \$1 million to \$1,000. First of all, I wish to declare that I am a member of the SPCA. The two cats which I keep at home were adopted from the SPCA, and I have also made donations to it. But this time I must separate public interest from private interests, and I will support the amendment proposed by Mr LEUNG Kwok-hung. First of all, however, I wish to state that I have reservations about

Mr LEUNG Kwok-hung's Amendment No 142, which is concerned with the deduction of the annual estimated expenditure of the AFCD for subventions granted to the animal welfare organizations from \$1 million to \$1,000, fearing that this may victimize the innocent. I hope that if Mr LEUNG Kwok-hung still has an opportunity to speak later, he will convince us by clarifying the organizations to which he has referred as animal welfare organizations in Amendment No 142, and whether all of them have performed poorly. Is it because most of these organizations have performed poorly so that he would rather victimize the innocent by reducing the subventions in a broad-brush manner?

Let me first focus on discussing Amendment No 141. Before reducing the subvention of an organization, we must learn and gain some basic knowledge about it. The Chinese name of the SPCA, previously translated as "香港防止虐畜會", was later improved and renamed as "香港愛護動物協會". As a general understanding, the SPCA is a non-government organization and also the largest animal organization. Later on, I will cast doubt on this concept. Given that this is a very specialized discussion, I must give a detailed description of the operation of the SPCA and cite examples to substantiate my support for the proposed reduction.

As its name suggests, the aims of the SPCA are to promote kindness and prevent or suppress cruelty to animals. They were also the goals of the SPCA when it was first established. Entering the millennium, the SPCA launched a new mission, and that is "to promote kindness to animals, to protect their health and welfare, to prevent cruelty and through education, to inspire in the community a deep respect for life so that all living creatures may live together in harmony." This is its upgraded mission. For the SPCA's performance pledges and aims, I have selected the following in particular: "collection and rescue of abandoned, sick and injured animals; investigation of complaints of cruelty; acceptance of unwanted pets to ease the stray problem and animal suffering; public education on responsible pet ownership and animal welfare issues."

As Mr Albert CHAN has pointed out earlier, reducing its estimated expenditure by \$1 million will not bring any significant implication on its actual operation because many people will continue to donate money to it. The relevant subvention only accounts for a small percentage of a mere single digit in its yearly expenditure. Mr Albert CHAN has referred to a report, which stated

that the fund-raising activities of charitable or non-profit-making organizations spent \$48 to raise \$100. This is indeed unacceptable. Simply looking at this percentage, it can be said to be running a business than doing charity. People may notice that booths are set up at the entrances of MTR stations in Yau Ma Tei, Tsim Sha Tsui, Mong Kok or Causeway Bay every day. People who man the booths are not volunteers but employees who share a certain percentage of the funds raised. Many charitable organizations are developing in this direction, but this is outside the scope of our discussion. Yet, we must note that though the reduction of the provision by \$1 million may not cause any material impact to the SPCA, it does carry great symbolic and policy importance.

The SPCA has long been accused by the public of, *inter alia*, being a non-government organization to maintain stability for the AFCD. Whenever the Government has to consult the public and solicit their support for the introduction of certain animal policies, it would always name the SPCA as the number one supporter and highlight its support for the relevant policy. As we have said earlier on, the amendment regulation to regulate the breeding of pets for trading has secured the support of the SPCA and the data collected were desirable notwithstanding the wide opposition among members of the public.

The first thing that the SPCA has been accused of and has prompted us to support the proposed reduction of subvention is its strong opposition to the formation of an "animal police", which echoes the views of the AFCD and the Police Force of the SAR Government. What are the reasons for its opposition? According to the SPCA, judging from the people's response to the SPCA's view that the formation of an independent "animal police" is no effective measure, it is evident that the knowledge and expertise of the SPCA in animals match perfectly with the resources and professional investigation knowledge of the police. It claimed that the most effective organization of this kind is already available in Hong Kong, and the Inspectorate department established by the SPCA has thus obviated the need to establish an "animal police". And yet, this Inspectorate department is certainly different from the "animal police". Local community groups, political parties and even Members from the pro-establishment camp would not have requested the formation of an "animal police" if they are the same. It is precisely because the SPCA, being the largest animal organization in the community, supports the position and argument of the Government that all requests for an "animal police" have been turned down on the ground that an Inspectorate department has been established by the SPCA to perform the

functions of an "animal police". This has obviated the need to form an "animal police".

But is that true? Let us refer to the SPCA's website to see how it deals with cases of animal abuse and what have been done. According to the SPCA, "While the law provides an investigative framework, inspectors recognize that many situations do not rise to the level of 'illegal' although they may be woefully inadequate in terms of animal welfare. There are numerous acts that affect animals either in shops, in markets, or other surroundings that the common person may find cruel or inhumane, but do not violate the existing statutes. Within this context, the inspectors can improve the situation for the animals by persuasion and education." The SPCA has attributed the problem to a lack of animal law. There is no doubt that animal laws in Hong Kong are deficient and the penal provisions are too light, even the abandonment of animals is not subject to severe penalties. Yet, this is again outside the scope of today's discussion. As Members may be aware, the SPCA has been backing the Government on the "animal police" issue though its Inspectorate department can only effect persuasion, warning and education.

According to the data provided by the SPCA, during the five years between 2008 and 2013, it has received nearly 40 000 telephone enquiries, of which 2% (nearly 800 cases) are suspected animal abuse cases. The SPCA has advised the people concerned in about 200 cases, issued warnings in less than 100 cases, and successfully pressed charges in less than 20 cases. These are the figures recorded between 2008 and 2013, and only less than 20 cases were successfully prosecuted during the period. From this, we can see how ineffective the SPCA or its Inspectorate department is in performing this function. I do not wish to describe it so rudely as "collaborator" or "conspirator", but the Inspectorate department established under the SPCA has actually provided an excuse for the Government to turn down or reject requests for the formation of an "animal police". The Government's standing practice of granting subventions to the SPCA has turned the latter into a "pro-government association". Apart from caring animal interests, it has also become the "fighter" and "spokesman" of the Government.

Despite that AFCD staff are often accused of abusing stray dogs when they were captured and attract numerous complaints from community groups, the SPCA always defends the AFCD by openly expressing understanding of the

difficulties encountered by the AFCD in enforcement. With regard to the suspected abuse cases, I wonder if Members have heard of the "three-nots" of the SPCA. Firstly, not to openly criticize the Government as it receives \$1 million from the Government every year. One may consider this a fee for maintaining stability or "hush money" given that the Government may cut the subvention in the following year. The present proposal to reduce the expenditure is not an idea of the Government. Secondly, not to organize street protests. This is why the SPCA has never organized people to take to the street. Thirdly, not to achieve its goal by political means. I am not in a position to explain this. As a non-government organization, the SPCA's decision to engage in charitable activities than to adopt a line of struggle like us actually gives no cause for criticism, but the fact that it always backs and speaks up for the Government rather than caring for the well-being of animals has nonetheless become a cause for serious concern.

Why would this happen? We suspect that this has something to do with the annual subvention of \$1 million, which has prompted the SPCA to adopt such an attitude. Do Members know who the patron of the SPCA is? We found out that the wife of the incumbent Chief Executive will automatically become the patron of the SPCA. Therefore, the current patron is LEUNG Chun-ying's wife, Mrs Regina LEUNG. Can the SPCA still remain as a non-government organization? If it is the Red Cross of the Mainland that is under discussion, we will definitely not consider it as a non-government organization. The SPCA, which receives an annual subvention from the Government for promoting animal welfare, has intimate relations with the Government, not only in terms of money, but also the patron. Furthermore, policies such as the Animal Watch Scheme has stressed the tripartite co-operation of the police, the AFCD and the SPCA, and is an inter-departmental scheme conducted through the joint effort of the Government and the community to combat animal abuse.

However, as I said just now, the measures have been criticized as ineffective as reports of cats and dogs being amputated or killed were often found in newspapers and on the Internet. What have the authorities done? What new counter-measures have been put in place? Our long-standing request for the formation of an "animal police" has been bluntly rejected by the Government. The SPCA maintained that a more practical solution is legislative amendment. This is even better than the formation of an "animal police", which may encounter difficulties in inspection. As the SPCA has highlighted in its website, "While

the law provides an investigative framework, inspectors recognize that many situations do not rise to the level of 'illegal' although they may be woefully inadequate in terms of animal welfare." This bears much resemblance to my earlier remarks.

Another reason prompting me to support Mr LEUNG Kwok-hung's proposal to reduce the subvention to be made to the SPCA is its apathetic attitude towards the kind-hearted people. I have received many cases about people's disappointment with the SPCA after bringing stray cats or dogs to the SPCA, thinking that they would be well-treated.

Patrick TANG, a local celebrity, once brought six puppies to the SPCA for assistance, but was told that the puppies were too small for injection and thus not ready for adoption. If he left the puppies with the SPCA, they would be euthanized at once. This reminds me of the AFCD's policy of euthanizing animals. This is the measure commonly used by the SPCA, but I am afraid I do not have sufficient time to dwell on it. If a person brought his kitten to the SPCA for medical treatment, an immediate response would be the kitten should be euthanized. But if he refused and consulted another veterinary surgeon, the kitten would be healed. What does this mean? It means that the SPCA does not want to provide medical treatment or care about animals. My speaking time is up.*(The buzzer sounded)*

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

**MR WONG YUK-MAN** (in Cantonese): Deputy Chairman, I will speak on the four amendments moved by Mr LEUN Kwok-hung in the seventh joint debate. I would first discuss Amendment No 141, which reads "Resolved that head 22 be reduced by \$999,000 in respect of subhead 000", that is, to reduce the annual estimate for provision of subvention to the SPCA from \$1,000,000 to \$1,000.

An Honourable colleague has just explained why the subvention should be reduced. As mentioned by Mr CHAN Chi-chuen, it is simply because this is public money and the organization may lack independence, just like what happened to an organization for maintaining stability. In fact, \$1 million

accounts for a very small portion of its annual expenditure. Let me approach this issue in another way; it should basically not receive government subvention because it has funds. What can it do with \$1 million? If the SPCA wishes to maintain independence and gives play to its role as a non-governmental organization (NGO), it basically should not receive government subvention. Anyway, \$1 million is not a considerable amount.

Let me cite an example. The former Chief Executive, Mr Donald TSANG, especially mentioned the "trap-neuter-return" (TNR) trial programme for stray dogs in his last Policy Address. Some animal concern groups have later criticized that the AFCD under the current-term Government has no intention to promote this policy of the last-term Government, and there are some media reports — I remember that these reports were made late last year, a few months after "689" had assumed office. Honestly, the AFCD is an administrative and professional department of the Government, and it is responsible for the enforcement but not formulation of policies. It basically should not have any political position. In fact, policies should have continuity even if they are formulated by the last-term Government.

For instance, the Secretary for Transport and Housing is now Prof Anthony CHEUNG, and he is present today. Can the Housing Department stop the construction of public housing under construction? It cannot do so. Certainly, some may say that the relevant policy on public housing construction was formulated by the last-term Government, and the new Chief Executive has talked about the matter in a lively and interestingly way. As it turns out, only 15 000 flats will be constructed each year. I must say that is another matter. The point remains whether the current-term Government can refuse to allocate public housing flats to the applicants who started waiting during the administration of the last-term Government. Can the current-term Government refuse allocating public housing flats to them? This does not make sense. All executive and professional departments as well as technocrats under the current-term Government should continue to implement the policies already launched because policies must have continuity.

The situation was rather confusing when the TNR programme was proposed by the last-term Government; and the current-term Government has failed to inherit the political ambitions when it handles public affairs. It has just



selected Yuen Long, Sai Kung and the Lamma Island as the trial implementation points and conducted bogus consultations. As a rule, the District Councils (DCs) raised opposition, so the Government readily identified other trial implementation points; therefore, the implementation of the TNR trial programme has been continuously delayed. Hence, the related organization applied to the Li Ka Shing Foundation for a grant amounting to a few hundred thousand dollars to replicate the TNR trial programme on its own. According to Donald TSANG, this programme should be able to effectively solve the stray dogs problem. The organization raised a few hundred thousand dollars and replicated the trial programme. But the effectiveness is highly questionable.

After the introduction of the TNR trial programme in the Policy Address 2011-2012, the AFCD sought assistance from two organizations, including the SPCA and the Society for Abandoned Animals (SAA). These two organizations have three trial implementation points in Ha Pak Nai in Yuen Long, Ho Chung in Sai Kung and Lo So Shing on Lamma Island, respectively implementing the TNR trial programme on 20 to 30 stray dogs. The effectiveness will be reviewed three years later and the extension of the programme to all 18 districts throughout the territory will then be considered.

The Government has developed this programme but handed it over to a NGO for handling as it does not want to be involved or too deeply involved. So, the SPCA is in a very miserable situation. The SPCA has assisted in the implementation of this so-called trial programme, but it has constantly striven for the implementation of the genuine TNR programme for more than a decade. In other words, Donald TSANG who led the last-term Government introduced this so-called trial programme in view of the target that the SPCA has constantly striven to achieve in the past decade or so, and in order to implement a measure considered by the SPCA as more effective.

However, the Government has not approved or specifically implemented the programme despite advocacy by the SPCA for many years, and the Government has just launched the TNR trial programme under the last Policy Address of the last-term Government. It then conducted consultations and tried to identify trial implementation points, but it encountered a lot of resistance because a number of DCs opposed as a rule. As we all know, the DCs are the biggest obstacles to the implementation of policies by the Government; all kinds

of projects including the projects concerning the construction of housing and hospitals, as well as other projects will be suspended once they reach the DCs. A lot of Members present are DC Members and they belong to large parties; they are very "amazing" ..... when similar issues are discussed, the large parties will say certain things at the meetings of this Council while they will say quite other things at the meetings of DCs. They are really "amazing"! If a coin is tossed, they will win no matter whether they get a head or tail. That is how these big parties behave whenever similar issues are discussed. Even though the SPCA which assisted in the implementation of the TNR trial programme has striven for the implementation of the TNR programme for more than a decade, its request has yet to be granted.

Actually, the SPCA has many sources of funding each year and it does not only rely on the \$1 million subvention from the Government. Deputy Chairman, why have I reiterated the difficulties of the SPCA? I think it has made a lot of efforts. My view is different from that of some Members who think that the SPCA has not done much and seem to consider that the SPCA has just helped those who paid them to ward off evil. Why should they hold such views? The SPCA is allocated \$1 million, so it has to work for the Government. How could this work? It has only been allocated \$1 million and it has to cover the lies told by the Government. How could this work?

It is unnecessary for it to suffer from the grievance and be reduced to such a state because we will realize that the \$1 million subvention is only a drop in the bucket when we consider its annual expenditure. Yet, after it has received \$1 million, it has to live up to its name and give others face because it has obtained benefits from them. It has to work for the Government though it is actually a NGO. Even though it has achieved a lot in the past years, since it has received \$1 million from the Government, what it did in the past has almost been denied. I agree with the reduction of this so-called subvention because I care about the SPCA.

The "TNR" programme is about dog neutering for which the SPCA has striven hard for many years. According to the SPCA, neutered dogs must be microchipped. If people are bitten by these dogs, the volunteers who arranged for these dogs to be neutered will have to assume legal liabilities. As the implementation of these programmes will bring many other problems, it is not

that simple. Yet, there are some relevant laws such as the rabies law, specifying that dogs must be neutered, vaccinated, microchipped and licensed; people should bear liabilities for the behaviour of these dogs, and they should not abandon them.

In this connection, the SPCA has made great efforts in the past and, honestly, its work is really difficult. What it did has entirely been denied after it has received \$1 million from the Government. The SPCA is a NGO with a long history; as we all know, it was located next to a petrol filling station on Princess Margaret Road when we were very young. We knew that the SPCA existed when we were very young and we are so old now.

The problem is that it should not accept this so-called subvention from the Government. Therefore, in Amendment No 141 ..... it is a bit mischievous to propose reducing the amount to \$1,000 because it may as well not to allocate any money. I support this amendment because I care about the SPCA and I hope that it would become an upright NGO and do what it should and desires. It should not invite trouble just because it has received \$1 million from the Government. For example, after it has received the funds, the Audit Commission may at any time conduct audits to evaluate it, which is unnecessary.

Hence, I have spoken in support of this amendment. Yet, the reasons for my support are somewhat different from those of other Members. Thank you, Deputy Chairman.

**MS CYD HO** (in Cantonese): Deputy Chairman, I am speaking on Amendment Nos 141 and 142 proposed by Mr LEUNG Kwok-hung to reduce the subventions granted to the SPCA and animal welfare organizations by the AFCD.

In these two amendments, we notice that a subvention of \$1 million has been provided to finance the SPCA and animal welfare organizations. And yet, this is inconsistent with the work of the AFCD. The work of the AFCD, as we perceive, is not caring about animals — as some Members have highlighted — the animal traps used to capture stray cats and dogs would hurt and cause unnecessary sufferings to the animals. Hence, there is no point of pretentiously giving money to these animal organizations on the one hand but trapping and killing them on the other.

Regarding the massive capture and killing, how many stray dogs and cats have been captured as stated under Head 22 on animal, plant and fisheries regulation in the Budget? While the actual number of animals captured was 8 009 in 2012, it is estimated to be 8 000 in 2013. Earlier on, a Member said that an animal captured would be fed for 8.1 days. The truth is, however, it would be euthanized after being fed for four days and the cost of feeding an animal for these few days is \$167. Suppose 8 000-odd animals are captured and the feeding cost is \$167 each, the total cost incurred as I have got here in my calculation is \$1,336,000. The possibility of these animals being adopted within 8.1 days is actually very slim.

Therefore, if the money spent on capturing and euthanizing animals exceeds the subvention granted to finance those animal welfare organizations, what is the point of granting the subventions to them? To truly care about animals, the AFCD suggested under the Matters Requiring Special Attention in 2013-2014 that regulation on pet trading should be enhanced by amending the Public Health (Animals and Birds) (Animal Traders) Regulations. Undoubtedly, the increasing number of stray cats and dogs is attributable to the practice of using pets as gifts. On festive days, pets are often given to family members, boyfriend or girlfriends as gifts. However, they were soon abandoned and became stray animals in the streets once they fell ill or their masters lost interest in looking after them. The unrestricted importation of pets is the reason for the large population of stray cats and dogs.

The second reason is the breeding of pets in registered or unregistered breeding farms, as well as the reproduction of home-kept pets, which are uncontrolled. This has led to an exponential increase in the number of pets and the rapid growth of stray animals in the streets.

Therefore, Deputy Chairman, if we wish to genuinely care for the animals and properly utilize resources, the money should instead be used to expeditiously legislate for regulating breeding farms and imposing a ceiling on the number of imported animals or pets. Or, it may be used to establish an "animal police" so that more people can monitor and prevent, at the community level, the abuse of cats and dogs by people who are violent and have no love for animals.

Deputy Chairman, the reduction of \$1 million may not prevent the recurrence of the problem. The deduction proposed under the two heads is meant to send a strong and clear message to the Government and animal welfare organizations that it is our wish to have a set of policy that truly protects and cares about animals and pets, and enables the animal welfare organizations to genuinely protect the animals. Thank you, Deputy Chairman.

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

**MR ALBERT CHAN** (in Cantonese): Deputy Chairman, we have indicated that we would show our goodwill by reducing our speeches and requests for headcounts. Yet the number of Members present does not show too much of their goodwill. Even the man "working day after night" is nowhere to be found.

Deputy Chairman, I request invoking Rule 17(3) of the Rules of Procedure to do a headcount.

**DEPUTY CHAIRMAN** (in Cantonese): Will the Clerk please ring the bell to summon Members back to the Chamber.

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

**DEPUTY CHAIRMAN** (in Cantonese): Mr Albert CHAN, please speak.

**MR ALBERT CHAN** (in Cantonese): Deputy Chairman, the several amendments proposed by Mr LEUNG Kwok-hung share a common point, that is, they are directed at organizations which receive government subventions. Earlier on, I have commented on the Society for the Prevention of Cruelty to Animals (called 愛護動物協會 in Chinese). Many people are extremely sensitive to organizations whose name starts with the Chinese character "愛". Deputy Chairman, as for the other organizations, Amendment No 142 proposed by Mr LEUNG Kwok-hung also proposes to reduce the annual expenditure on

subventions for animal welfare organizations, and the amount of reduction is also \$1 million.

Regarding this year's Budget, some Members have requested the Government to set out the names of organizations receiving such subventions. Since money has been expended, we would like to know what organizations have been subsidized, yet surprisingly, the Government has refused to give an account of that. We have spent the money, but what organizations have been subsidized? However, the Government is unwilling to give a definite answer as to what organizations have been subsidized. If we try to find the answer ourselves, actually some relevant information can be found. In 2012, the Agriculture, Fisheries and Conservation Department (AFCD) received nine applications, all coming from organizations which had worked in collaboration with the Department. From the types of activities under application, we could see that the organizations concerned included a new animal rehoming centre. This rehoming centre needed to install new dog houses and renovate some facilities. It also provided de-sexing for animals. I consider that the Government should take the initiative to provide the relevant information to the public and give an account and explanation of the use of public money. The Audit Commission should also step up the auditing work in this respect so that public monitoring on the use of public money will not turn out to exist in name only.

However, the subventions received by some of these organizations were actually small in amount, which ranged from \$51,000 to \$260,000, depending on individual organizations. Of course, to be eligible to apply for subvention, these organizations must have entered into partnership with the AFCD. The coverage of the subventions included implementation of programmes relating to the promotion of animal welfare and proper animal management. Animal rehoming, promotion of neutering of pets as well as education and publicity activities mentioned by Members just now were also covered by the subventions. The AFCD would consider the amount to be approved in each application. From 2012 to 2013, the AFCD's total expenditure in this regard was \$2 million. From 2013 to 2014, the AFCD will also provide similar financial assistance.

The names of organizations which have received subventions before are as follows: the Society for Abandoned Animals, Hong Kong Dog Rescue, Asian and Hong Kong Dachshund Society, Hong Kong Alley Cats Watch Society, Doctor

Rabbit, Lamma Animal Welfare Centre, Lifelong Animal Protection, Protection of Animals Lantau South, Sai Kung Stray Friends, Hong Kong Rabbit Society, Hong Kong Society of Herpetology Foundation and Hong Kong Rescue Puppies. We have tried to look for information about these organizations with reference to their names. Of course, we mainly did the search on the Internet.

The information on the organizations obtained from the search on the Internet varies greatly. For some organizations, actually no information can be found on the Internet. Some organizations, for example, Hong Kong Rabbit Society ..... according to the website of iDonate — this website conducts systematic research and assessment on this kind of organizations — Hong Kong Rabbit Society has yet to submit its audit reports of 2009, 2010 and 2011 to the Companies Registry. Apart from Hong Kong Rabbit Society, we cannot find the annual reports of Hong Kong Dog Rescue, Hong Kong Alley Cats Watch Society, Lamma Animal Welfare Centre, Lifelong Animal Protection and Protection of Animals Lantau South either. As a result, we have no idea of the financial status of these organizations at all.

Several other organizations, such as Hong Kong Rescue Puppies, Sai Kung Stray Friends and Doctor Rabbit, do not even have a website, and no relevant information can be found on the Internet. As for the other organizations, for example, Hong Kong Society of Herpetology Foundation, its annual report indicates that its main source of revenue was miscellaneous income, including profits from the sale of pet food. These organizations record a surplus every year. Are they actually non-profit-making organizations? We are really doubtful about it.

Basically, we find it difficult to monitor whether the funds of the organizations concerned are properly used because our knowledge relies on the relevant open information. The Government grants subventions to these organizations, while outsiders can hardly know about the actual financial status of these organizations. I wonder if the AFCD has such knowledge. When these organizations make applications to the AFCD, will the AFCD request them to submit information? However, at least regarding these public expenditures, that means the subventions ranging from \$51,000 to \$260,000, it is difficult for us to find out the actual situation of these organizations.

Another amendment proposed by Mr LEUNG Kwok-hung, which is Amendment No 143, seeks to reduce the subvention for the conservation and management of the Ramsar site, the annual expenditure of which is \$158,900. Deputy Chairman, I concur with the coverage of the subvention because management of wetland is necessary, but the reduction proposed by Mr LEUNG Kwok-hung has enabled me to further observe where the problem lies. I am doubtful whether the World Wide Fund for Nature (WWF) needs this subvention. I absolutely understand that the management of wetland will incur expenses in many aspects, but the major expenses from the beginning ..... the estimated expenditure back then was undoubtedly bigger, but the WWF ..... of course, it has been responsible for managing Mai Po for years, but now Mai Po has many other sources of income. The WWF's annual expenditure is \$70 million. In comparison, the government subvention of \$158,000 in this regard is in fact insignificant. I doubt whether the Government needs to provide this organization with such a subvention. In 2000, the subvention which the Government granted to this organization for the management of wetland was \$3.23 million. The current subvention is only 5% of the subvention back then. Hence, generally speaking, is there a need to make such a subvention after all? I doubt it greatly.

(THE CHAIRMAN resumed the Chair)

On the other hand, let us look at the WWF's overall financial status. Its expenditure on membership management stood at \$11 million, accounting for 16.4% of the expenditure of the organization. Why did membership management cost so much money? Membership management cost \$11 million, whereas the government subvention for the management of wetland is only \$158,000. In comparison, was its members' welfare so good that it was necessary to spend \$11 million on membership management?

Besides, the expenditure on communications accounted for 9.9% of the total expenditure, while the expenditure on administration accounted for 3.2%. Adding up these several expenditure items, the overall internal operating cost of the organization took up 30% of its total expenditure. Given that its internal expenditure has taken up so much money, why does the Government still need to grant a subvention of some \$100,000 to facilitate its management in this regard?



Hence, there is a big question mark over this. If these organizations consider this task significant, they should undertake it even if the Government does not provide any subvention, since the management of wetland is an honour to these organizations. Moreover, the management of wetland is considerably helpful to these organizations in raising funds. Given such sound financial strength of this organization and its enhanced position due to its management of wetland, coupled with its internal management which costs so much money, actually the Government can save the expenditure in this respect.

Besides, Amendment No 144 involves the network of Aquaculture Centres in Asia and the Pacific. This is a bit weird because the network of Aquaculture Centres in Asia and the Pacific mainly provides information, yet why do we have to spend \$1.44 million on the provision of such information ..... since 1995, the Government has paid \$1.44 million in total. Of course, this year's expenditure is only \$80,000, but actually how did such information help Hong Kong? What actual assistance did it bring to Hong Kong in aquaculture? There is no way to ascertain this. Now if we surf the Internet, we will be able to find a lot of information. Why does the Government still need to spend \$80,000 a year to maintain the provision of information by the network of the Aquaculture Centres? Since the Government fails to account for the expenditure in this regard, we support Mr LEUNG Kwok-hung's amendment to reduce this expenditure to \$100.

As a matter of fact, in the speeches made by me in succession just now, I have raised a number of queries and criticisms on the Government's provision of subventions to these organizations, the failure of these organizations to provide financial information, whether the amount of subvention was appropriate, and whether the use of public money compliant with the value-for-money principle. I appeal to the Audit Commission to conduct an in-depth study and assessment on the public expenditure in this regard when it has the time. Thank you, Chairman.

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

**MR LEUNG KWOK-HUNG** (in Cantonese): Chairman, the seventh joint debate covers four amendments which concern reduction of expenditure. While

the Chairman was having lunch or taking a break, we discussed the first one. I do not know if you heard it. The Society for the Prevention of Cruelty to Animals (SPCA) .....

**CHAIRMAN** (in Cantonese): Mr LEUNG, although I was not in the Chamber, I could still hear Members' speeches.

**MR LEUNG KWOK-HUNG** (in Cantonese): Oh dear, how poor! If you have heard them, that is fine. Then you would know if I have repeated anything. If I have, please say it out.

**CHAIRMAN** (in Cantonese): You need not repeat anything.

**MR LEUNG KWOK-HUNG** (in Cantonese): That is right. Why is this a joint debate? It actually has a special feature. That is, certain organizations are subsidized with public funds through the AFCD so as to attain specific purposes. It is that simple. You cannot say it is unreasonable because the size of the Government cannot be too large. For example, if the Government is also responsible for the SPCA's work, the cost may be even greater, and there will be management problems as well. I understand that.

However, in terms of value for money or whether the policy should be implemented to such an extent, I find it largely unnecessary. The SPCA is a lingering old practice which operates in the British style. In the past, since the Governor's wife did not have any work to do, she served as the Chairman of the SPCA. Frankly speaking, if the Governor's wife said she wanted to do some work and the Governor then gave her money to work, that was okay. However, now it is not the colonial era anymore. Our present Chief Executive was, in a manner of speaking, returned by election. Therefore, if we follow the old footsteps and allocate money to the SPCA when it desires to work, or let it do the work which other organizations could have done better, this is in fact unnecessary.

First of all, I have to point out that we really need to ponder over Amendment No 141 because regarding the SPCA's work, its expenditure is not very big, but in the light of long-term development, we have noted its difference in opinion from that of other animal welfare organizations, as well as its failure to respond to other people's queries about it. However, the question is we will continue to provide it with funding. From this angle, this should be a matter of policy. During the funding allocation, should we act as usual, relying solely on a single society to undertake the work? Or should we open a platform and formulate certain — as in the case of shopping malls — principles for tender, invite people to put in tenders or make performance pledges, and then let a neutral committee or appointed committee members and officials hold joint discussions on how to use the money? I consider that there is a problem with policy. In practice, the SPCA's performance is also rather disappointing. Putting aside other questions, if we just look at the issue of animal police, should titles or positions be set up for animal police to deal with problems caused by negligence of animal rights? I find it inappropriate for the SPCA to substitute its own inspectors for the so-called animal police in the community, so its subvention should be reduced. I hope Members of this Council will understand that old practices do not necessarily have to continue in the future. This is my appeal in respect of Amendment No 141, which requests to reduce its subvention to \$1,000.

That should also be the case for the annual estimated expenditure for the management of the Ramsar Site. The Ramsar Convention was signed in 1971 and officially took effect in 1975. Some 30 years have passed. Why would we do such work? This is because of our belated awareness. We did not know that wetland was good. Nor did we know that wetland was precious. Our Motherland did not implement the Convention until July 1992. Now we have set up the Wetland Park, knowing that wetland is desirable. Yet there is one question: Is the AFCD capable of management? In other words, can it handle such work as appropriate at the right timing under the right circumstances? In my view, this should not be undertaken by the AFCD. Hence, I request that its expenditure be cut not because it has been doing a poor job. You may ask, if I say it is not doing a poor job, why not grant it more money? In my view, this should be undertaken by another organization, or the Government could establish an organization independent of the AFCD to carefully protect the wetland in Hong Kong. Furthermore, to protect the wetland, it is necessary to do a lot of sampling and inspection work which the AFCD, a huge organization with numerous cumbersome tasks in its programmes, is incapable of undertaking.

Thus, actually this proposal of mine is "to give up first so as to succeed later". As in the case of playing chess, we should "kill it off" first.

I hope the Government can heed the views of this Council — at least my view — and remove this novel item from the big bureaucratic structure. Let those people and stakeholders who have more professional knowledge participate in the management and formulate a specific framework and performance pledge so that we can have a clear picture. If the item is placed inside a big organization, actually we will be unable to find it. That is like hiding a key in one of the drawers in a room. Yet there are 1 000 drawers. How can you find it?

Regarding the Network of Aquaculture Centres in Asia and the Pacific mentioned by Mr Albert CHAN just now, the theory is actually very simple — that means the "admission fee" — if you pay the money, you will be provided with the information. This ritual will certainly be performed as before. That is, to express our support for aquaculture in Asia and the Pacific, and for the sake of the services obtained (that means the information obtained), funding is granted. My view is similar to my earlier view concerning the implementation of the Convention for wetland. I consider that a \$10,000 payment is acceptable.

In respect of aquaculture, in the previous discussion we said that fishermen or the fishery industry is on the decline. Actually more resources should be provided to deal with the information on aquaculture.

Chairman, perhaps you do not know that many fishermen have retired or switched to other operations. Since they ceased to capture fish in the sea, they have spent their compensations on aquaculture. In fact, aquaculture has a certain strategic effect in helping Hong Kong's fishery industry to switch to other modes of operation in the future. Hence, the payment of US\$10,000 (that means HK\$80,000) is actually a ritual which we will continue to perform as before. When we are provided with information, we will accept it. In fact, the amount of money to be spent should not be that small. The reason is simple. It is because the Budget does not allow — Chairman, you understand it as well — it does not allow us to request the Government to pay any extra dollar. We cannot but try to make slashes with all our strength until there is nothing, with a view to achieving a final success after putting up our last-ditch efforts.

My view is actually very simple. Summing up the debate on these four amendments, except for the first one which I think should be scrapped as it is a colonial ritual, the Government should really give more consideration to allocating more funds for the other ones. It should not merely follow the Convention and implement something simply because other people have done the same thing, or give support out of courtesy after the foreign countries have done something. I consider that on the issue of aquaculture, the Government should allocate more funds to support the transformation of the aquaculture operations.

Hence, in my view, the constraints of the Appropriation Bill 2013 have given rise to an anomaly, such that I need to cut the funding time and again. In fact, on some of the questions, I am well-intentioned. The actual funding received by the AFCD for aquaculture and wetland is relatively small, and there can hardly be any development in such a huge government organization. I hope the Government can hear our voices, review the policy afresh, set up a relevant organization, allocate the funding accordingly, and establish a bigger platform for the public, stakeholders or people with professional knowledge to facilitate significant progress in the development of these matters. Thank you, Chairman.

**CHAIRMAN** (in Cantonese): Mr LEUNG, as you may have noted, the amount of subvention for the management of the Ramsar Site mentioned by you just now is exactly the amount of subvention granted by the AFCD to some environmental protection agencies for assisting in the management of the Ramsar Site.

Does any other Member wish to speak?

**MR LEUNG KWOK-HUNG** (in Cantonese): Chairman, you did not catch my point. I understand your reminder for me. As a matter of fact, the organization does not have enough money. Apart from management, the inspection of organisms on wetland also needs money, but the organization is just short of money.

**CHAIRMAN** (in Cantonese): What you said is already very clear. Does any other Member wish to speak?

**MR CHAN CHI-CHUEN** (in Cantonese): I request a headcount in accordance with under Rule 17(3) of the Rules of Procedure for the first time today.

**CHAIRMAN** (in Cantonese): Will the Clerk please ring the bell to summon Members back to the Chamber.

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

**CHAIRMAN** (in Cantonese): Mr CHAN Chi-chuen, please speak.

**MR CHAN CHI-CHUEN** (in Cantonese): Chairman, I will continue to comment briefly on Amendment No 141 in the seventh joint debate — that means the reduction of subvention of the AFCD for the Society for the Prevention of Cruelty to Animals (SPCA).

Regarding the joint debate on Amendment Nos 141 to 144, I only support Amendment No 141. Fortunately, separate voting rather than joint voting will be conducted for the above amendments. If Members have compared Amendment Nos 141 and 142, they will find a big problem. Being the biggest animal welfare organization in the community, the SPCA is granted a subvention of \$1 million. However, if we review Amendment No 142, although there are eight or 10 animal welfare organizations, we will find the total amount of subventions for them is also just \$1 million.

Being a single grantee, why was the SPCA able to obtain the biggest amount of subvention from the AFCD over the years? Some people think it is because the SPCA deals with the largest amount of business with the biggest membership — since pet owners must become its members in order to make purchases or seek consultation at the SPCA — its size is also the biggest. Therefore it should be granted the biggest amount of subvention.

In the last joint debate session, I mentioned that it seemed the SPCA had become a quasi-government body. The general public also has the same feeling, regarding the SPCA as an "authentic", "famous brand". As a result, be it

adoption of animals, discovery of abandoned animals or medical consultation for pets, their first priority will be the SPCA with no other choice. Such an illusion arose because the SPCA received the biggest amount of subvention from the AFCD. Undoubtedly, the size of the SPCA is the biggest, but we have queries as to whether it is the best or if it has no shortcomings. Hence, we propose to reduce the AFCD's subvention for the SPCA.

The reason why the SPCA can obtain the biggest part of subvention from the AFCD is that the Government wants to cultivate a non-government organization to build up credibility and authority so that when it intends to introduce a policy, this non-government organization will express support to facilitate smooth implementation of the policy. There is actually a grave problem. I am not making any accusation of "bribery" or "corruption". I just wish to point out the problem of open "collaboration" between the two. In retrospect, the SPCA has never criticized any policy of the Government or the AFCD. It did not only deliver a mild rebuke which was a great favour in disguise. It even pleaded for the AFCD when the AFCD was subject to criticisms.

An example is the infuriating incident of dog capture which left the ground smeared with blood in Tin Shui Wai. I will not go into the details here. When asked whether it accepted the AFCD's practice, the SPCA, taking its usual stance of protecting the master, said that the AFCD's practice was acceptable and pleaded for the AFCD. When we proposed that the AFCD consult the non-government organizations on a certain policy, the AFCD would use the SPCA as a shield and advise that even the biggest non-government organization had rendered its support. This is my first query.

In the last session of the joint debate, I mentioned that since the SPCA had its own inspectors for the prevention of cruelty to animals, animal police could still not be introduced. I am not going to repeat this point.

Besides, the SPCA lacks transparency. A number of non-government organizations concerned with animal rights have long considered the SPCA a quasi-official body rather than a non-government organization, and they have repeatedly urged the SPCA to adopt an open approach to allow inspection of its animal welfare centres so that members of the public will understand how the SPCA treats cats, dogs and other animals.

However, what is the SPCA's reply? It is as follows: "For operational purposes and efficiency, every organization should be privy to a certain degree of confidentiality. We welcome the notion for Legislative Council Members and animal welfare organizations or other appropriate parties to visit the animal management centres periodically to increase mutual understanding and communication, for the sake of improving animal welfare in Hong Kong." (*from SPCA's website*) It is thus evident that even though this Council grants funding to the SPCA, it will be unable to exercise appropriate regulation.

Apart from transparency, does the SPCA really love animals? On the Internet there are a lot of criticisms made by people concerned with animal rights against the SPCA. Some people suggest that one should not take his pets to the SPCA for treatment because the mortality rate is high. A cat kept by me also passed away in the SPCA, but I am not going to recount my experience here.

There are many other similar cases. For example, someone's dog had got a problem. The owner brought it to the SPCA to seek consultation but was cold-shouldered by its veterinary surgeon, who indicated that even surgery would not help the dog and suggested euthanasia. The word which the SPCA's veterinary surgeons mention most often is "euthanasia". The situation is like that of Hong Kong's public healthcare service in the last century which would draw criticisms from time to time. For instance, a victim's finger was injured in an industrial accident, so he went to a public hospital for treatment, but the doctor said that it was incurable and recommended him to undergo an operation to have his finger amputated because it was the simplest approach. However, he was unwilling to do so. He went to a private hospital for consultation, and in the end he was cured without any amputation.

When the SPCA handles similar requests for assistance — it does not deserve to be called a welfare organization because the charges for its veterinary services are not much different from those in the market — it often indicates that even a surgery will not have much effect, or there is actually no way to effect a complete cure. Yet many cases have shown that private veterinary surgeons were able to bring about a cure. What does that indicate? The SPCA's healthcare staff have not exerted their utmost, or given their heavy workload, they want to deal with the sick animals speedily, and the simplest way is to send away the people seeking consultation or suggest euthanasia.



Besides, the attitude of the SPCA staff often attracts criticisms. In one of the cases, a healthcare worker told a dog owner that as his dog was suffering from severe injury and also a high fever, even if it underwent an operation, it would not survive. He further said that even if the owner refused an operation, calculation of the consultation fee had already started then. This might be an individual case, but it had upset its supporter because those who went there to seek assistance were members who had made donations.

The SPCA later explained that as the injured dog was in a critical condition at that time, the veterinary surgeon recommended immediate treatment, or else it would have to be euthanized. It added that there might be communication problems during the process, resulting in conflicts and misunderstandings in their conversation. It was possible that the owner was agitated in view of the injury of his beloved dog at that time. There are numerous similar cases. The SPCA's practice of proposing euthanasia at every turn has all along been a subject of criticism. This is one of the major reasons for my support for Amendment No 141 moved by Mr LEUNG Kwok-hung today.

Another point about the SPCA which has attracted criticisms is that age and race discrimination prevails in the Society — not against humans, but against cats and dogs. We do not know if it is because of the SPCA's overall policy, or individual staff members in its centres make such discrimination solely based on their own preference in the absence of any concrete policy.

Let me cite two examples in which the people involved are both artistes. Miss Fala CHEN said she had rescued a stray cat from the AFCD and then went to the SPCA to seek assistance. What was the reply she got? The SPCA advised that it would take in only kittens, not adult cats. It might be harder for adult cats to be adopted, but whether it is hard or easy for them to get adoption is a separate issue. The SPCA receives government funding and donations from the public to engage in the promotion of animal welfare, yet it has exercised age discrimination.

Besides, the SPCA has shown race discrimination. The SPCA staff went so far as to ask about the species of her kitten — whether it was a pedigree or domestic cat, adding that if it was a domestic cat, it would not be taken in, since there were already too many that they could not accommodate any more of them. People who sought assistance from the SPCA or who wished to rescue animals

knew very well that the AFCD would euthanize the animals received within a certain number of days — the AFCD said it was eight days, but in reality, it was four days — hence, they saved the animals from the AFCD and delivered them to the SPCA in the hope that the animals would stand a chance of survival and adoption. Unexpectedly, they received such treatment. As a result, Miss Fala CHEN criticized the SPCA for loving only young and beautiful pedigree cats and dogs rather than adult domestic cats and dogs.

The person involved in the other example is Mr Patrick TANG. He brought six stray puppies to the SPCA to seek assistance, but the worker said that the strays were too young to receive injections for adoption. If they stayed in the SPCA, they would be euthanized.

All these things are really puzzling. Was it the SPCA's policy, or did that worker just make the decision on his own? I myself had adopted a stray cat which was only about one month old before. The SPCA could not perform a de-sexing operation, but if I adopted it, the Society would administer a vaccination. After it had received the first vaccination and grown bigger, I could take it away. I also had to pay a \$1,000 deposit. When the kitten was three or four months old, I took it back to the SPCA to undergo the de-sexing operation.

My experience shows that the SPCA would indeed offer assistance, but these two examples ..... I believe Miss Fala CHEN and Mr Patrick TANG would not lie to catch the limelight. They have simply pointed out some inadequacies of the SPCA's policy — maybe it is not related to the SPCA's policy. Instead, it is just being too perfunctory in carrying out its work.

All in all, as we could see, the SPCA is the biggest animal welfare organization which enjoys high recognition from the Government with the Chief Executive's wife acting as its sponsor, but it turns out that its missions and services do not accord priority to animal welfare. Instead, it seeks to protect and defend the authorities, creating the so-called "public opinion" for the Government's or the AFCD's policy on animals. Moreover, it casually conducts euthanasia — as I have said earlier, life matters most — while its provision of medical services is sloppy and careless.

In the event of a medical blunder in a public hospital, we would receive a lot of requests for assistance, and a death inquest would be conducted. In the event of a medical blunder in the SPCA, however, there would be no way to pursue responsibility. My kitten was an example. If unscrupulous business practices or frequent medical errors of private veterinary clinics are exposed, they will certainly lose their clients and will be eliminated naturally. However, the SPCA is supported by the Government and receives an annual subvention of \$1 million. Yet the quality of its medical services or attitudes of its veterinary surgeons are worse than those of private veterinary surgeons, so we cannot but take this opportunity to raise our queries. Regarding abandoned stray animals, the SPCA holds a sloppy attitude and treats them selectively, rather than giving priority to animal welfare.

Owing to all of these reasons, I support Amendment No 141 moved by Mr LEUNG Kwok-hung. However, just now I did not hear clearly his reason for moving Amendment No 142. I do not know if Mr LEUNG will speak again later, but I wish to add my comments only after I have got a good understanding of it.

I shall stop here in this debate session. Thank you.

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

**MR LEUNG KWOK-HUNG** (in Cantonese): I will be brief, but I must speak because it concerns the turtles. The turtles are a critical issue in the animal welfare organizations subsidized by the Agriculture, Fisheries and Conservation Department (AFCD). To begin with, .....

**CHAIRMAN** (in Cantonese): Are you speaking on Amendment No 142?

**MR LEUNG KWOK-HUNG** (in Cantonese): Yes, I am talking about Amendment No 142. Why do I say so? It is because the problem lies with the

policy. If it is the policy of the AFCD to subsidize certain organizations, say in the form of tax exemption, but the practice of these organizations goes against international standards, then the policy warrants discussion. I thus think that their subventions should be reduced.

I am actually talking about the slider turtles. They are commonly seen in the market, so I will not describe them in detail. They vary in size. One particular species, named Red-eared Slider, is among the top 100 invasive species in the world, meaning that all other species, not only turtles, will be "running out of luck" if Red-eared Sliders are introduced into their habitat because the latter is a threat to the ecosystem.

The Hong Kong Society of Herpetology Foundation is one of the subvented organizations of the AFCD. The Foundation has done nothing wrong, except one thing. It advocates a three-step procedure, namely collecting, temporarily homing and permanently adopting abandoned amphibians and reptiles, with a view to finding them a new home. I do not object to the advocacy of the Foundation, but I think two points warrant discussion: first, it works with the Hong Kong Federation of Trade Unions to provide Hong Kong-first caring course on pet turtles; and second, it conducts reviews on whether the procedures laid down in the relevant laws in Hong Kong are reasonable and proposes feasible options.

The point which warrants discussion is that Red-eared Slider, which I just mentioned, is a species unwelcomed by other countries. These countries think that this species should not be imported or the countries will be in deep trouble. Red-eared Slider breeds rapidly, causing damaging effects on the habitats. Hence, in subsidizing these animal welfare organizations, the AFCD should not just aim at finding stopgap measures, that is, it should not merely aim at finding people to collect the abandoned turtles, provide them with a temporary home or adopt them permanently. We should help the Government to realize that these turtles should not be imported. In other words, the Government should stem this problem at source by banning the importation of these turtles and thus pre-empting subsequent abandonment. These turtles should be completely banned from being imported.

I am certainly speaking from my heart. Given that other countries or regions have frantically refrained from importing these turtles, we would be inviting troubles if we import these turtles. Hence, regarding this point, I hold that in subsidizing similar organizations, the AFCD should not only focus on their passive functions, that is, to tackle problems already arisen. I hope that these organizations can help the AFCD in assessing the problems at source, so as to stop these turtles from being imported and stem the problem at source. This is my view.

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

(No Member indicated a wish to speak)

**CHAIRMAN** (in Cantonese): Does any public officer wish to speak?

(No public officer indicated a wish to speak)

**CHAIRMAN** (in Cantonese): This debate will now come to an end. We will now proceed to the eighth debate.

**CHAIRMAN** (in Cantonese): Mr LEUNG Kwok-hung and Mr Albert CHAN have given notices respectively to move five amendments to reduce head 22 by various amounts in respect of subheads 000, 609, 610 and 661. The amendments are about the expenses on plant, equipment, works and nature conservation projects of the Agriculture, Fisheries and Conservation Department.

**CHAIRMAN** (in Cantonese): Committee will now proceed to a joint debate on these five amendments. I will first invite Mr LEUNG Kwok-hung to speak and move Amendment No 145 as set out in Appendix I attached to the Script.

**MR LEUNG KWOK-HUNG** (in Cantonese): Chairman, I hereby move that  
.....

**CHAIRMAN** (in Cantonese): Mr LEUNG, have you put on your microphone?

**MR LEUNG KWOK-HUNG** (in Cantonese): I hereby move Amendment No 145 to slash the annual estimated expenditure on minor conservation projects and studies.

This is a resolute move. Not even a penny will be allocated to this item. My view is simple and logical. It is because even community groups are doing a better job than the Agriculture, Fisheries and Conservation Department (AFCD). It is as simple as that. I targeted at minor conservation projects and studies because some other local organizations have been conducting similar studies. For instance, Agarwood, which I have mentioned before ..... the Chairman certainly knows that I have spoken on Agarwood before. I am talking about it again because I wish to prove that community groups have done better studies on it than the AFCD has. For example, in terms of conservation of Agarwood, an organization named Association for Tai O Environment and Development has been doing work in this respect. The chairman of the Association is actually not indigenous to Tai O and he is only a teacher there, so I would keep him anonymous. He often reported incidents of Agarwood trees being fell to the police when he received such news. As the saying goes, "the villains are close whereas the police are distant". Seeking help from the police is the most common approach. However, when he did so, he was told by the police that such incidents were not under their jurisdiction and he should approach the AFCD; and when he sought help from the AFCD, the AFCD staff was unable to do anything helpful and their reason was that the AFCD did not have sufficient manpower to protect these precious resources.

This is exactly where the problem is. Let us consider two options. The AFCD can appropriately subsidize these concern groups which are motivated by their sincerity or interest. Alternatively, due to the fact that polices are coming from many different departments, people have to first seek help from the police which would tell them that it is none of their business and then they have to seek

help from the AFCD staff who would tell them the same thing. Which is a better option? I think this issue has exposed the core of the problem. That is, the concepts of nature conservation and environmental protection have yet to be accepted by everyone in society. In other words, no matter what your profession is, you will not be placed in an atmosphere which encourages you to foster such concepts. As a result, when you discharge your designated duties in the Government, you do not have sufficient professional training or adequate motivation originating from your passion. Hence, rather than letting the AFCD conduct the minor conservation projects and studies, it would be better to enable these projects and studies to take root in those concern groups and stakeholders.

This point can also be illustrated by the problem of stray dogs. Noting that some hikers at the Lion Rock frightened by stray dogs would beat them away, some dog lovers who are also passionate hikers voluntarily formed a group called Lion Rock Action Group. They formed it on their own initiative, so they naturally would take actions which tally with those advocated by the government policy, such as carrying out vaccination, neutering and body examination for stray dogs. In this regard, the Action Group is doing the right thing. However, under the leadership of Dr York CHOW, the former Secretary for Food and Health, the Government's "Trap-Neuter-Release" Programme for Stray Dogs was somewhat ambiguous. He showed no leadership. Why? It is because in the consultation with the 18 District Councils (DCs) on this matter, he failed to form a central policy because the responses of the 18 DCs broke even with nine DCs supporting this initiative and nine DCs opposing it.

Chairman, that this problem has again proved that policies are coming from different departments and the AFCD is only one such department. It is thus an outdated practice to let the AFCD take charge of some many issues and make it the authority to select or expand a policy. Hence, I find that there is a need to change the overall policy now, having considered the poor performance of the AFCD in conducting its minor conservation projects and studies. These projects and studies have failed to establish a platform to facilitate discussions with the stakeholders, supporters and enthusiasts. Quite the contrary, given that the authorities have to seek funding which is then allocated to different organizations, this practice would definitely give rise to two problems. First, whether the authorities have any understanding of these organizations; and second, even if the

authorities have such understanding, whether these organizations know what the authorities advocate? I thus think that this practice should be reviewed.

Hence, I am making the same point. Let the authorities be reborn after death. Let their funding be cut until it hurts ..... Chairman, pardon me for being blunt, if the public officers have a chance to reply today ..... As you can lecture me, they can certainly lecture me. Right? You have already lectured me. If I am in anyway wrong, they can start the debate at once, so that the people of Hong Kong can gain some more understanding of this policy and the principles of appropriation.

Regrettably, I am here offering a humble remark, in the hope of attracting their valuable opinions. But I have failed to do so, making me look like a fool. I do not want to say anymore. I hope other Members can speak on this issue. I will end this section of my speech and I will later speak again on other issues under the eighth joint debate.

Thank you, Chairman.

**Mr LEUNG Kwok-hung moved the following motion:**

"RESOLVED that head 22 be reduced by \$6,469,900 in respect of subhead 000."

**MR ALBERT CHAN** (in Cantonese): Chairman, the amendment proposed by me is Amendment No 146, which seeks to reduce the annual estimated expenditure on the use of garbage bags by the Agriculture, Fisheries and Conservation Department in the management of country parks, and the amount of reduction involved is \$210,000.

Chairman, in the past years, I have repeatedly reflected my opinion on the arrangement of using plastic bags to several Directors of Bureaux (particularly the Secretary for the Environment) in the Legislative Council. The Government has repeatedly introduced levies on the use of different plastic bags. Recently, it decided to again introduce a levy on plastic bags used in retail shops. The plastic bag levy induced great controversies a few years ago. By proposing this amendment, I wish to criticize the Government for its mentality of only allowing itself to do whatever its likes, but not allowing the common people the slightest



degree of freedom in doing what they like. I say so because the Government is the largest user of plastic bags. It is detestable and indignant to see the extent to which the Government has abused the use of plastic bags.

Regrettably, none of the public officers here today is in charge of this area. The Secretaries of Departments are not here. The Director of Bureau is also not here. The Under Secretary is here, but he is in charge of transport. How much better would it be if the Government could send a more relevant public officer here to listen to our remarks! This really makes us feel impatient and angry. Chairman, I request a headcount in accordance with Rule 17(3) of the Rules of Procedure. It would be even better if you can summon the relevant Director of Bureau here to listen to our views.

**CHAIRMAN** (in Cantonese): Will the Clerk please ring the bell to summon Members back to the Chamber.

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

**CHAIRMAN** (in Cantonese): Will Members please return to their seats. Mr Albert CHAN, please continue.

**MR ALBERT CHAN** (in Cantonese): Chairman, earlier I criticized the Under Secretary for Transport and Housing; and now, all of a sudden, the Secretary for Commerce and Economic Development is here, but he is also not in charge of the work of the AFCD, nor is he familiar with the policy of agriculture and fisheries. I do not know if such a mismatch is the Administration Wing's failure in sending the corresponding public officers to attend this meeting or it is a new tactic adopted by the Financial Secretary to counteract the filibuster, that is, he wishes to send an irrelevant public officer here to give the speaking Members a hard time.

Chairman, talking about the use of plastic bags by the AFCD, I wish to commend the AFCD for its decreasing use of plastic bags in the past few years. For instance, in 2008-2009, it used 380 000 plastic bags; in 2009-2010, it slightly increased its usage to 384 000 plastic bags; in 2010-2011, it used 379 000 plastic

bags; in 2011-2012, it used 270 000 plastic bags, and in 2012-2013, it used 270 000 plastic bags; and this year, its project usage will drop to 231 000 plastic bags. Its project expenditure this year will drop to \$210,000 as well, compared with its expenditure of \$230,000 in 2008-2009 and its highest expenditure of \$300,000 in 2010-2011. It has reduced both its usage of plastic bags and expenditure in this regard, despite the fact that its cost has increased after using biodegradable plastic bags.

That said, on the whole, I cannot accept the use of plastic bags in country parks. I certainly know that there are barbecue sites in some country parks. Sometimes we might see wild cows coming to these barbecue sites to eat the meat. These cows would approach the barbecue sites for leftover food there. However, this does not change the unacceptable fact that the AFCD uses hundreds of thousands of plastic bags in country parks. I thus propose to cut the corresponding annual estimated expenditure, so as to send a clear message to these government departments that they should reduce the use of plastic bags.

Actually, the problem is often related to waste separation. If the Government has done a good job in waste separation, it simply does not need to use so many bags. Government departments (particularly the AFCD) should take the lead in this regard. If even government departments do not do their part ..... many government departments performed poorly in this regard, such as the Leisure and Cultural Services Department (LCSD). The LCSD workers use large black garbage bags to put twigs and leaves pruned from trees and plants in the LCSD parks. Workers of the Highways Department also use large black garbage bags to put weeds pruned from the roadside and such garbage is then dumped at landfills.

Hence, we can see that government departments are unable to dispose of waste with an environmentally-friendly approach. As a result, the volume of waste cannot be substantially reduced, and using plastic bags is an environmentally-unfriendly approach. If the AFCD continues to use plastic bags in country parks, it would send a very negative message to the public. I have thus proposed this amendment to warn the government departments concerned (or the Government as a whole), urging them to review and improve the situation.

Thank you, Chairman.

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

**MR CHAN CHI-CHUEN** (in Cantonese): At the eighth joint debate, I will speak in support of Amendment No 145 proposed by Mr LEUNG Kwok-hung to slash the annual estimated expenditure of minor conservation projects and studies under the AFCD and the amount is \$6.47 million.

Of course, I need to advance sufficient grounds for this slash of the estimated expenditure of the AFCD. What is the purpose of these conservation projects conducted by the AFCD? These projects seek to protect local species, and local species generally mean animals, plant as well as woodland, wetland, farmland and other natural habitats which are indispensable to the survival of animals. In terms of the three major areas of agriculture, fisheries and conservation, we have already discussed the agricultural policy and animal policy. I would like to take this opportunity of cutting the estimated expenditure for minor conservation projects to talk about a crucial aspect, namely, conservation. Actually, the three major areas of agriculture, fisheries and conservation cover two concepts and that is, protection and restoration.

According to a Hong Kong biodiversity study conducted by the University of Hong Kong, a prestigious university in the study of local ecological environment, the species in Hong Kong which require protection are very abundant, making this tiny place comparable to the United Kingdom. The people of Hong Kong may be unaware that we have so many precious species. Funding should be allocated to the proper protection of these species from extinction and prevention of their habitats from being destructed. If so, why do we still wish to slash the estimated expenditure on conservation projects and studies? Let me draw an analogy. These precious species are like homeless people who can be driven out of their dwellings by other people. However, despite often being driven away with no food to eat and no proper dwellings and battered by the elements, homeless people can live under flyovers and put up for a while. The precious endangered species, however, have lost their home and have been decreasing in population due to the human factor ..... or mainly due to the human factor. As the conservationists often say, the ecological environment has been deteriorating, which is no longer a suitable home for many such species.

All that I have said so far means to strike home the message that the AFCD is duty-bound to protect and restore the natural environment, so that the biodiversity of Hong Kong can remain sustainable. The people of Hong Kong are the owners of Hong Kong, all because we are human beings. In fact, the species are also native here. They grow and live in our environment. The general public ..... I must make this point clear ..... Some people used to think that setting aside funding for protection of the natural environment was trivial. They questioned why spending so much money on conducting surveys or studies. These people held that these species only had amenity value and they would not die if they had less of such value. However, nowadays, we begin to treasure ecological value and conservation has become an important subject. Any infrastructural works taken forward by the Government, such as artificial bathing beaches, has to be accompanied by proper conservation works. We often say that the Government has to conduct a proper study, otherwise, the project concerned cannot be taken forward.

As the trustee of Hong Kong people and a well-trusted professional department of the Government, the AFCD should act as a proper gate-keeper and conduct studies which predominantly aim at environmental protection, rather than aiming at taking forward a policy. In other words, it should not conduct studies which are conducive to the implementation of a certain policy. I would not say for the time being that this is collusion between business and the Government, but if such studies are policy-oriented, in disregard of the needs of local people and native species, these species will end up becoming the victims of development. In order to support this amendment which seeks to slash the estimated funding for conservation projects and studies, I will cite a critical and well-known example to illustrate that over the years the AFCD has obtained funding to carry out work that ended up in complete failure.

In a *South China Morning Post* article dated 6 May 2013 (which was two days ago) which quoted figures from the Hong Kong Dolphin Conservation Society, the Society's spokesperson claimed that 158 Chinese White Dolphins were found in the Hong Kong waters in 2003, but only 78 such dolphins were left by 2011. When we searched further, we found that the figures actually came from the Hong Kong Cetacean Research Project, a project funded by the AFCD. In other words, the AFCD all along knows about the situation of these dolphins. It sought funding for the conduct of studies, but it did not formulate any policies or follow-up measures after obtaining the figures from these studies. The AFCD

took the funding and conducted the studies, showing pretended care and concern and doing everything as a matter of routine. But look at the figures ..... For instance, look at the figures I just cited. The AFCD all along knows about the declining population of dolphins, which has dropped by 50% from 158 dolphins to 78 dolphins. The AFCD always advocates conservation, but what is being conserved? Money has been spent on obtaining these figures. Is it really as simple as using these figures passively for observation purposes, or using a ruler or a meter for measurement and calculation, or collecting some water samples for examination and testing?

There must be some policy or theory behind these projects because, as I have just said, the AFCD operates on the premise of caring, conserving or even improving the ecological environment. It is evident in this example that the Government often uses studies as an excuse. When the authorities concerned are unable to come to a certain decision or do not want to pursue a certain subject, they would conduct more researches and studies. This is true not only in the case of agriculture and fisheries, but also in cases such as the mandatory provident fund and equal rights. In order to obtain a load of statistics, the authorities would spend money on engaging universities and consultancies to conduct studies, but all such studies would end up with some biased findings because the views of the people or professional groups in the community were excluded. In this regard, the proposed bathing beach at Lung Mei is an apt example because the study conducted on the number of spotted seahorses and other species was cursory. In the end, the figures obtained from the study were only used for empty talk.

Talking about protecting and conserving Chinese White Dolphins, I believe no Member here would say no to it as the dolphins have an important meaning to Hong Kong. Chinese White Dolphins can be regarded as an icon to the Hong Kong people. But since the handover in 1997, these dolphins seem to have lost their importance. They used to be the mascot of Hong Kong, but now they are on the brink of extinction. Let me tell Members a very basic fact. Ever since the 1990s, many green groups have frequently put up advertisements in the newspapers, calling on the public to protect Chinese White Dolphins and be good to them. Sometimes, they would encourage people to take a boat trip to observe these dolphins. Even Members have organized such activities, just that they may not be able to see the dolphins every time. Although surveys and studies have been done, the population of Chinese White Dolphins continues to decline.

In fact, activities such as boat trips to watch Chinese White Dolphins or publicity efforts on their endangered status are very much an irony indeed.

The Hong Kong Government always talks about the Chinese White Dolphins and uses them as an important icon to promote Hong Kong. However, we have also time and again talked about the impacts of infrastructural works on the ecological environment. Such examples include the construction of the Chep Lap Kok airport back then, the building of artificial islands and various connecting bridges now under planning, the third runway, and so on. We do not invariably oppose the Government. We will not invariably oppose all development projects. However, having considered the perspective of the AFCD and the expenditures of its conservation projects, we have no choice but voice our opposition. We will even oppose the AFCD's estimated funding so as to save it the trouble of conducting studies, given that the purpose of these studies is not to improve the situation of these endangered species, and the premise of the studies is not to improve the well-being of these iconic animals which take Hong Kong as their home.

There will be one day when studies will find that the population of Chinese White Dolphins would drop from 158 to 78, and then from 38 to 28 and then to 18. Finally, these animals will disappear altogether, and we would have to find them in the museum. May I ask, what the meaning of conducting these studies is? Certainly, no relevant public officer is here to answer me. What is the purpose of the conservation projects conducted by the AFCD (that is, the example I have cited)? Is it to go on studying and witnessing the extinction process of Chinese White Dolphins until these animals reach their end? Will the AFCD then repeat the same studying process with another species? Is it so? According to the general policy on funding allocation, if the annual funding of \$6-odd million for the conservation projects will only be used for conducting studies, I see no reason why we should support the funding proposal.

Hence, I support Amendment No 145 proposed by Mr LEUNG Kwok-hung to reduce the annual estimated expenditure for minor conservation projects and studies from \$6.4 million to \$100.

I so submit.

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

**MR ALBERT CHAN** (in Cantonese): Chairman, I will briefly conclude my view on the amendment proposed by Mr LEUNG Kwok-hung. I have spoken just now on the problems of the AFCD.

Mr LEUNG Kwok-hung has proposed several amendments, one of which seeks to reduce the expenditure on studies and another seeks to reduce the expenditure on minor recreational facilities and roadworks. One amendment involves minor plant and vehicles and the last part of Amendment No 149 involves minor irrigation works.

I wish to focus on minor irrigation works in presenting my opinions. According to the policy arrangement, minor irrigation works are basically carried out in accordance with the irrigation needs of the farming households' farming activities. I certainly agree with this work approach, but in reviewing the actual development over the past few years, we will find a lot of farmland has been left idled or abandoned due to problems with the policy arrangement. Worse still, some farmland owners have removed all the trees on their farmland or filled up part of their wetland or levelled their land grown with crops or wild plants with concrete or building materials, in order to avoid turning their farmland into the natural habitats for rare birds. Nowadays, many places, particularly Pui O ..... Recently, Pui O was in complete confusion. Many wetlands or places at the estuary have become dumping sites for construction waste.

The whole countryside, which falls under the portfolio of the AFCD but is actually managed ..... Chairman, I wish to point out that the AFCD should not be the only department to bear the responsibility. Hence, we cannot criticize the AFCD harshly for its poor performance in this regard. Its poor performance is due to the policy failures of the whole Government which has failed to provide guidelines on its policy; and the Policy Bureau has also failed to formulate an overall policy that is appropriate to the work portfolio of the AFCD and is supported by other departments.

In order to express our dissatisfaction with the Government, we support the series of amendments proposed by Mr LEUNG Kwok-hung, so as to cut the

resources which the AFCD could deploy or use for this purpose. It is hoped that by so doing, the problem will not be aggravated. The worsening problem will only further defame the Hong Kong Government, making this Government, which is returned only by 689 votes, even more unbearable to us all. It is hoped that through this fund-slashing exercise the Government will change its overall policy, which in turn can bring about a rebirth of the AFCD with a better spectrum of duties that can better meet the service needs of the agriculture and fisheries policy.

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

**MR LEUNG KWOK-HUNG** (in Cantonese): Chairman, the eighth joint debate is on the amendment about a minor issue. Amendment No 146 proposes reducing the estimated annual expenditure on the plastic refuse bags used in the management of country parks. Why do I wish to reduce but not completely delete the annual expenditure in this connection? I understand that we are going to use more environmentally-friendly plastic bags at higher costs, and the expenditure of the AFCD will increase if environmentally-friendly plastic bags are used. Why do I insist on the reduction?

The crux of the problem is that we have put the cart before the horse. Do we need to use plastic bags in country parks? This is a serious question *per se*. Chairman, what did people use to carry refuse in country parks before the invention of plastic bags? They used bamboo dills which were the most environmentally-friendly. As I have seen in country parks, the outsourced workers of the AFCD are astonishingly misusing plastic bags because they use large plastic bags to carry small amounts of refuse. As some people have pointed out, I think that recyclable materials such as plants or leaves should be buried and allowed to decompose naturally while larger trunks should be used to produce other items. This practice is desirable, but, honestly, chicken bones can be arbitrarily left there because they can be decomposed into fertilizers.

The only material for disposal is plastic which cannot be recycled in the nature. However, if we give up this idea of disposal on the spot ..... an example is after you have eaten an apple ..... onto one occasion, I finished



eating an apple in a country park and I spitted out the core of an apple onto the ground, I was accused of being not environmentally-friendly. I explained to him that what I did was very environmentally-friendly because the apple core on the ground would be decomposed. What are the reasons for Hong Kong people to think that the AFCD is unreasonably using plastic bags? In fact, many people in foreign countries bury organic matters such as pork chops and sausages in the ground for them to be decomposed into organic fertilizers and manure.

The AFCD has not addressed the problem of food waste and they think food waste will make the environment dirty, which is wrong. Regarding plastic bags, I simply think that less is better. We should not even use plastic bags to carry food waste for we should use bamboo dills which can be carried away by workers; thus, it is not necessary to use plastic bags. Certainly, we cannot do anything if the AFCD does not heed this opinion.

I would like to discuss another amendment about reducing the annual expenditure on minor recreational facilities and roadworks in country parks. This is another problem. We have overly uniform facilities, just like what is done in Singapore, and we have used metal and stone excessively. Country parks in other countries basically use soil and wood more often, which blends well with the natural environment. Our approach is unreasonable. This situation is gradually improving and I trust that the use of soil and wood can ensure better integration into the natural environment.

Why have I proposed Amendment No 149 to reduce the estimated annual expenditure on minor plant, vehicles and equipment? I have repeatedly stated that the most important minor water works in the New Territories is the conversion of aqua privies into flushing toilets. I will not approve the funding if the AFCD does not carry out these projects. Improvements should expeditiously be made and I hope people who attend this debate as observers will understand the seriousness of this problem.

I have no special views on minor plant, vehicles and equipment. It would certainly be better if more environmentally-friendly vehicles and minor equipment can be used. Chairman, in this connection, I believe there is evident

light-headedness insofar as the Government's administration is concerned. The Government promotes the use of Euro IV and Euro V vehicles, and generously provides funding for the purchase of more environmentally-friendly cars by existing car owners. Nevertheless, it has not generously provided funding for minor plant, vehicles and equipment of the AFCD as mentioned in Amendment No 148. Sometimes, when I visit the countryside, I would hear complaints from people living or strolling around there that the Government should better protect the environment. Of course, changes will not simply be made after a few words of complaint. I urge the Government to nip the problem in the bud. Now that it is prepared to spend dozens of billion dollars to implement the policy to help vehicles become more environmentally-friendly, why is it not willing to spend some money to make equipment to be used in the countryside more environmentally-friendly? After all, we can only reduce rather than increase the estimated expenditures. I hope people attending this debate as observers will understand our good intentions; and we also hope that the Government will review the relevant policies. Thank you, Chairman.

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

(No Member indicated a wish to speak)

**CHAIRMAN** (in Cantonese): Does any public officer wish to speak?

(No public officer indicated a wish to speak)

**CHAIRMAN** (in Cantonese): This debate ends here. We will now proceed to the ninth debate.

**CLERK** (in Cantonese): Head 24.

**CHAIRMAN** (in Cantonese): Mr Albert CHAN has given notice to move an amendment to reduce subhead 000 and reduce the amounts under head 24. The amendment is about entertainment expenses for the Audit Commission.

**MR ALBERT CHAN** (in Cantonese): Chairman, I move that Amendment No 150 as set out in Appendix I attached to the Script be passed. My amendment expresses more appreciation than criticism because it seeks to reduce the estimated annual expenditure by \$20,000, which is equivalent to the entertainment expenses of the Audit Commission within the territory.

Chairman, if a comparison is drawn with the "689" Chief Executive, \$20,000 is equivalent to less than 10 days' entertainment expenses of the Chief Executive which reach \$700,000 to \$800,000 a year. Concerning the annual expenditure of the Audit Commission, I do not know if there is anything special about its entertainment expenses outside the territory, but its domestic entertainment expenses are only \$20,000. Since the entertainment expenses of such a big department comprising so many officials are only \$20,000 a year, the department must be highly praised. Hence, I highly commend through this amendment the performance of the Audit Commission in this regard.

Other government departments have huge expenses in this area and there have gradually been substantial increases in their expenses year on year. In particular, there had been an astonishing growth in such expenses under the governance of "covetous TSANG", and the Audit Commission was no exception. Chairman, I have looked up the relevant information and found that the relevant expenses of the Audi Commission in the year 2010-2011 were \$13,108. Let us imagine this: the annual expenditure of the whole department on this was \$13,000 three years ago but it has now increased to \$7,000 to \$20,000; the percentage growth was very impressive though the expenditure is still on the low side among many departments, and it can even be described as excessively low as compared with the expenditure of "689". Yet, in order to make this department appear more distinguished or more appreciated by various parties, it might as well refrain from spending \$20,000 a year.

A department should be proud of itself if it does not have any entertainment expenses, and this should not only be the pride of the Director of Audit. Especially after the occurrence of the "covetous TONG" incident, people feel more strongly that, if a government department does not have any entertainment expenses, which means that it has not spent any money on entertainment or banquets, it will be appreciated by the public and I trust that it will also be highly commended by the great Central People's Government and the great President XI.

For this reason, in order to make the Audit Commission purer and more distinguished in the public's mind, my amendment does not have any derogatory meaning for I just hope that this outstanding department will perform even better, such that it will become even more admirable. If I do not propose this amendment, not too many people around the world will know that the Audit Commission is so sensitive to the plight of public and quite insightful insofar as public expenditure is concerned. Therefore, the frugal performance of this department in saving public money throughout the years is really commendable. The performance of other Policy Bureaux and government departments are not as distinguished as that of the Audit Commission in this respect. Through this amendment, I highly commend the Audit Commission's performance in this area.

**Mr Albert CHAN moved the following motion:**

"RESOLVED that head 24 be reduced by \$20,000 in respect of subhead 000."

**CHAIRMAN** (in Cantonese): Does any Member wish to speak on this amendment?

**MR WONG YUK-MAN** (in Cantonese): Chairman, I speak in support of Amendment No 150 proposed by Mr Albert CHAN under the ninth joint debate. The amendment seeks to reduce head 24 by \$20,000 in respect of subhead 000 and the amount to be reduced is roughly equivalent to the Audit Commission's annual estimated expenditure on entertainment expenses within the Hong Kong territory.

As a department that prevents corruption among government agencies, the Audit Commission has two main tasks. First, it conducts audits to look for any irregularities; and second, it conducts value for money audits. People are more familiar with its value for money audits because the Director of Audit publishes two reports every year on the results of value for money audits, in order to review whether government departments and publicly-funded organizations conform to accounting standards according to the principles of value for money audit. The Audit Commission has published a report recently. The Public Accounts Committee (PAC) of the Legislative Council organized two public hearings, one of which was about the Education Voucher Scheme and the other about road safety, and a session of a public hearing to be held on 18 May is about the Independent Commission Against Corruption (ICAC).

The work of value for money audits of the Audit Commission mainly seeks to monitor or verify the expenses of government departments. In the past when Hong Kong was still under British rule and democratic elections were not in place, the Government established a credible system of civil officials. But where were the checks and balances then? Given that the parliamentary assembly was not publicly elected, they established some independent mechanisms to prevent corruption in the Government, such as the ICAC, the Office of The Ombudsman and the Audit Commission. Without these agencies and democratic elections, Hong Kong would be in big trouble. Now, we have partial democratic elections, but the anti-corruption power in the Government has been diminishing increasingly, not because of the Audit Commission. I am not talking about this ..... because corruption prevention in the Government .....

**CHAIRMAN** (in Cantonese): Mr WONG, please focus on the entertainment expenses of the Audit Commission.

**MR WONG YUK-MAN** (in Cantonese): Yes. But we need to talk about this. Chairman, be patient. We still have more than a hundred amendments to go. My point is that the Audit Commission does not need this amount of money. As Mr Albert CHAN said, the Audit Commission is a department which prevents corruption among other government agencies. It should thus conduct audits on

other agencies' entertainment expenses. If any one of these agencies overspends, the money involved would easily be more than this amount of money. Hence, it should not take the money. Perhaps due to its inborn ability or its performance, the Audit Commission has been regarded as a very effective and outstanding department in preventing corruption in government agencies. But if it takes the \$20,000, it may be hamstrung by its own rule. Should the Audit Commission conduct audits on how it spends the \$20,000? And verify whether it has overspent?

I remember in 2008 I had a meal with the Director of Audit. This is about entertainment expenses. He treated me to a meal. Was this not about entertainment expenses? Would he pay for the meal personally? The meal was hosted by Director of Audit Benjamin TANG. I was elected as a Legislative Council Member and a PAC member. We thus went there out of courtesy to attend a briefing, after which we were treated to a meal. Without question, it was paid from this \$20,000. Right? He invited Members to a meal. If all seven of us accepted the invitation and the meal cost \$450 per head, it would only cost \$2,800. It did not even cost \$3,000. How many such banquets are there in a year? I believe Members will only have one chance every term to lunch with the Director of Audit. After the establishment of the PAC, Members would go there to attend a briefing and then have lunch. Chairman, this is a kind of entertainment. Chairman, I am not kidding. These lunches are paid from the \$20,000. In other words, I was also involved in spending \$400. I only had lunch with them once. I did not attend the lunch organized for this term. I left after the briefing.

Hence, will there be any influence on the work of the Audit Commission if this \$20,000 is deducted? No, not at all. Why does he need to treat me to lunch? He does not need to do so. This is our job. Some simple refreshment after the briefing will do. The lunch is simply unnecessary. As a Member of the Legislative Council, I should cite myself as an example. Those Members who have also attended those lunches please declare the interest. I had the lunch provided by the Audit Commission. I have done it only once over the years. I do not know how much that lunch cost. It should cost \$300-odd at most. Got it? Hence, he did not need to spend such money.

But this does not apply to another Secretary sitting here. He is the Secretary for Commerce and Economic Development. He has a lot of entertainment expenses. Buddy, the entertainment expenses of the Economic and Trade Offices in other countries and places, which are under his portfolio, already cost a fortune. The Audit Commission should verify whether these offices have filed claims for more than they have spent. However, the Audit Commission, as a department to prevent corruption in other government agencies, does not need such expenditure estimate at all. The ICAC has such expenditure estimate and it is quite a large amount. We cannot figure it out. The ICAC is an agency that fights corruption. Why does it need entertainment expenses? Why does it need such spending? We are all afraid of the ICAC. We will only be "drinking coffee" if we go there. If the ICAC needs to organize dinners in order to liaise with related agencies, Mainland prosecution units or anti-corruption departments, they can go Dutch. Since XI Jinping took the stage in China, swift and decisive actions have been taken. Offering banquets to another department is forbidden, especially if it is for the army. He is strict with the army ..... This seems not related to the question. I had better come back to the question. Why does the ICAC have to provide dinners for them? It is still pardonable if it treats the prosecution units to dinners; but it now entertains the Liaison Office of the Central People's Government in the HKSAR ..... an organ of the Communist Party of China in Hong Kong and Macao .....

**CHAIRMAN** (in Cantonese): Mr WONG, please focus on the entertainment expenses of the Audit Commission.

**MR WONG YUK-MAN** (in Cantonese): OK. Sorry. I got carried away. You know, I am knowledgeable. I may appear to be digressing, but my remarks are relevant .....

**CHAIRMAN** (in Cantonese): Please do not stray away from the question.

**MR WONG YUK-MAN** (in Cantonese): ..... entertainment. It is all about food and drinks. The Audit Commission's image is almost flawless, except the tiny flaw of the Director of Audit accepting a dinner invitation extended "689", the Chief Executive returned by 689 votes. I can put up with that. It is fine as

long as he discharges his duties according to the law. As for Director of Audit David SUN, we have had a few encounters. He has professionally conducted the value for money audits on the Government. We have worked together. I do not care about what he did in the past, but after appointed by the Government, he would be subject to our scrutiny. Does he need such expenditure? Not at all.

As a department that prevents corruption in other government agencies and has a very positive image, and its efforts have been recognized by the people, the Audit Commission does not need to invite trouble, buddy, just for getting \$20,000, particularly considering that not even the Legislative Council has as much power as it in monitoring the Government. Hence, I give Mr Albert CHAN's amendment my hundred and 10 percent support. He has proposed the amendment because he thinks highly of the work of the Audit Commission and that the proposed expenditure of \$20,000 as social entertainment expenses is unnecessary. Hence, I support this amendment. Thank you, Chairman.

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

**MR CHAN CHI-CHUEN** (in Cantonese): I speak in support of Amendment No 150 moved by Mr Albert CHAN to deduct an amount approximately equivalent to the estimated annual entertainment expenses within Hong Kong of the Audit Commission.

When I decided to support him, I did not know that Mr Albert CHAN's amendment of deducting the relevant expenditure is meant to commend the Audit Commission. The entertainment expenses of the Audit Commission are so low that they had better be scrapped, and the Audit Commission will then be the cleanest department, cleaner than the ICAC. When I first saw such an amount — I do now know whether there will be a big question mark in the mind of other Members when they see such an amount — my reaction was, "Gosh, \$20,000? What can be done with entertainment expenses of \$20,000 a year?" Mr WONG Yuk-man talked about dining with people from the Audit Commission, and I have no knowledge about all this. Members may well do some computations. If each Member dines with the Audit Commission once during his four-year term, how can \$20,000 per year be sufficient to pay for all the expenses?



As we are targeting the entertainment expenses of the Audit Commission, I must first briefly talk about its functions and terms of reference, and I will subsequently examine whether it needs any entertainment expenses. The discussion this time around actually offers a very good opportunity for Members to examine in one go whether entertainment expenses are genuinely necessary, and whether all government departments need a head of expenditure covering entertainment expenses. Even if \$1 is allocated under the head, the fact is the allocation is like alimony. Since money is received, in case of any subsequent changes in the environment or nature of the work of the department next year, it will not be necessary to ..... It is difficult to apply for a sum of entertainment expenses if there is no such established expenditure item. However, if there is such an item under the head, and even if only a small amount of entertainment expenses is received, a larger amount can be applied for in case of any changes in the functions, duties, aims and targets of the department.

First, let me briefly explain the duties of the Audit Commission. The Audit Commission aims "to provide independent, professional and quality audit services to the Legislative Council and public sector organizations in order to help the Government enhance public sector performance and accountability in Hong Kong. The primary objective of our audit services is to contribute to enhancing the performance and accountability of the Government and other public sector organizations in Hong Kong. We achieve our mission by: conducting regularity audits which provide the Legislative Council with an overall assurance that the Government's financial and accounting transactions and those of funds of a public or quasi-public nature are proper and that they conform to accepted accounting standards." This is part of its duties. The rest is "conducting value for money audits which provide the Legislative Council with independent information, advice and assurance about the economy, efficiency and effectiveness with which any bureau/department of the Government, agency, other public body, public office, or audited organization has discharged its functions." This briefly explains the duties of the Audit Commission.

In theory, the Audit Commission does not need to engage in any public relations activities; neither does it need to emulate other government departments to meet and dine with Members occasionally to enhance their relations. I think that one objective of dining with Members is: for any policy that is submitted to the Legislative Council, the severity of our criticisms will be lessened by some 30% even if we decide to level criticisms. Certainly, there will be some positive

exchanges on policies and opinions over meals. But the Audit Commission does not have such a function. Hence, I would like to take this opportunity to reflect on whether the Audit Commission needs any entertainment expenses at all. As a matter of fact, the entertainment expenses for the ICAC also need to be reviewed, but there is already a committee conducting a systematic review of its entertainment expenses.

Insofar as only the Audit Commission is concerned, there is not much story to tell with such \$20,000. However, after comparing the Audit Commission with other departments mainly offering internal services, we may realize that the entertainment expenses of the latter are also on the low side. We may look at the entertainment expenses of the Audit Commission chronologically: \$13,000 in 2011, \$16,000 in 2012, and \$10,340 in the first 11 months of 2012-2013. I am not sure whether there is any breakdown, but the total amount is much too small indeed. I think that if such money is spent on having dim sum, the diners can hardly be well fed. I frankly have no idea how such an amount of money can serve any purpose.

When we look at the entertainment expenses within Hong Kong of the Treasury Branch and departments under its purview, we will realize that there are certain departments the entertainment expenses of which are less than those of the Audit Commission. In the case of the Government Property Agency, for example, its estimate of entertainment expenses is only \$8,000. Regarding the funding allocated to the agency, it spent \$660 in 2010, \$0 in 2011, and \$1,685 in 2013 up to the end of February; the estimate for 2013-2014 is \$8,000. The entertainment expenses of these departments are so low that spending them is a problem; probably not a single meal has been paid for.

The expenditure estimate for the Government Logistics Department in this financial year is \$3,000; \$10,000 in the case of the Rating and Valuation Department; and also \$10,000 in the case of the Treasury. I have made an effort to sort out these amounts that are lower than the amount of the Audit Commission.

Let me come back to the fundamentals of my argument: is it necessary for these government departments or all government departments to have entertainment expenses? If we think that it is unnecessary and thus delete this funding item ..... we cannot delete this item in the debate this time around, but we can alter the amount of funding to zero every year, and in three or four years,

we will come to realize that there is no problem for such government departments even if they have no entertainment expenses. For example, if the Director of Audit invites any guests to a meal, he can simply fish out several thousand dollars from his own wallet. The Audit Commission spent merely \$10,340 in the first 11 months of the last financial year up to the end of February (excluding March), a very tiny amount. As I am doubtful, I have looked through the annual report of the Audit Commission, so as to find out what public relations work it engages in through the clever use of such a small amount of entertainment expenses. Public relations work mentioned in its annual report mainly includes various social events attended by the Director of Audit and other senior officers. As these are mostly luncheons and forums attended at invitation, no entertainment expenses are required.

Nevertheless, I got another piece of information about receiving visitors from the Mainland. In the case of 2011, for example, those received include the Audit Office of Guangdong Province, the Audit Office of Shenzhen, the Foshan Finance Bureau, the Beijing Municipal Audit Bureau, a delegation of 39 officials from Tianjin, a delegation from the Audit Office of Shenzhen, and a delegation of 30 officials from Jiangsu Province. Wow, almost one to two functions of receiving Mainland visitors were hosted each month. I am frankly at a loss as to all this: one bottle of water and a meal for each person would cost far more than the amount of funding allocated. The Audit Commission spent merely \$16,000 in 2012. How did it manage to do so many things in such a clever manner? Its value for money performance must be very good.

When I found another set of figures, I then realized that the fact was not so, only that some expenses were not claimed as entertainment expenses, but as other expenditure items, such as expenditure on duty visits and study tours. The expenditure of the Audit Commission on duty visits and study tours is not so low. Since the relevant amounts are very interesting, I would like to spend some time sharing them with Members. The estimated expenditure for 2013-2014 is \$100,000; the actual expenditure was \$12,000 in 2012, around \$80,000 in 2011, and a substantially higher \$150,000 in 2010. The actual expenditure was \$12,000 last year, but the estimate for this year is \$100,000, while the actual expenditure was \$150,000 in 2010. There are great fluctuations in these amounts. Putting aside the conspiracy theory, and only making some analyses, I would ask whether some entertainment expenses were claimed as some other expenditure items. I have such a strong query.

If that was not the case, and we are much too doubtful, or coming back to conspiracy theory ..... I have no intention to say that whenever there are exchanges between the Mainland and Hong Kong, there are sins or squandering involved. But if the Audit Commission, like the ICAC, intends to be whiter than white, the deduction of the expenditure estimate of \$20,000 and the unavailability of entertainment expenses would give rise to another question: shall we review all government departments to determine whether they genuinely need such an expenditure item as entertainment expenses? If the expenditure of a certain department is some \$1,000 or \$2,000 to \$3,000 per year, how can it make any claim? This shows that such an expenditure item is not absolutely necessary in the first place.

If I propose that the annual entertainment expenses of Legislative Council Members be set at \$1,000, I am afraid all Members will consider it unacceptable, as we do not know whether any gifts can be purchased or anything else can be done with such an amount of money. As a matter of fact, the amount is so tiny that it makes people believe that cost-effectiveness cannot be achieved, or nothing meaningful can be done. Nobody would know where the money has been spent or the specific usage of the \$3,000 last year. In this case, as Mr Albert CHAN has proposed, the item should be cut, I agree and believe that such a deduction will not affect the Audit Commission in terms of its operation, social engagements or image-building. I am not sure whether it can make claims for other expenses such as the expenditure on Mainland and overseas visits, but in the light of this amendment, I would like to say I support Amendment No 150 to deduct an amount equivalent to the estimated annual entertainment expenses within Hong Kong of the Audit Commission. I so submit.

**MR LEUNG KWOK-HUNG** (in Cantonese): Chairman, please do a headcount in accordance with Rule 17(3) of the Rules of Procedure.

**CHAIRMAN** (in Cantonese): Will the Clerk please ring the bell to summon Members back to the Chamber.

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

**CHAIRMAN** (in Cantonese): Mr LEUNG Kwok-hung, please speak.

**MR LEUNG KWOK-HUNG** (in Cantonese): Chairman, I speak in support of Amendment No 150 moved by Mr Albert CHAN in the ninth debate to deduct \$20,000, an amount approximately equivalent to the estimated annual entertainment expenses within Hong Kong of the Audit Commission.

Mr CHAN said that the deduction serves as a commendation because, compared with some other departments which often over spend or vet and approve their own funding applications, the Audit Commission is relatively good in terms of its performance. Hence, the \$20,000 should be deducted as a commendation. But my view is slightly different. I do believe that the \$20,000 must be deducted for the reason that the Director of Audit has failed to do a very simple task — certainly, this may fall beyond his terms of reference — the auditing of the accounts of his good friend, LEUNG Chun-ying.

Around four or five months ago — another Chief Executive's Question and Answer Session will be held tomorrow, so it should be around three months ago — I asked LEUNG Chun-ying about the operation and business of his British Virgin Islands company. I further asked him whether he had found any trustee and whether any trust arrangement had been made.

Frankly speaking, such are very simple matters to the business community. First, it is not difficult to identify a trustee, and there is no need to spend some 10 months doing so. Second, companies registered in the British Virgin Islands naturally enjoy many advantages. For example, they are exempted from giving any account to the public, and others have no right to do any checks on them. However, the Director of Audit once declared that ..... Chairman, I have not wronged him. After he had accepted his appointment on 11 July 2012, *Ming Pao Daily News* interviewed him, asking him about his attitude in case he had to conduct any audit on LEUNG Chun-ying, and his answer was he "will never be soft-handed".

I do not know whether he will be able to uncover the truth, nor do I know whether he is watching the live broadcast of this debate. But I do think he really needs to take the auditing seriously, because whatever we do now, we simply fail to find the truth from LEUNG Chun-ying. Hong Kong people have a large

query in this regard. The Chief Executive can certainly run his own business. But how does he run his business? He owns a company that is free from any checks, and he has only made one point clear, that is, "fellow citizens, this company does not operate in Hong Kong", meaning that it does no business transactions relating to Hong Kong .....

**CHAIRMAN** (in Cantonese): Mr LEUNG, how are your remarks now related to the entertainment expenses of the Audit Commission?

**MR LEUNG KWOK-HUNG** (in Cantonese): Certainly yes. Since the Audit Commission fails to conduct any audits on LEUNG Chun-ying, why should we still allocate funding to it? As the Audit Commission conducts value for money audits on other departments, I certainly need to conduct value for money audits on it. I think the Audit Commission must be enjoying itself when conducting value for money audits on other departments, as it points out their misdeeds here and there.

Chairman, if the Director of Audit is truly never "soft-handed" or "soft in speech", I will frankly say that I will merely deduct \$2,000 from the expenditure estimate of the Audit Commission. I am not being harsh, and I am merely asking him to be never "soft in speech", meaning that he can simply come forth and make some objective comments. Since he utilizes his expertise to conduct audits on various departments, or internal audits for the Government, he can simply make some comments on the very interesting statement made by Chief Executive LEUNG. He can further make it clear whether the practice of the Chief Executive is normal, or whether I am abnormal instead.

In this regard, I would like to remind Members not to regard the Audit Commission as invincible. Members seem to regard the Audit Commission as a hero combating "covetous TONG". Just do not be joking. As there are only two pertinent paragraphs in the relevant audit report, one will be at a loss even after reading them. The gist of the paragraphs is that there are somehow problems with the entertainment expenses of the ICAC and an investigation is required. Is it the Audit Commission which found after investigation that "covetous TONG" stored Moutai in a cabinet? I am sorry, but it is not the Audit Commission. The Audit Commission merely made some casual remarks.

Someone intended to make "covetous TONG" ..... Chairman, I must first make it clear that I am not referring to Mr Ronny TONG, but "covetous Timothy TONG".

Such a big misunderstanding! The Audit Commission mentioned casually  
.....

**CHAIRMAN** (in Cantonese): Mr LEUNG, your remarks bear no relevance to the question. Please speak on the entertainment expenses of the Audit Commission.

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

I think that the \$20,000 should not be allocated to the Audit Commission. First, Members maintain that the \$20,000 should be allocated to the Audit Commission for they regard it as meritorious. As such, I will talk about "merit": the Audit Commission actually has not much merit. If Members have ever read the two paragraphs in the relevant Director of Audit's report, they will realize that the fact is not as what is publicized in society, that is, David SUN has done a good job to reveal a major corruption case. No, he has not done so.

I will not repeat what I have said just now, that is, his old friend ..... how can I prove LEUNG Chun-ying is his old friend? No sooner had LEUNG Chun-ying resigned as Chairman of the Council of the City University of Hong Kong than David SUN was appointed, and then .....

**CHAIRMAN** (in Cantonese): Mr LEUNG, we are debating the entertainment expenses of the Audit Commission, rather than expounding on any subsidy or compensation based on the performance appraisal of the Audit Commission.

**MR LEUNG KWOK-HUNG** (in Cantonese): Got it. Sorry for my misunderstanding. I am stupid. So we are talking about entertainment expenses.

I think it is appropriate to deduct his entertainment expenses of \$20,000, although I will not comment on his performance. Does he have any entertainment needs? As the Audit Commission conducts audits on other government departments, it may be their "antagonist". In that case, what is the point of receiving entertainment expenses totalling \$20,000? Furthermore, such are only entertainment expenses within Hong Kong. What expenses are there to be incurred within Hong Kong? There is no need for him to travel by air to conduct investigations. Frankly speaking, \$20,000 is not a small amount. And I think it should be deducted.

As a matter of fact, I am only targeting Mr Albert CHAN. Mr Albert CHAN lauded the Audit Commission for doing a very good job. However, I cannot bear to not deduct the expenses for the Audit Commission, because I do not agree that it has been doing a good job. I must safeguard the level of wit and wisdom exhibited in the Legislative Council.

Speaking of this fellow known as David SUN, I have to clarify one point on his part, that is, he left the business sector and joined the Government as the Director of Audit. I do not know whether there ever are any precedents, but I believe there are no such precedents in the SAR Government. Chairman, there is another factor to be considered. He is very wealthy, with money in abundance, and he is accustomed to dealing with officials. He may be so wealthy that he can simply treat guests to meals at his own expense. In that case, is there any need to allocate any funding to him? He is certainly different from civil servants of government departments with too little funding. David SUN is very wealthy, as he used to be a senior accountant of Ernst & Young .....

**CHAIRMAN** (in Cantonese): Mr LEUNG, your remarks are still straying away from the question.

**MR LEUNG KWOK-HUNG** (in Cantonese): Chairman, why so? I am only explaining the reason why \$20,000 should not be allocated to him, that is, he is wealthy and he can spend his own money. Should such an explanation be regarded as digressing from the question? Different from all preceding Directors of Audit, including those who were civil servants before taking up the post, he is a wealthy man. Certainly, I understand that, in someone's view, he



does not need to subsidize the Government even if he is wealthy. But my point is: since he is a wealthy man, why should any funding be allocated to him for entertainment? He can spend his own money.

On this issue, I am almost speechless. Frankly speaking, if he is financially tight, his buddy can pay for him; he can simply ask LEUNG Chun-ying for a little money. Is there any reason why he should have been rendered so graceless?

Chairman, I shall stop here. I know that I have digressed. I seriously advise him to collect some money from LEUNG Chun-ying if he is financially tight, for LEUNG Chun-ying appointed him to the public office after all.

Thank you, Chairman.

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

**MR ALBERT CHAN** (in Cantonese): Chairman, I would like to make a recapitulation. First, I am grateful to several Members for their speeches; many of them support my proposal. But it seems that Mr LEUNG Kwok-hung fails to understand the role of the Audit Commission and the usage of its entertainment expenses. I must declare that I was invited to a meal hosted by the Director of Audit some 10 years ago, as I had then joined the Public Accounts Committee as a member for the first time. The Audit Commission routinely made the invitation, so as to enable both sides to get acquainted with each other. Hence, I benefited from the entertainment expenses of the Audit Commission years back.

Why did I highly commend the Audit Commission just now? Because since the disclosure of the "covetous TONG" incident in the ICAC, I have been keenly aware of the value of the Audit Commission. The series of corruption cases involving senior officials, from the blatant corruption on land, on sea and in the air by "covetous TSANG", Donald TSANG, in the capacity as the Chief Executive, to the fall, similar to the fall of dominos, of the ICAC, a department Hong Kong people used to take pride in, makes us realize that the Audit

Commission may probably be a department that we can still take pride in, that is still clean.

Hence, my speech this time around aims at rectifying the misinterpretation of Mr LEUNG Kwok-hung on the one hand, and reiterating that the deduction of such an expenditure item by no means amounts to any censure on the other. I merely hope to underline, through such a deduction, the fact that the annual entertainment expenses of the entire Audit Commission are only \$20,000. In contrast, the annual entertainment expenses of Chief Executive LEUNG Chun-ying are some \$700,000 or \$800,000. We can therefore easily see how valuable this department is, and we should take pride in and commend it.

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

(No Member indicated a wish to speak)

**CHAIRMAN** (in Cantonese): Does any public officer wish to speak?

(No public officer indicated a wish to speak)

**CHAIRMAN** (in Cantonese): The debate has now come to a close. Committee will now proceed to the 10th debate.

**CLERK** (in Cantonese): Head 30.

**CHAIRMAN** (in Cantonese): Mr CHAN Chi-chuen has given notice to move three amendments, so that head 30 will be reduced by different amounts in respect of subhead 000. The amendments are related to the staff emoluments for the Correctional Services Department.

**CHAIRMAN** (in Cantonese): Committee will now proceed to a joint debate on the three amendments.

**MR CHAN CHI-CHUEN** (in Cantonese): Chairman, I move that Amendment No 151 as set out in Appendix I attached to the Script be passed.

This 10th joint debate mainly concerns the staff emoluments for the Correctional Services Department (CSD). As a matter of fact, besides Amendment No 151, Amendment Nos 152 and 153 are also proposed by me. In addition to the deduction of salaries, the deduction of allowances and job-related allowances under personal emoluments is also included.

Regarding this amendment proposed by me, someone would certainly say that the operation of the CSD will be brought to a halt when the emoluments for all its staff members are deducted. What should be done in that case?

First, theoretically speaking, the CSD can actually be operated by the private sector; in theory, the police and armed forces can also be privatized. Prisons or correctional services may not necessarily be operated by the public sector, but the private sector. Certainly, this is not the reason why I have proposed these amendments. Second, correctional services can actually be outsourced, even outsourced to places outside Hong Kong. Someone may find this idea creative, as the relevant land can then be used for buildings or luxury residential buildings. Certainly, suitable places outside Hong Kong that accept the outsourcing of correctional services must be identified in advance. As for the proposal on serving sentences on the Mainland, I am afraid Members are less willing than me to render their support, even if I support it.

In fact, our logic has been consistent all along. In respect of any amendment in which we propose the deduction of expenses for a certain department, or the deduction of staff emoluments for the department, we adhere to the same logic in our reasoning, that is, there are inadequacies on the part of the department, so its staff emoluments should be deducted. Certainly, someone would say that, just like there are always dead twigs on a big tree, there are always inadequacies and weaknesses in any department. They further argue that one should not negate the essentials due to the minor points, and this is universally true in all cases; the allocation of funding for disaster relief in Sichuan is a case in point. Whenever I enumerate some examples, you would say they demonstrate only minor points instead of the essentials. In my argument, I will keep citing examples to explain why I propose deducting the staff emoluments for the CSD. What is my underlying presupposition? My underlying

presupposition is that such cases are only the tip of the iceberg. You may have seen 10 cases, but the fact is there are 100 or 1 000 cases. If you believe there are 1 000 cases, you should then consider supporting our amendment. As a matter of fact, this logic applies to each expenditure item and each debate session. Certainly, you can debate with me, saying that the examples cited by me mistake the partial for the overall and fail to illustrate the essentials.

Regarding the total salary expenses of the CSD, the revised estimate for 2012-2013 is \$2.4 billion, and the estimate for 2013-2014 is \$2,452 million. I will not talk about allowances for the time being. I will first examine the terms of reference, programmes, vision and mission of the CSD before determining, by reviewing its performance against all these, whether its salary expenses should be deducted.

The CSD is actually the third largest disciplined service in terms of establishment under the Security Bureau of the Hong Kong Special Administrative Region. It is specifically responsible for the custody of inmates and the provision of rehabilitative services, and it has nearly 7 000 correctional services personnel. Its vision is to be an "internationally acclaimed Correctional Service helping Hong Kong to be one of the safest cities in the world". Its mission is "we protect the public and reduce crime, by providing a secure, safe, humane, decent and healthy environment for people in custody, opportunities for rehabilitation of offenders, and working in collaboration with the community and other agencies."

Such is the mission of the CSD as stated by it. As for its values, I will not make any elaboration. I will outline the essentials, including integrity, professionalism, humanity, discipline and perseverance.

The CSD mainly provides a safe and humane environment for persons in custody in its daily operation. Its work generally involves: "maintaining order, control and discipline so as to minimize the chance of escapes and acts of indiscipline". This point involves security. When inmates serve their sentences in prisons, they must be controlled and be prevented from escaping or committing any crimes or acts of indiscipline in prisons.

Second, "providing the basic necessities and a reasonable living environment for persons in custody". This is a progressive conviction. Persons

in custody should be treated as humans, enjoy basic human rights, and be provided with a good living environment. Hence, someone would say that if the CSD is doing a good job, serving sentences in prisons is much better than sleeping in the streets.

Third, "providing adequate custodial care for persons in custody". In fact, the prisons of the CSD represent a relatively isolated or closed institution to the outside world. The general public can hardly monitor its internal operation. And this is also the case with some departments related to security. The CSD gives people a special impression, that is, inmates may find nowhere to lodge their complaints should such complaints arise from any incidents that may take place when they are in jail. Hence, in comparison with other government departments, it is a bit difficult to identify cases that can illustrate dereliction of duty on the part of CSD staff and warrant the deduction of their emoluments.

I would like to cite several important examples briefly, so as to enlighten Members to support my argument that such cases represent the tip of the iceberg. I hope they will therefore support our amendments. In the year before last, certain CSD staff members demanded benefits from a female Mainland inmate as the consideration for facilitating communication for her. This is a corruption case. Last year, the scandal involving the falsified urine samples of released prisoners was exposed. Certain CSD staff members fabricated the samples of released prisoners' urine, so as to finish the task assigned by their superiors. As a straw will show which way the wind blows, in the case of the urine sample fabrication incident, it was revealed that senior CSD officers asked front-line staff to refrain from recalling released prisoners on the grounds of the prisoners' resuming taking of drugs. In other words, they forced front-line staff to commit fabrication.

The two cases I talked about just now were proved to be true by the Court. It has thus occurred to Hong Kong people that the CSD, a department that is theoretically sacred, seems to have a dark side. And, this is actually the case with all departments. The dark side of the CSD is sometimes misrepresented in films, but the real cases we see now make us query the integrity of CSD staff and their work style. Are they isolated incidents? Or do they indicate a bad habit of beautification of accounts, that is, every department strives to beautify their accounts? As for the question of whether CSD staff can accomplish the mission read out by me just now, set an example and provide prisoners with rehabilitative services, we have enormous doubts.

The accusation of fabrication — actually a fact confirmed instead of an accusation — makes the public query the effectiveness of the work of the CSD in the past. There is also a worry that the adjudication of the Court may be affected in the future. This is because the CSD is responsible for enforcing many court orders, and the Court will make reference to reports compiled by the CSD when adjudicating or reviewing cases. This is particularly true when the Court handles cases relating to habitual criminals, as it peruses reports presented to it by the CSD. Any falsehood presented will affect the judgment of the Court.

It is thus obvious that the said cases are not isolated incidents. The internal problems of the CSD may involve other departments and give rise to injustice in the administration of justice. The cases may even involve the waste of public money. Hence, through the debate on these amendments, in which I have proposed the deduction of the staff emoluments for the CSD, I have put forward these queries to provide Members with a bigger picture, so that Members who speak later on can have more in-depth discussions. I know that Mr LEUNG Kwok-hung is more familiar with this topic, because he was a recipient of such services, while I have had no opportunity of receiving CSD services directly.

The fabrication or corruption cases I talked about just now are not as serious as the following case: a male Taiwanese inmate was found dead within less than two days after he was taken into custody in the Lai Chi Kok Reception Centre. In this case of death, three CSD staff members were accused of using excessive force, and they were ultimately convicted of inflicting grievous bodily harm. In addition, some inmates have stated that CSD staff often apply illegal punishment, and in some cases, they are further beaten up when they intend to lodge complaints. After the subsequent check on injury, the medical reports on the relevant inmates are also found to be falsified. These cases show that the CSD has failed to deliver what it preaches, that is, to provide a safe and humane environment for persons in custody, reflecting that the huge amount of funding allocated to the CSD has not been properly used, and it has failed to discharge its duties.

Furthermore, there is another issue which I will raise in the following debate on the departmental expenses for the CSD, and that is solitary confinement, a practice of the CSD which has long been criticized or mentioned by many human rights organizations and monitoring organizations in society.

Apart from custody services, the CSD also provides rehabilitative services, another important part of its mission. The CSD is accused of falsifying figures related to the employment rate of released prisoners. The CSD claims that the employment rate of released prisoners is as high as over 90%, while it is only some 50% in reality. The CSD is criticized for failing to squarely address the problem, and only spending money on advertising, singing its own praises. Regarding the discrimination against released prisoners, the CSD has failed to seriously step up education in the community. And, regarding the follow-up work on released prisoners, there are also obvious inadequacies.

The CSD is accused of failing to effectively evaluate the psychological state of all discharged inmates, such that persons in need are not referred to the Social Welfare Department for follow-up. Therefore, regarding either custody services or rehabilitative services, I have doubts about the performance of the CSD. Therefore, I will move a series of amendments in this regard. In addition, there is another point which I will elaborate on in the next debate session. It is related to the complaint investigation mechanism of the CSD, which is also considered a failure.

I so submit. I hope Members will support my Amendment Nos 152 and 153 to deduct the staff emoluments for the CSD, including salaries, allowances and job-related allowances under personal emoluments. I so submit.

**Mr CHAN Chi-chuen moved the following motion:**

"RESOLVED that head 30 be reduced by \$2,452,524,000 in respect of subhead 000."

**CHAIRMAN** (in Cantonese): Does any Member wish to speak on these amendments?

**MR ALBERT CHAN** (in Cantonese): Chairman, it was very brave of Mr CHAN Chi-chuen to propose this amendment. First, I must declare interests. I will be sentenced on 16 May, and I do not know whether I will then be able to enjoy such "benefits".

The deduction of the estimated salary expenses for the CSD will trigger a strong reaction. I trust if we succeeded in making such a deduction, society as a whole must be shocked. Let me refer to the news stories of other places on Hong Kong's prison services. Such stories invariably all sing praises, as if these prisons were heaven. The *nandu.com* reported on 26 April 2013 that Hong Kong's prisoners enjoyed many rights and interests, including theatrical participation, listening to radio, free disposal of wages, and even venting of grievances through designated complaint channels. Furthermore, some simple problems, such as the shortage of toilet rolls, could prompt Legislative Council Members to hold discussions and put questions to the Government.

The *nandu.com* reported on Hong Kong's prisons as if they were heaven. Certainly, Mainland news stories have their own unique viewpoints, given subjective or objective constraints. However, compared with other places in general, Hong Kong's prison system ..... Frankly speaking, I have never been in jail, but I have visited inmates in some prisons. I will give my reasons for supporting the deduction of the estimated expenditure in a moment. The rights and interests of prisoners in Hong Kong are generally protected by law, including, for example, working six days a week in case of adult inmates, free disposal of wages earned, and participation in activities held by the prisons such as artistic and sports events. And, inmates do not have to pay for their accommodation, food, drinks and even medical expenses. In addition, the prisons are also equipped with shops, where inmates can purchase some 70 kinds of snacks, and daily necessities such as soap. Hence, the arrangement in this respect is very much satisfactory.

What is more commendable is that the prisons offer vocational training at present, so that inmates can become proficient in a particular field. The Pak Sha Wan Correctional Institution not only provides inmates with training in driving, computer and language skills, but also encourages them to pursue further studies in university programmes. In the past, some inmates reportedly pursued studies during their imprisonment, and finished specialty courses or even degree programmes. And, the Government offers a subsidy of \$1,000 to those who pursue further studies. Furthermore, inmates can have their own radios to listen to radio programmes, although radio stations nowadays offer few programmes worth listening and are identical in terms of presentation due to the increasingly tight control imposed by the communists. Inmates even have the right to vote now, a result thanks to championing by Mr LEUNG Kwok-hung.



As we can observe, the current food and accommodation arrangements made by the prisons for inmates can be described as humane, or at a level more than humane. As for complaints, inmates can make complaints to Members, Justices of the Peace and government officials. We handled a lot of complaints in our capacity as Members in the past. Exactly because of the complaints lodged by certain inmates, we visited them in several different prisons, so as to understand their situations. Regarding their complaints, we also wrote to officials at various levels, referring to them cases involving unfair treatment, or even illegal punishment or violations of law. As some Members talked about certain inmates being bitterly beaten up in their prisons just now, I am sure many Members often receive complaints lodged by inmates in different prisons.

What I have been talking about is all positive, so that Mr CHAN Chi-chuen's proposal on deducting the estimated expenditure on the staff emoluments for the CSD seems to be unwarranted. Amendment No 151 proposed by him exactly requests the deduction of salary expenses of \$2,452,524,000. However, if Members compare the work performance of the CSD with its programmes and targets under the relevant head, they will realize that there are problems with its performance in many respects. Hence, through this amendment which requests the deduction of salary expenses, I hope to accentuate the inadequacies, problems and weaknesses of the CSD, and urge it to seek improvement in this connection.

The press story of the *nandu.com* praised Hong Kong's prisons, as if they were heaven, but there are actually many problems in reality. In particular, many of the complaint cases received by us are extremely difficult to verify and resolve. This is because most complaint cases involve several CSD staff members, or put in another way, one or two CSD staff members deal with one inmate. Despite the presence of other people, the others (some of them are inmates) ultimately refuse to testify or provide any proof, so that inmates who have been bitterly beaten up or maltreated find it difficult to get any third-party proof to support their claims. As such, all of their complaints fall short of support, and therefore a formal redress request cannot be filed.

I would like to refer to the duties as set out under the relevant programme, and point out the inadequacies of the CSD in this regard. The relevant situation may not be too serious, but the relevant numbers do show that there are problems in this regard. Programme (2) of the CSD stipulates that its aim is to facilitate

the re-integration of persons in custody into the community as law-abiding citizens. However, we have witnessed an increase in the numbers of released prisoners committing new crimes. Regarding the question of whether the CSD has appropriately or successfully implemented the aim set out under Programme (2), that is, to facilitate the re-integration of persons in custody into the community as law-abiding citizens, the relevant indicators are the numbers of released prisoners committing new crimes. The relevant programme stipulates that the aim of the CSD is to facilitate the re-integration of released prisoners into the community as law-abiding citizens, but such released prisoners continue to contravene laws and commit new crimes, leading to an increase in the numbers of new crimes committed by them. This shows that the aim set out under Programme (2) has failed to be implemented.

Regarding the reasons or causes of the failure of its implementation, a review is naturally in order. However, we very much hope that through the debate today, we can prompt the relevant committees and organizations to study and review the deterioration in this regard, and further make recommendations to the CSD or the Security Bureau in the future. Today, no officials from the Security Bureau are likewise present. Such a wrong arrangement relating to the attendance of officials has made a function of the legislature, the monitoring of the work of the executive, exist in name only. Since the Legislative Council is currently examining the Government's estimated expenditure under the Budget, officials responsible for a relevant item should naturally attend the relevant debate session and listen to Members' views in that regard. The wrong arrangement concerning the attendance of officials today aptly proves the misfeasance or even incompetence of the Government, and a slight on the Legislative Council. President, I would like to take this opportunity to put on record my strong condemnation of the misfeasance of the Government in this regard.

Talking about the numbers of relevant criminals, Chairman, I have several numbers for reference. According to a recent report, among the 272 sex offenders released in 2008, 2.2% committed new sex crimes. In 2009, the number of released sex offenders increased to 291, and the relevant percentage increased to 7.2%. There were increases in the relevant numbers. As for the numbers of violent crime cases, if we compare the relevant number in 2011 with that in 2010, we will see that such cases declined from 137 in 2010 to 125 in 2011. There was indeed a drop in the number of violent crime cases, but I must

refer to a set of very special numbers, which involve the CSD and must be squarely addressed. Among the violent crime cases, the number of cases involving attacks on CSD staff increased from 11 to 21, an increase of some 90%. Why was there such a rapid and substantial increase between the relevant years? To some extent, this reveals that the prisoners were increasingly indignant at or grieved by the CSD, so that they had to attack CSD staff. The increase in the relevant year as compared with the year before was as high as 90%. For this reason, we must not take this phenomenon or problem lightly.

The number of complaint cases handled by my office relating to persons in custody has also been on the rise in recent years, probably because I have changed my image and become a fighter. "Long Hair" has all along been receiving many complaints of this kind, and so does Yuk-man since he took office. I believe that they two must be at the top when it comes to counting the number of prisoners' complaints handled by an individual Member. Their handling so many complaint cases exactly shows that there are problems. The increase of such cases handled by me has also made me realize that the policy, system or approach of the CSD regarding the treatment of prisoners must be improved in certain respects.

Another set of numbers makes me realize that we must reconsider the manpower establishment of the CSD as a whole. For this reason, I hope that through the amendment on deducting salary expenses this time around, the relevant discussions can be initiated. The entire manpower establishment of the CSD stands at 6 807 persons at present, and will increase to 6 899 persons next year, an increase of 92 persons. The populations of the various penal institutions in these two years are 9 702 and 9 285 respectively, or roughly comparable. We may compare Hong Kong with other places like Singapore. Certainly, the systems and the nature of criminals may be a bit different in the two places, but what is worth comparing and reviewing is: the number of officers in charge of the administration of prisons in Singapore is less than 3 000, accounting for less than half of that of Hong Kong, while the number of prisoners in Singapore in 2011 was 25 000. Why does Singapore have a considerably smaller establishment than Hong Kong? Is it because prisoners in Singapore are not as fierce as those in Hong Kong? But the sight of the relevant numbers naturally makes us ponder whether we should conduct any review on the efficiency of the CSD. This explains partly why I support this amendment.

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

**MR WONG YUK-MAN** (in Cantonese): Chairman, my remarks are focused on Mr CHAN Chi-chuen's Amendment No 151: RESOLVED that head 30 be reduced by an amount equivalent to the annual estimated expenditure for personal emoluments of the CSD in respect of subhead 000; Amendment No 152: RESOLVED that head 30 be reduced by \$54,000,000 in respect of subhead 000", and Amendment No 153: RESOLVED that head 30 be reduced by \$29,000,000 in respect of subhead 000". I am going to speak on these three amendments.

As Mr Albert CHAN has just mentioned, owing to the filibustering, there is a large number of accumulated cases of interviews with prisoners upon request, and I also spent a lot of time earlier to appear before the Court; so, there are many accumulated cases ..... I was originally requested by some prisoners to visit the prison to deal with various complaints, related to their life or CSD staff's use of force against them.

I remember that when the tobacco duty was raised a couple of years ago, I was requested by some prisoners to discuss the higher cigarette prices with them in prison to find out if the price increase could be linked to their salary adjustments. I did write to the CSD in this connection and receive a reply from the Commissioner.

I used to visit prisons in the past and I especially paid over \$1,000 for a closed area permit for my car because I often went to the Lantau Island where a few prisons such as the Shek Pik Prison and the Tong Fuk Correctional Institution are located. I was deeply impressed by this experience though we often received some cases of trouble makers seeking assistance from Members in handling complaint cases which did not make any sense; and we would give them explanations. We would not blindly listen to the prisoners who had complaints and requested interviews with us; but we would conduct investigations, and so on. Moreover, some prisoners might wish Members to provide assistance in respect of their individual plans such as to write them reference letters, and we would handle such cases very prudently. I know that some Honourable colleagues such as Mr LEUNG Yiu-chung frequently visit prisoners; I would seek his advice as to how similar cases should be handled.

My experience tells me that prison administration in Hong Kong is not as impeccable as Mr Albert CHAN has just said. There are many problems with prison administration in Hong Kong and problems are found in two areas: first of all, the system; the system is determined by the policy which is reflected in problems with prison administration. Second, the staff; I am referring to the quality of and the training received by CSD officers, and the prison culture and values, or the ways in which the prisoners are disciplined. There are differences between prisons; I realize from my frequent visits that large prisons have their own ways. For instance, since the Lai Chi Kok Reception Centre is only for short-term detention, the types of persons in custody include appellants or judgment respited prisoners, and they are handled in another way. I have visited the Lai Chi Kok Reception Centre many times and visited many people there because it is not far away. As I may also be taken into custody there, I should find out more about prison administration.

These amendments are about salaries and allowances, and we will later on discuss some other amendments on general departmental expenses and even supplies for special purposes. Regarding the amendments concerning the reduction of salaries or allowances, I wish to express our views on the problems with the CSD or whether prison administration can be reformed through these amendments and after our debates or discussions. It would be most desirable if the amendments can serve this purpose.

Honourable colleagues may have read in the newspapers negative news concerning correctional officers in recent years. I have a most profound impression of a case which happened in 2012 involving the sudden death of a Taiwanese prisoner a day after he had been badly beaten up by three correctional officers using excessive force in the Lai Chi Kok Reception Centre. This incident was ultimately resolved through legal channels. The three correctional officers who caused grievous bodily harm to another person, resulting in the death of the prisoner, were convicted guilty of causing serious injury, and they became prisoners as well. This was a case resolved by legal means.

I have received similar complaints against the correctional officers' use of excessive force, and I have personally visited the prisons, including the Shek Pik Prison for felons, to find out more about the situation. Some of the officers who beat up prisoners were known as "security personnel". We also sympathized with the correctional officers in the prisons and we had had communication with them to understand the situation because we would not just listen to one side of

the story. It appeared that the so-called use of excessive force had been taken for granted by correctional officers.

In recent years, the situation has become a lot more civilized and prison administration has improved, so they would not easily beat up prisoners. In the past, no one would believe it if it was said that the correctional officers in prisons did not beat up prisoners. Today, they will try their best to tell people outside that they would not beat up prisoners; the police similarly tell people outside that they would not beat up people. Would anybody believe it? Nobody would believe that. The situation has actually become more and more civilized and there is a system, so to speak.

For example, we have argued for some time over nude strip search by the police for no reason. I remember that when we were members of the Panel on Security in the year 2008-2009, a task force was especially set up to monitor the police's nude strip search practice because this practice was not in keeping with the times. There are so many instruments nowadays; the purpose of nude strip search is just to humiliate the suspects, which is correctional philosophy.

If 10 persons are asked if the correctional officers in prisoners will beat up prisoners, none of them will believe that prisoners are not beaten up. But the CSD will certainly tell people outside that they never beat up prisoners. We have come across many such cases; as I mentioned earlier, the most serious case occurred in 2012 in which a man in custody was beaten to death.

I have not accepted these cases without questioning. There was a very famous prisoner who complained against the use of pacifying injections by correctional officers. I will not disclose his name but I am very sceptical of that because this man was really famous, so I do not believe that correctional officers would have done so. I visited the prison afterwards to debate with this prisoner whether this incident had happened or not. While there is an upward trend in the number of times correctional officers using force or excessive force, we will not blindly believe all the complaints received. These complaints were justified according to the statistics provided by the Security Bureau. There has been an increase in the number of cases where CSD staff used force in the past five years. The figures from the authorities showed that the number was 125 times last year, a 50% increase compared with 81 times in 2008, which also showed an upward trend. Does the number in all prisons also illustrate that there are only 125

times? The actual number is certainly larger than that as the data are only provided by the Security Bureau.

In Hong Kong, a civilized society with a sound system of the rule of law, we can hardly tolerate uncivilized practices in the CSD or the prisons. This is not North Korea, Mainland China, a developing country in Latin America or a totalitarian or authoritarian country; nor is this Taiwan's "Green Island". Prison administration in Taiwan has improved substantially in recent years, and we can see CHEN Shui-bian yelling every day. Since Hong Kong is a civilized society with a sound system of the rule of law, we cannot accept the use of force against prisoners. Must we use force to maintain the quality of the correctional services? We have great doubts about that. Should we do so as dictated by our culture and there are no alternatives?

Hence, comparisons cannot be made. Do we think that the situation is still as depicted in the movie "Prison on Fire" in the past? All kinds of atrocities were committed and the prisoners even sold drugs in the prison in that movie. It is unlikely for such things to happen today. The example given is just an isolated incident, and it will not become a system or an underground order. This situation may be seen in movies and it could be so during the so-called era of lawlessness in the past; yet, it should not occur in Hong Kong nowadays as it is a civilized society with a sound system of the rule of law. We will have relatively higher requirements for the quality of correctional officers, and even the CSD system and policies. We have a lot of cases in hand about correctional officers committing certain offences, but I do not wish to talk about these cases right now. I mentioned the most serious case earlier, but there are also many other cases involving theft or sexual assault. There may also be problems with the integrity checking system for CSD staff.

Based on all of these, I think it is impossible for us to fully reduce the estimated expenditures in one go. This is different from the amount of \$20,000 for the Audit Commission as I mentioned, which is dispensable; and it is also different from the \$1 million subvention from the Agriculture, Fisheries and Conservation Department (AFCD) to the Society for the Prevention of Cruelty to Animals (SPCA), which is also dispensable to the SPCA. As this huge sum that we are now discussing is earmarked for salary payment, it is impossible for us to reduce the expenditures wholesale. Nonetheless, these amendments arouse our concern for prison administration and are conducive to enhancing the quality of

correctional officers and even a review of the system and policy of correctional services. These discussions are meaningful and constructive.

My position is that I will basically abstain from voting on these several amendments and I will not vote for these amendments because I do not consider that there is a need to fully the estimated expenditures entirely. Similarly, we cannot reduce wholesale the estimated expenditures for the salaries of the Hong Kong Police Force. We cannot fully reduce the estimated expenditures for the salaries of the Hong Kong Police Force just because we are partially dissatisfied with its performance. Other amendments are different because the posts of Information Coordinator and the Director of the Chief Executive's Office are simply unnecessary. Hence, these latter estimated expenditures can be reduced. My basic attitude is that this amendment gives us an opportunity to speak, and we are more than willing to speak so as to facilitate a review and upgrading of prison administration and correctional services. Thank you, Chairman.

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

**MR LEUNG KWOK-HUNG** (in Cantonese): Chairman, I am going to discuss Amendments No 152 and No 153 proposed by Mr CHAN Chi-chuen. The CSD is certainly unique because it is a closed system that is not monitored by anybody. Its name has been changed from the Prisons Department to the CSD with a view to changing the nature of the department. Is that right? It not only keeps prisoners in confinement but also plays an educational role, providing correctional and educational services at the same time.

Chairman, you might as well do a headcount according to Rule 17(3) of the Rules of Procedure.

**CHAIRMAN** (in Cantonese): Will the Clerk please ring the bell to summon Members back to the Chamber.

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



**CHAIRMAN** (in Cantonese): Mr LEUNG Kwok-hung, please continue.

**MR LEUNG KWOK-HUNG** (in Cantonese): Chairman, I have just mentioned that the prisons are characterized by black-box operation because it is impossible for people to make effective complaints against the CSD, and it is very difficult for people to understand its overall operation. It is because there is a wide gap and inequality between the power of the prisoners being confined and those supervising them. For this reason, we cannot tolerate any abuse of power or practice of favouritism on the part of such an organization. Similarly, there are stricter requirements of the professional ethics of an autocratic government than a democratic government for it is impossible to monitor or remove the former.

I am discussing Mr CHAN Chi-chuen's proposal to cut in full the emoluments of CSD staff, which evidently "lets the scholar eat like a dog", hoping that those who have finished eating may make up their minds to become scholars. First, the CSD has so far failed to formulate any mechanism for more effective monitoring by outside bodies or this Council. Let me cite two examples involving machines. Firstly, we asked the CSD, given the advancement in technology nowadays, if it is still necessary to find out through an anal cavity search whether the prisoners serving sentences have carried other things when they are admitted to prisons. The CSD said that it had used machines before but considered that machines do not serve the purpose and are not as effective as using the human hand. They are bragging, right? Machines are used in Macao. They will definitely not tell the truth about the use of machines. Their argument can no longer hold and they now admit that machines can be used in place of the human hand. Why are they talking insincerely? They wish to uphold a really backward culture to insult others' dignity or preserve the system for imposing physical punishment on others. When they insult others' personality, they make those people feel very small; thus, it would be easier to supervise them. This is an undesirable system, right? After we have repeatedly questioned this system, they have finally made changes of their own accord.

There is a better example: a swindler in the United Kingdom sold a golf detector to people around the world, claiming that it is an invincible weapon detector; and not only the CSD in Hong Kong has been deceived. The British claimed that he has an invincible piece of equipment and the CSD bought four

such machines at \$220,000 each. They subsequently found out that those machines were only used to detect the locations of golf balls on golf courses. The reply of the CSD was really amazing; they said that they had bought four such machines and been using them; so, they had not made any mistakes. Buddy, who plays golf in prisons? Detection is not necessary even if somebody really plays golf there.

First, all of us know from these two examples that the machines which can replace an anal cavity search for contraband detector have not been used, and we have been deceived. Second, the CSD was deceived and it subsequently told everybody that they had spent \$880,000 on four machines and been using them. Now that they can turn things upside down in front of a body with the power to monitor it or take its life, how will they treat people under its administration who cannot publicly question or denounce them, like what we are doing now? Of course, I am not saying that all correctional officers of the CSD are bad guys; I am just saying that there are problems with the system itself. We surely have to touch upon the system when we are having debates. On this issue, I think the CSD must keep abreast of the times and introduce a corresponding reform, so that it can be monitored through a more transparent channel. This issue may not be related to the CSD but it should be related to the Security Bureau. As the discussion session related to the Security Bureau has already concluded, I will focus on the CSD but not the Security Bureau.

Chairman, the prison administration reform of the CSD has been very slow. I have talked about eight pieces of toilet paper a while ago. What can we use eight pieces of toilet paper for? Even if they can be used for blowing your nose, they cannot be used after you have relieved yourself in the toilet, right? These can .....

**CHAIRMAN** (in Cantonese): Mr LEUNG, we are now discussing salaries and allowances. Is it more appropriate for the examples you have just cited to be given in the next joint debate?

**MR LEUNG KWOK-HUNG** (in Cantonese): ..... Yes, thank you. I understood that. There is also the problem of fabrication. My idea is actually very simple; for administrative or special needs, we give an organization full

power and we will have more stringent requirements for its conduct. For example, a convention of the CSD is that, in drug treatment centres, the urine samples of other prisoners are tested, just like teaching other people's sons: the urine sample of a non-drug trafficker is swapped with the urine sample of a drug trafficker, and the urine is then sent for inspection. This practice is very common in the interrogation process of CSD staff. In order to fight for better drug addiction treatment results, the CSD allows correctional service officers to swap urine samples with the prisoners disciplined by them, and the urine sample is then sent for testing.

Chairman, this is outright deception of the public and the Government, which is very poor indeed. This problem can be rectified, but it is unacceptable to swap urine samples for tests as the accurate results will not be displayed and nobody will be able to check. There are numerous similar issues such as the abuse of solitary confinement; the prisoner is only given rice mixed with water. Chairman, as solitary confinement has very important impacts on the mental state and health of prisoners, it can definitely not be abused. What are the purposes of solitary confinement? First, it prevents the prisoner from causing trouble; second, it prevents the prisoner from threatening other prisoners; third, it .....

**CHAIRMAN** (in Cantonese): Mr LEUNG, you are again discussing the policy during this debate on the emoluments of CSD staff. Please be concise.

**MR LEUNG KWOK-HUNG** (in Cantonese): This is not about policy; solitary confinement is a policy but abusing solitary confinement is not a policy. The CSD does not have the policy of abusing solitary confinement. There is a policy of solitary confinements, but I am now saying that the staff's abuse of solitary confinement is obviously an abuse of the policy, which is inappropriate. Solitary confinement is a practice adopted in various parts of the world but it cannot be abused. In many cases before the Court, it is questioned why the prisoners can be placed in solitary confinement at any time. What constitutes an abuse? It is solitary confinement for three days; when the CSD staff accuse a prisoner of stirring up trouble, they need not ask questions or say anything, and they can immediately place him in solitary confinement for three days; and his case will only be handled three days later. Theoretically, a prisoner placed solitary confinement may lodge an appeal, but it is strange that nobody uses the appeal mechanism.

I do not intend to tell all the stories in this session because it will be a waste of time. My argument is that the CSD has made improvements and become more civilized due to a change in the system. It has been fully illustrated that a bad guy can do things that are not so bad or more desirable under a better system.

With the change in prison administration, we have established more mechanisms under which CSD staff cannot abuse power. Yet, the abuse of power continues. Frankly speaking, we can only come to the conclusion that those people resist the change in the system. When they resist the change in the system, they believe they are right and the system is just corrupt. Nonetheless, the system itself is becoming increasingly civilized. While they respect the rights of prisoners, they resist the change in the system, but this should definitely not happen.

I consider it inevitable to reduce their emoluments as an alarm for them. Mr CHAN Chi-chuen has proposed to fully cut their salaries, which is actually questionable. My humble opinion is that Mr CHAN Chi-chuen should have proposed more amendments involving 10% to 100% reductions, to allow Members of this Council to determine in the course of debate the strength of the punishment to be imposed on CSD staff. If they have performed poorly, their salaries should be reduced by 90%; and their salaries should be reduced by 60% if they are doing slightly better. I think such a system should be adopted for annual budgets in the future, so that Members can propose different rates of salary reduction to raise their guard. The reductions should be implemented. The adoption of the reductions will become the strongest way to supervise all government departments.

Furthermore, I would like to point out that a 100% reduction is flawed. How are we going to vote on the proposal? I will talk about other parts later. I will speak again only when we discuss the departmental expenses as advised by Chairman. Overall, since I was imprisoned before, I understand the way of thinking of CSD staff. Today, I am not saying that all correctional service officers act in the same way, and I am just saying that correctional service officers will not condone their colleagues. If they really condone their colleagues, the situation today will be tantamount to "all people on the boat beaten with a bamboo pole or the whole pot of porridge soiled by a mouse dropping". When CSD staff get this message, I hope that greater space will be left for mutual encouragement and improvement. Thank you, Chairman.

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

**MR CHAN CHI-CHUEN** (in Cantonese): Chairman, the three amendments in the 10th joint debate are proposed by me. I would like to thank Mr LEUNG Kwok-hung for mentioning earlier that, if we can turn the clock back, I should have proposed reducing the rate of salary reduction ranging from 100% to 10% or 5%, to give Members much more room for discussions or making voting decisions. Honourable colleagues would certainly dislike being forced to accept fully cutting the salaries of CSD staff as currently proposed.

My original motive in proposing these amendments is to take this opportunity to examine the performance of CSD staff. Other Members or Mr LEUNG can also propose amendments to my amendments; however, we have really exercised restraint because these 710 amendments may turn into 730 amendments.

I have something more to add. CSD staff only have two major programmes, which are simpler than those of other disciplined forces, and not as complicated as those of the Customs and Excise Department to be discussed later. These two major functions are prison management and reintegration.

I am going to make some supplementary remarks on the programme of reintegration. The aim of this programme is to facilitate the reintegration of prisoners and inmates into the community as law-abiding citizens. There are two criteria of measurement: the first one is reintegration; to quantify this criterion of measurement of reintegration, we have to consider whether a discharged prisoner can find a job, as this serves to illustrate that he has successfully reintegrated into the community.

The criterion of measurement of whether a prisoner can become a law-abiding citizen is related to the relapse rate. In pages 126 and 127 of the very thick Budget, the authorities have carefully compared the relapse rates in 2010 and 2012 under the correctional system. It appears that the result is satisfactory; thus, I will not waste time reading out those items *seriatim*.

Nevertheless, I wish to emphasize that the CSD's targets of Programme (2) Re-integration are to ensure that its re-integration programmes achieve the highest possible success rates, and to enhance community acceptance of and support for rehabilitated offenders. These targets pinpoint discharged prisoners and the general public. Besides equipping prisoners for reintegration after discharge and providing the related counselling services, the CSD's duties also include enhancing community acceptance of and support for rehabilitated offenders through education, publicity and public participation.

I am going to elaborate on the example cited by me earlier and discuss the employment success rates of discharged prisoners. The CSD was accused of fraud; even though I will not make such harsh accusations, it is undeniable that it has fabricated numbers, and so on. Those who have studied statistics know that, if we want the figures to look appealing, we need only evade the crucial points and put some nice numbers together.

I made this point a while ago but I did not give any explanation; so, I am now going to roughly illustrate this point. The CSD claimed that the employment success rate of discharged prisoners is as high as 90%, but the Society for Community Organization (SoCO) has said that the employment success rate of discharged prisoners is less than 5%. How has the CSD derived the relevant number? According to the CSD's subsequent reply, adult ex-offenders have an 80% employment rate after they have received vocational training and six months' voluntary follow-up services. In other words, not all discharged prisoners, but only those rehabilitated offenders within the scope set by the CSD who have received six months' voluntary follow-up services have an employment rate of more than 80%. Yet, the CSD publicly claimed that the employment success rate of discharged prisoners was as high as 90%. No wonder this is different from the actual situation and the number derived from the survey of the non-government organization. This shows that the CSD staff responsible for this aspect of work exaggerated the results of the work and evaded another issue.

This issue may not simply involve the responsibility of the CSD because the Government should formulate laws seeking to prevent discrimination against discharged prisoners. Insofar as anti-discrimination is concerned, I have spent a lot of time studying the cases concerned. For instance, in certain foreign places such as Australia, the local governments will legislate to specify that only the employers in certain industries, such as the money or education-related industries,

can ask job applicants to declare criminal records. For other jobs which nature of work is not related to these industries such as restaurant waiters, their employers cannot ask the job applicants questions about their imprisonment records.

It is found from the survey conducted by the SoCO that over 70% of the rehabilitated offenders have been the subjects of employment discrimination. Many discharged prisoners were asked by employers at job interviews whether they have criminal records; and regardless of whether it is related to the nature of the work in question, the job seekers will often refused employment by these employers after they have confessed that they have criminal records. I would like to point out that, if the CSD staff are to achieve the aim of Programme (2) concerning reintegration, they must first face the facts, be practical and tell the truth, and refrain from producing fancy numbers; they must also take follow-up actions in respect of educating the community and legislation.

The last point supporting my Amendment Nos 151 to 153 is that, as I have just mentioned, I would use the word "ineffective" or "failure" to describe the Complaints Investigation Unit (CIU) of the CSD. For example, in 2011, a discharged prisoner supervised under the CSD drug addiction treatment services violated the supervision order and relapsed; thus, he was recalled to an institution for further drug addiction treatment; but this person committed suicide in the course of treatment. His family members accused CSD staff of victimizing him and lodged a complaint. Yet, the CSD refused to comment on the incident, and it only confirmed that the deceased was a discharged prisoner being supervised; and the case was just followed up by an Assistant Officer I. Even though the family members had questions and complaints, they were only told by the CSD to report the case to the police. This was really strange because the CSD had a complaint mechanism. Why did the CSD tell these family members to report the case to the police?

Let me briefly explain the functions of the CIU of the CSD. The CIU is "an independent establishment appointed by the Commissioner of Correctional Services (CCS) to handle and investigate all complaints within its purview expeditiously, thoroughly and impartially under the ISO Quality Management Systems aiming at redressing grievances, preventing similar complaints and bringing continual improvement in overall service quality". These are the standard ISO requirements. In addition, "For check and balance, the CSD

Complaints Committee (CSDCC) is vested with the authority to examine all investigation findings handled by the CIU. The CIU will endeavour to complete its investigation of a complaint within 18 weeks. After endorsement of the outcome of the investigation by CSDCC, the complainant will be informed of the outcome in writing accordingly. A complainant who is dissatisfied with the outcome of the CIU investigation may apply in writing for re-examination of the complaint by CSDCC. Further appeals would be dealt with by the CCS." These functions of the CIU are expressed in writing.

Does the example just cited by me illustrates the limitations of the CIU in terms of functions? Was the case not handled by CSD staff because they are not subject to the control of the relevant mechanism? Are there checks and balances on this? All this worries us. Although the annual provision for the emoluments of CSD staff amounts to \$2.4 billion, which is a very large amount, I also agree with the view of a few Members expressed earlier, that cutting all the related expenditures will be tantamount to paralysing the operation of the CSD, which will incur enormous social costs. We all know very clearly that the amendments proposed by us will not be supported by a majority of Members at division; hence, we are just taking this opportunity to present these facts, so that Members would become aware of them and have discussions.

I am not going to continue to talk about the emoluments of CSD staff because two upcoming joint debates are related to the CSD, including its departmental expenses, meals and the expenses on nicotine patches. I so submit.

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

**MR LEUNG KWOK-HUNG** (in Cantonese): I would like to talk about wages. Education is another function of the CSD. Does the CSD provide favourable educational services? As Mr CHAN Chi-chuen has just mentioned, the figures published by the authorities showed that the CSD has performed reasonably well in preventing prisoners' relapse. By means of the deterrent effect of imprisonment, the CSD has effectively prevented the relapse of prisoners in some measure. There are veteran bandits, but we are not going to talk about them. I think the CSD has failed in enabling discharged prisoners to reintegrate into the



community and find suitable jobs. The CSD is not the only body to be blamed for the failure because that is the reality, otherwise, there would not be insufficiently effective employee retraining programmes.

As a matter of fact, the work of the CSD in prisons and the learning it provided are basically detached from society. The prisoners under the CSD engage in a lot of industries, manufacturing products ordered by the Government such as road signs and refuse bins. Who else in Hong Kong undertakes such work? The work is entirely undertaken by the CSD. Will the discharged prisoners go back to the prisons? After the prisoners have learnt how to make refuse bins, they cannot find jobs on refuse bin production after discharge as the work is entirely undertaken by the CSD .....

**CHAIRMAN** (in Cantonese): Mr LEUNG, how are your remarks related to the three amendments?

**MR LEUNG KWOK-HUNG** (in Cantonese): I am talking about rehabilitation. Have the discharged prisoners learnt any skills to help them break away from the criminal life? Most veteran bandits are offenders who do not have any means of living. If the CSD can teach and enlighten prisoners as to how to conduct themselves — its work may only be half successful because there are veteran bandits — vocational retraining allows the prisoners to learn some skills in prison, so that they can stay away from their former life after discharge.

**CHAIRMAN** (in Cantonese): Mr LEUNG, your remarks still bear no relevance to staff emoluments. This is a policy issue; please focus on the relevant amendments.

**MR LEUNG KWOK-HUNG** (in Cantonese): I see; I got it. At least, there is something to do with the staff members responsible for the formulation and implementation of policies. The staff members responsible for formulating the relevant rehabilitation policy of the CSD, especially the part of the policy involving teaching prisoners vocational skills, should have their salaries reduced.

This should be done, right? If the designed project seeks to train up the prisoners' vocational skills and the vocations involve government products monopolized by the CSD, should they return to prison after discharge to produce refuse bins? Or .....

**CHAIRMAN** (in Cantonese): Mr LEUNG, you have strayed away from the question again. Please focus on the salaries and allowances of the staff.

**MR LEUNG KWOK-HUNG** (in Cantonese): Well, the allowances of staff members who thought up this proposal should be reduced. The prisoners learn vocational skills under the proposal but they can only engage in the occupation in prison. Are they expected to go back to prison for the work? This is an obvious fallacy, right? You should understand that. The CSD is the contractor of all related government projects; and the prisoners who have learnt the skills cannot join the industries after discharge. What is the purpose of learning these vocational skills? Evidently, this is outdated .....

**CHAIRMAN** (in Cantonese): Mr LEUNG, you are still talking about the policy issue. I remind you again that, during a debate on the emoluments of the staff of a department, lengthy remarks on the public policy of that department should not be made.

**MR LEUNG KWOK-HUNG** (in Cantonese): I understood that. My conclusion is that your ruling is about whether this is a public policy that must be implemented.

Honestly, if you are the Commissioner for Correctional Services, you have the responsibility to resist the Government instead of contracting a project arranged by the higher authorities just like sharing food cooked in a big cauldron as what Mainland people did in the past. As to the allowances, if the CSD really wishes to .....

**CHAIRMAN** (in Cantonese): Mr LEUNG, these amendments of Mr CHAN Chi-chuen seek to reduce the full-year salaries and allowances of all CSD staff. Please focus on this question.

**MR LEUNG KWOK-HUNG** (in Cantonese): Well, I request a reduction in their allowances, and that is what I meant to say. I request such reduction because they have made mistakes. I think you do not quite understand the matter; therefore, you have prevented me from speaking. We cannot assume that the CSD as a government department ..... owing to its offering vocational training programmes .....

**CHAIRMAN** (in Cantonese): Mr LEUNG, please do not make lengthy remarks on the existing policy, otherwise, I would have to stop you from speaking.

**MR LEUNG KWOK-HUNG** (in Cantonese): I will stop speaking then. I think I am right because CSD staff who determine what each prisoner should do have not fulfilled their responsibilities. This is not a policy issue as the staff concerned have autonomy. I have nothing more to say because you disagree with me and you think that I am wrong.

**CHAIRMAN** (in Cantonese): Mr LEUNG, my ruling has nothing to do with whether I agree with your view or not. Your remarks do not comply with the Rules of Procedure and you have strayed away from the question. Please do not continue to dwell on the same point.

**MR LEUNG KWOK-HUNG** (in Cantonese): Chairman, I have just made some brief comments. I understand that you do not agree with my analysis. If the prisoners cannot learn any skills from the contracted work which is tantamount to sharing food from a big cauldron, this is a problem with the practice rather than the policy. If you say that this is a policy issue, I will not dwell on the matter. It does not matter, for the facts are there for all to see.

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

**MR LEUNG YIU-CHUNG** (in Cantonese): Chairman, I have listened very carefully to the speeches of Mr CHAN Chi-chuen and Mr LEUNG Kwok-hung just now. They consider it necessary to reduce the salaries and allowances of CSD staff. The most important argument of these two Honourable colleagues is that the CSD's work in the past was not successful, in terms of the rehabilitation efforts and the attitude towards prisoners. However, I do not support the proposed salary reduction. The main reason is that, if the CSD staff is subject to a salary reduction, their morale will be seriously affected, which will in turn create negative impacts on how they treat the prisoners, assist in their rehabilitation and help their rehabilitation in prison.

Mr LEUNG Kwok-hung and Mr CHAN Chi-chuen have quoted the views of the community and pointed out the CSD's fabrication in respect of the rehabilitation figures and the unsatisfactory work performance. For more than a decade, I have paid frequent visits to prisoners, so I understand that they fail in rehabilitation because they are not accepted by the community and the CSD's publicity and education efforts lack profound effects. It is not a positive measure to reduce their salaries. The authorities should increase the manpower instead and study how to enhance promotion so that the public will understand that rehabilitated offenders should be given opportunities. Otherwise, it is easy for these offenders to go back to jail after discharge if they cannot find employment. As far as I know, approximately 40% of the discharged prisoners have gone back to jail. The main reason is that they cannot find a job and they are forced to commit offences, thus, they are imprisoned again. It is entirely because they are not accepted by the community and given the opportunities of rehabilitation and regeneration.

This is an issue concerning the system and it has nothing to do with the performance of CSD staff. The CSD has not effectively carried out publicity and educational work to promote public acceptance of these prisoners because it is understaffed, hence the result. If the salaries and allowances of CSD staff are reduced, I really do not know how I am going to face those prisoners. I am not sure if Yuk-man will be sentenced to jail later. Can he imagine what will happen if he is jailed? If CSD staff have very low morale, they will treat prisoners with a bad attitude. Conflicts will easily intensify in a confined environment and a vicious cycle will thus be formed: the relationship between

prisoners and CSD staff will become worse, and they will even be fighting, which will result in extended prison terms for the prisoners.

(THE PRESIDENT'S DEPUTY, MR ANDREW LEUNG, took the Chair)

I do not know if Mr CHAN Chi-chuen and Mr LEUNG Kwok-hung have gained any in-depth understanding of the situation in prisons. I know that it is essential for there to be cordial relations between CSD staff and prisoners, otherwise, the situation will become really bad. What will happen if the salaries and allowances of CSD staff are reduced, triggering the loss of morale? Who would they turn to when they need to vent their grievances? They will certainly turn to prisoners, right? It can be said that it will be even more difficult for them to make greater efforts and actively assist prisoners in rehabilitation, even though they are expected to do so. Hence, I think we are not going in the right direction if we seek to reduce their salaries and allowances.

Regarding improvements in the rehabilitation and employment situation of prisoners, I believe there are problems with the system, as Mr LEUNG Kwok-hung said earlier. For example, the handicraft classes for prisoners are backward in terms of the scope and work types, thus, discharged prisoners fail to adapt to society. The CSD also has insufficient resources and manpower, while we cannot ask the Government to provide additional funding and manpower in this Budget. Some Honourable colleagues wish to reduce government expenditures, but I prefer an increase in government expenditures, though it is impossible to increase government expenditures now. I conversely think that it is necessary to increase resources and manpower for purposes of improving the existing facilities, system and establishment, so that the CSD staff can better assist prisoners when they are in prison or after they have been discharged. This is a positive move. I do not wish to see discharged inmates returning to prisons for relapse in crimes, which is not a good thing. For this reason, I do not wish to see the passage of the amendments of Mr CHAN Chi-chuen and some other Honourable colleagues; otherwise, this will deal a blow to the morale of many CSD staff. Therefore, I oppose their amendments proposing the reduction of the salaries and allowances of CSD staff.

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

**MR CHAN CHI-CHUEN** (in Cantonese): Supposedly I have concluded my speech, but I must thank Mr LEUNG Yiu-chung for his views. I agree that the CSD is one of the disciplined forces, and reducing the salaries of CSD staff will adversely affect their morale or effectiveness. As a stumble may prevent a fall, if it is considered that our arguments have merits, Honourable colleagues may actually choose to support the amendment proposing the least rate of reduction of the allowances or work-related allowances under salaries. I have not proposed amendments to reduce 11 months', 10 months', nine months' or eight months' salaries. This is the first point that I would like to add.

The second point that I would like to add is that I cannot agree with Mr LEUNG Yiu-chung's view that the department should be provided with additional resources and public funds for hiring more staff and improving its rehabilitation work when it has performed poorly and ineffectively implemented policies. One aspect of its rehabilitation work is to educate the public so that they will accept discharged prisoners and regard them as newly created persons. The meaning of the word "rehabilitation" includes regeneration, which is abandoning the old self. Therefore, the authorities should allocate additional resources. In recent years, I have been studying the anti-discrimination issue and requesting the Government to allocate additional funding to enhance education. Nevertheless, it all depends on the effectiveness of the work and what can be done. I often say that there is an established formula for this kind of work. For instance, organizing activities similar to the "Enjoy Yourselves Tonight" programme to educate the community, featuring singing performances by some singers and the appearance of Rehabilitation Ambassadors. Should we allocate more resources so that shows can be held in the Hong Kong Coliseum when the shows held in the Queen Elizabeth Stadium are not effective enough? I trust that this should not happen, in particular, we should not adopt this attitude when we are considering Budget appropriations.

We can certainly continue to debate whether the CSD has failed to achieve effectiveness and shown substandard performance simply because of limited resources. As Mr Albert CHAN mentioned a while ago, when we make a horizontal comparison between Singapore and Hong Kong, we may find that the CSD with 7 000 staff members has sufficient manpower. If we say that, as Hong Kong people are more ferocious and all prisoners are like "Hulk", four persons are required to watch over a prisoner, unlike the case in Singapore where only two persons are required to watch over a prisoner, this warrants further analysis and study. But we cannot say that the Department showing substandard

performance should be given more resources. Let me come back to the basic concepts of the organizational theory; if an organization is allowed to employ more staff when it has substandard performance and it does not have sufficient manpower, it must first be ascertained that the organization's purpose is not to make sure that its written purpose is achieved but to enable its continual existence and expansion. I think we cannot continuously allocate more resources and additional manpower if the organization persistently shows substandard and unsatisfactory performance.

I so submit.

**MR LEUNG YIU-CHUNG** (in Cantonese): Deputy Chairman, I think Mr CHAN Chi-chuen has some misunderstanding here. The main reason for the failure of the CSD's rehabilitation work is that employers cannot be found, which is a very realistic problem. How can we make matching employment arrangements for prisoners when there is no employer? This is the core of the problem. So, we should find employers first, and there must be additional manpower and CSD staff should also adopt a positive attitude to make their work successful.

It is said that there is no need to increase manpower, which may not be true because few employers can be found using the existing manpower, still less trying to find more employers. The second problem is that if CSD staff have low morale, it will be more difficult for them to contact better employers. There is a close link between the two. Apart from the need to identify employers as I have just said, it is also essential to gain the acceptance of a majority of people in the community. I wonder if Honourable colleagues know that once I introduced a discharged felon to work in a restaurant, but he even had to change his name to secure employment by the boss who did him a great favour. However, he later resigned, not because the boss could not accept him but because other colleagues were afraid of him. They doubted why the murderer could work there.

Therefore, publicity and education are very important. If we are to help discharged prisoners in employment, we cannot say that the salaries of CSD staff should be reduced as there is insufficient manpower or their work is ineffective. This which will only create a vicious circle such that more inmates will fail to find a job in the future. I hope Mr CHAN Chi-chuen will understand that we certainly need additional manpower and we also need to improve the morale of

CSD staff, so as to strengthen their publicity and educational efforts and identify more good employers. It will then be more likely for employment arrangements to be made for discharged prisoners; otherwise, when the discharged prisoners cannot find a job, they are more likely to commit offences for which they will be put to jail again.

I so submit, Deputy Chairman.

**MR ALBERT CHAN** (in Cantonese): Deputy President, Mr LEUNG Yiu-chung may have missed some of the points I elaborated in my speech earlier on. One of the major programmes of the CSD is to facilitate the reintegration of persons in custody into the community as law-abiding citizens. One of the figures I cited reflects a strong surge in the number of CSD personnel assaulted — the figure of 2011 represents an increase of 90% as compared with that of 2010. I believe this figure will draw public attention to the cause for such a hostile relationship between CSD personnel and persons in custody.

According to the remark made by Mr LEUNG Yiu-chung just now, if persons in custody can lead a better life and get career promotion opportunities after their discharge from prisons, this is of course a good thing. If everyone is as fortunate as the role played by Kenneth TSANG in the movie *A Better Tomorrow* or the role played by Eric TSANG in *The Romancing Star*, the picture is of course different. In fact, just now he made a point which is so true: there is actually room for improvement in the community's perception of the reintegration of ex-offenders, and this is exactly a responsibility of the CSD.

Try to take a look at the Government's Announcements of Public Interest (API), how many of them convey encouraging messages from the CSD? But we have so many APIs on the national anthem, and the people find them very much annoying. The Government should make meaningful use of the airtime for API. Also, the CSD should make efforts to get more airtime for API on the promotion of educational messages. In addition, the CSD should fight for more resources or approach Members more proactively to ensure achieving the aims of its programmes. We have frequent contacts with many departments, but rarely do we have contact with the CSD. Other Policy Bureaux and departments, in particular, the Constitutional and Mainland Affairs Bureau, will approach us when problems arise. Yet during the last 20 years that we have served in this



Council, how many times has the CSD approached Members to explain its services? Barely any, indeed. In respect of the programmes of the CSD, if not because of this filibuster and these amendments proposed by Mr CHAN Chi-chuen, we may not look carefully into the matter indeed. Hence, in my view, today's debate is useful. No matter whether Members support the proposal to cut the emoluments of the CSD or not, or even if they support one amendment but oppose another, the questions raised by Members, including the reasons cited by Mr LEUNG Yiu-chung for opposing the cut, are at least something on which we should conduct introspection.

What deserves even more introspection is the attitude of the Security Bureau. None of the officials from the Security Bureau is now present in the Chamber. I have repeatedly made criticism of this. When Members discuss policies, they cannot address the responsible departments due to the absence of officials from the authorities. In addition, this shows the authorities' defiance of the views expressed by Members in the Council. They are not willing to listen, not even to the views of the Members opposing our amendments. Hence, in my view, society should really start its awakening process, not only the awakening to democratic awareness and anti-communist awareness, we should be concerned about the rights of the minority, including the rights of persons in custody. In fact, the problems encountered by CSD personnel as mentioned by Mr LEUNG Yiu-chung also warrant our attention. For instance, the increase in cases of CSD personnel being assaulted by prisoners signifies a two-folded problem. On the one hand, the increase in assaults by persons in custody can be a reflection of their rage, and on the other, the safety of CSD personnel warrants attention as the risks they face have multiplied, and the number of CSD personnel assaulted has surged 90% as compared to last year.

From another perspective, the assault of CSD personnel can be interpreted in two different angles: the number of prisoners assaulting CSD personnel has surged by 90%; or the number of CSD personnel assaulted by prisoners has surged by 90%, meaning that their lives are exposed to an even greater threat. What was the cause for this? Inadequate government resources as Mr LEUNG Yiu-chung said, or some mistakes committed in policymaking? Or an overall increase in social grievances, which has not only prompted street protests to escalate, but also stimulated violent acts in prisons to exacerbate?

As I pointed out earlier, the number of complaints we receive from prisoners keep increasing. I believe the number of complaint cases handled by Mr LEUNG Yiu-chung for persons in custody over the years is no less than that handled by "Yuk-man" and "Long Hair". Many complaints that prisoners lodged with Members reflect their discontentment with the CSD, as some of them had been beaten or subjected to slander. Hence, overall speaking, these complaints and some cases convicted guilty as cited by Mr CHAN Chi-chuen earlier reflect a series of problems.

Many years ago, we had repeatedly complained about police officers planting evidence or some teenagers being framed for drug trafficking. It was not until some years ago that a precedent was finally established with concrete evidence from a closed-circuit television camera in Tai Wo Hau which captured the scene of a police officer imposing a bag of stuff onto a civilian in a lift. So far, we have heard a lot of rumours about this, but the problems have not been properly addressed due to the lack of concrete evidence.

I hope today's debate and the amendments concerned can inspire Members to exchange more views on this matter. Most importantly, despite that officials of the relevant Policy Bureau are absent now, all of our speeches and discussions will be put on record. This is similar to our opposition to the Express Rail Link project three or four years ago, when the Government denied all the worries we raised on the project then. Today, if reporters go through the records of meeting at that time, they will find that our concerns and worries back then are not at all pointless. Likewise, in respect of the comments we make today, even if the Government refuses to make any response, or do anything to address or improve the situation, any critical problems that may arise in the future can prove that the officials concerned have been derelict of their duty. At that time, even though they may have been transferred to other departments, or they may have retired, given that the facts have been put on official record, they can neither evade the historic duties and charges, nor the accusations by their conscience.

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

**MR LEUNG YIU-CHUNG** (in Cantonese): Deputy Chairman, this is perhaps the last time that I speak in this joint debate. The remarks made by Mr Albert CHAN just now demonstrate the fact that truth could be sought through debate. It sounds like Mr Albert CHAN should amend or withdraw Mr CHAN Chi-chuen's amendments, because if what he says holds true, then the dispute or confrontation would continue to deteriorate, provided that the moral of the CSD staff is really that low and the relationship between them and the inmates is no good, and such a situation will be inevitable. If their salaries and benefits are cut, then how can CSD staff be friendly to inmates?

With regard to the current situation, I wish to tell Members that according to some inmates I have visited, CSD staff had changed them a lot. CSD staff would chat with the inmates attentively and exchange philosophy with them, so that the inmates could think over their wrongdoings and change their incorrect views and turn a new leaf. I am not sure whether or not Members still remember that in 1996, I assisted some young prisoners detained at Her Majesty's pleasure, and later at the Chief Executive's pleasure. The majority of this group of more than 20 young prisoners told me that CSD staff had given them a great deal of help, therefore they had really changed. In fact, I have employed several of them to work in my office, and their changes are obvious to all.

How could they make the changes? Besides their own efforts, they told me that that CSD staff had given them a great deal of help. In fact, I remember the first time I visited them, the Commissioner of Correctional Services specially asked me to get there earlier so that we could have a meal together. I asked him for the reason and he told me that he wanted to brief me on the situation of young prisoners detained at Her Majesty's pleasure. He told me that it would be wasting the time of these young prisoners if they were kept in the prison facility, because those were good kids. If possible, a better option was to discharge them from prison. I asked for the reason and was told that the prison staff were helping them to repent and reform vigorously. As they were still young when they committed the offence — they were under 18 but they had committed the offence of homicide — CSD staff therefore gradually assisted them and counselled them, thereby making them to change. Many of them have given up evil and returned to good and they are now serving the society.

These are the merits of CSD staff and we should commend them. But if we cut their salaries on the contrary, how can they maintain the morale in work? If these amendments were passed, could we envisage that even though they have maintained the patience and good attitude, how can they still have the good mood

to work after the pay cut? How can they have the mood to chit chat with the inmates? How can they help the inmates in prison? This is simply a waste. We should bear in mind that they see each other day in and day out, so if CSD staff can effect positive impact on the inmates and therefore help society, so that we can avoid building more prisons thus saving up the resources, will that be no benefit at all? For that reason, I consider that even if we cannot increase their salaries through the Budget, we should not cut their salaries. I hope Mr CHAN Chi-chuen will consider withdrawing these amendments.

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

**MR CHAN CHI-CHUEN** (in Cantonese): I have to thank Mr LEUNG Yiu-chung for the speeches made. His knowledge in this area, in this head is more profound than mine, so Members must not say that filibustering is just nonsense. In fact, it is food for thoughts which allows us to learn and know a lot of things. The speeches made by Mr LEUNG Yiu-chung and Mr Albert CHAN just now make me feel that even Amendment No 151 proposed by me is equivalent to cutting the estimated annual staff emoluments expenditure of the CSD, I still need to remind Members that when it comes to the vote, I do not know when, I hope Members will abstain. If Members wish to vote against it, it is alright, but please do not cut the entire emoluments expenditure. Nevertheless, if Members consider that we should sound some kind of warning by making petty punishment after listening to our speeches, then Members may support Amendment No 153.

However, our debate serves a very valuable purpose, but very few Members are in this Chamber. After the conclusion of this debate, we will start the 11th joint debate, so Deputy Chairman, I hope you can summon Members back to the Chamber in accordance with Rule 17(3) of the Rules of Procedure.

**DEPUTY CHAIRMAN** (in Cantonese): Will the Clerk please ring the bell to summon Members back to the Chamber.

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

**DEPUTY CHAIRMAN** (in Cantonese): Mr CHAN Chi-chuen, do you not wish to continue with your speech?

(Mr CHAN Chi-chuen shook his head to indicate that he did not wish to continue with his speech)

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

(No Member indicated a wish to speak)

**DEPUTY CHAIRMAN** (in Cantonese): Does any public officer wish to speak?

(No public officer indicated a wish to speak)

**DEPUTY CHAIRMAN** (in Cantonese): This debate has come to a close. We will now proceed to the 11th debate.

**DEPUTY CHAIRMAN** (in Cantonese): Mr CHAN Chi-chuen and Mr LEUNG Kwok-hung have given notices respectively to move three amendments that head 30 be reduced by various sums in respect of subhead 000. The amendments are related to the departmental expenses of the Correctional Services Department.

**DEPUTY CHAIRMAN** (in Cantonese): Committee will now proceed to a joint debate on all three amendments. I will first call upon Mr CHAN Chi-chuen to speak and move Amendment No 154 as set out in Appendix I attached to the Script, and then call upon Mr LEUNG Kwok-hung to speak, but they may not move the amendments at this stage.

**MR CHAN CHI-CHUEN** (in Cantonese): Deputy Chairman, I move that Amendment No 154 as set out in Appendix I attached to the Script be passed.

I have proposed two amendments in this 11th joint debate, which include Amendment No 154 (to reduce the annual general departmental expenses of the CSD which is equivalent to about \$3.8 billion), as well as Amendment No 156 (to reduce the annual expenses for specialist supplies and equipment of the CSD which is equivalent to \$44 million).

With regard to my discourse in this particular part, I believe Mr LEUNG Yiu-chung may also give me some enlightenment and I really wish to thank him for the advice in the last session. We wish to point out that the CSD is unable to achieve the target in terms of measures, management and policy or even its inhumanity through the proposal of cutting its departmental expenses. Nevertheless, the amendments proposed by us will probably backfire, but by way of a debate, we may assess which item is more important. I wish to point out that the amount in Amendment No 155 proposed by Mr LEUNG Kwok-hung is exactly the same as that proposed by me. Though the wordings are somewhat different, the nature is identical.

Back to my argument. The Chairman made a ruling previously that the first part involved reducing the salary expenses while this part involves a higher level of issues, that is, to reduce the departmental expenses and issues concerning measures, policy and management. It is more appropriate to discuss these issues in this session. Therefore, we have to look at the two major programmes of the CSD: Prison Management and Re-integration. In the previous session I mentioned the programme of Re-integration, now I would like to talk about Prison Management. Let us look at the aim and mission of the CSD first. "The Operations Division and Quality Assurance Division of the Department provide a safe and humane environment for persons in custody." I wish to bring Members' attention to the concept of "humane", as the measures I am going to discuss are related to this principle of humanity. The CSD's work involves: Maintaining order, control and discipline so as to minimise the chance of escapes and acts of indiscipline; providing the basic necessities and a reasonable living environment for persons in custody; and providing adequate custodial care for persons in custody." This is the programme drawn up by the CSD itself.

In page 126 of this "telephone book" concerning Programme (1) "Prison Management", the CSD proposed that there are matters requiring special attention in 2013-2014 after securing the allocation, and a major part of this involves the improvement of hardware. "[S]eek short-term and long-term solutions to

improve/upgrade ageing facilities", it involves hardware; "pursue the in-situ partial redevelopment of Tai Lam Centre for Women", it also involves hardware; "strengthen security measures by upgrading the perimeter fencing of institutions", it also involves hardware; "upgrade fire services installations in industrial workshops, cells and dormitories", it also involves hardware; "improve ancillary facilities of institutions" and "explore the application of advanced technology and other measures for enhancing daily operation of correctional institutions"; all of this involves the improvement of hardware. However, as to the software, the management system, not a word was mentioned. Of course, the Department presumes that it is humane and the software and the system itself are flawless, thus it will not criticize itself.

I have proposed the amendment this time around to cut the amount of some \$3.8 billion is because I hope the CSD will improve or even change a management measure which has long been denounced, that is, solitary confinement. In the end of last year, the Society for Community Organization (SCO) made public some statistics of the CSD in a press conference: each month there were on average 285 cases of solitary confinement after disciplinary hearing; each month there were on average 52 cases of removal from association; and the total of the two were 4 044 cases. Moreover, there were a total of six suicide cases in 2009 and 2010, where two of the inmates had been separately confined.

In terms of hardware, solitary confinement requires more resources, including manpower and material supply as isolation wards are required for solitary confinement. The SCO cited a few cases in its report and I will only cite one or two cases for Members' information. I am not going to read out all of them. A male inmate was allegedly possessing unauthorized publication and he attended a disciplinary hearing without legal representation. He was sentenced to solitary confinement for 21 days, and the solitary confinement was extended to as long as 100 days. This is one of the cases. I wish to cite another case about a female inmate. This female inmate was placed in solitary confinement for two and a half months as she had made too many complains. She then suffered from heart problems and foot diseases and tried to commit suicide in solitary confinement.

What exactly is solitary confinement? That is, to lock up the inmate in a small room, and the inmate may only get out of that room to do exercise for one

hour in every 24 hours. Overseas study has pointed out that an inmate placed in solitary confinement for 10 days would suffer physical and mental impact. In response to that, the CSD said that solitary confinement was legal and reasonable as it was empowered by the Prison Rules to place individual inmates in solitary confinement in order to maintain order in prison. The existing Prison Rules of Hong Kong has been implemented since Hong Kong was a British colony and it is a rather outdated piece of legislation. Solitary confinement is considered mental abuse in a civilized society, and to an inmate locked up in solitary confinement for over 100 days, it is obviously a violation of the human rights convention.

Although some prison institutions may have sufficient grounds to lock up inmates in solitary confinement and claim that they have taken reference of the guidelines, and some inmates might have a tendency toward violence as they would beat up others, actually, solitary confinement is usually enforced due to unofficial and inappropriate reasons for purposes of dealing with the so-called trouble-making inmates. For example, inmates who like to complain about other inmates would be placed in solitary confinement, so that they would be segregated from other inmates and they would no longer complain about other inmates. Some inmates who may be called civil rights activists as they always try to defend their own rights would enjoy special treatment, being separately confined in their own cells. All of these are actually unofficial and further solitary confinement penalty which would induce great intimidation among inmates. In fact, there are no legal basis for locking up an inmate for dozens of days (such as more than 20 days or as many as 100 days) without conducting any form of disciplinary hearing or if the inmates are not legally represented. I wish to provide some data, from 2006 to September 2010 .....

**DEPUTY CHAIRMAN** (in Cantonese): Mr CHAN, your example has strayed away from the question. I hope you can come back to the amendments and speak as soon as possible on the three amendments in this 11th joint debate. As to the policy you are speaking on right now bears no direct relevance to the reduction of the departmental expenses.

**MR CHAN CHI-CHUEN** (in Cantonese): No, because solitary confinement requires extra expenses .....



**DEPUTY CHAIRMAN** (in Cantonese): I understand that, but you need not cite an example at that length. Please come back to the amendment and speak on it as soon as possible.

**MR CHAN CHI-CHUEN** (in Cantonese): Alright, I am not going to cite figures. Let me talk about the basic principle. I have said just now that according to an overseas study, if an inmate is placed in solitary confinement for more than 10 days, there would be physical and mental impact on him. Actually, this will backfire insofar as the rehabilitation of inmates is concerned, and I am not going to dwell on palpitation and insomnia suffered by the inmates. It was also pointed out in the study that it was a rather common phenomenon for separately confined inmates to commit self-inflicted injuries such as banging their heads against walls and the suicide rate was rather high. Lastly, it was pointed out in the study that when inmates had no idea of the length of the solitary confinement, they would feel helpless and became hostile or aggressive. Moreover, this type of management measure would cost them loss in income. When an inmate is discharged from solitary confinement, the most common practice is to relocate him to another prison or prison workshop. This implies that, compared with his past, the job opportunity and wage level of the inmate would decrease. Furthermore, when the inmate starts the new work, his wage level will start from the lowest.

The United Nations Committee Against Torture (CAT) once criticized isolation practices in different countries and recommended that "the use of solitary confinement be abolished [.....] or at least that it should be strictly and specifically regulated by law (maximum duration, etc.) and that judicial supervision should be introduced ....." .....

**DEPUTY CHAIRMAN** (in Cantonese): Mr CHAN, I wish to remind you once again that the example you cited bears no direct relevance to this debate. Please speak on the relevant amendments as soon as possible.

**MR CHAN CHI-CHUEN** (in Cantonese): Alright, I will not keep on citing that. I originally thought of citing a number of United Nations treaties to prove the relevance. The part I mentioned just now is related to cutting the salary expenses, now this part is about cutting the departmental expenses, in which the management policy will directly cost the department extra expenses, I now wish to .....

**DEPUTY CHAIRMAN** (in Cantonese): You have said that already. Please refrain from citing too many examples. Please cite the data directly to explain why you have proposed to cut the departmental expenses.

**MR CHAN CHI-CHUEN** (in Cantonese): Talking about Programme (2) Re-integration, the study also stated that placing inmates in solitary confinement once would cause permanent damage to the inmates, for they would not be able to function normally in their subsequent social lives, implying that they could not reintegrate into the community upon discharge.

To sum up this part, I am unable to finish my discourse on the targets of the CSD's two programmes from a broader perspective. But as to the extra costs incurred, these two programmes, in particular the second one, Re-integration, would only backfire, which I consider unacceptable. In view of the subjective data and values presented, I hope Members will support my proposal of cutting the expenses, that is, Amendment Nos 154 and/or 156 from the humanity perspective ..... as the CSD goes against its own performance pledge on the principle of providing a humane environment for persons in custody, a point which I believe I have fully expressed in the examples cited just now, I hope Members will support my amendment.

I so submit.

**Mr CHAN Chi-chuen moved the following motion:**

"RESOLVED that head 30 be reduced by \$386,928,000 in respect of subhead 000."

**MR LEUNG KWOK-HUNG** (in Cantonese): Deputy Chairman, first of all, I wish to speak on cutting the expenses of the CSD on sedative injection, which means "goofball needle" literally in slang. It means the injection of sedative medicine prescribed by a medical officer when CSD staff have to deal with some emotionally agitated or aggressive inmates. Since 2007, the use of such sedative injection has been rising steadily. Perhaps it is because the prison population has grown, therefore the ratio has risen, but actually, the utilization rate is not in

proportion with the number of inmates of the CSD. In other words, the administering of sedative injection has become very common these days.

In my opinion, the sedative injection should not be abused or prescribed for a longer term. It is not necessary for the CSD to do that, because no matter an inmate is suffering from anxiety disorder or manic disorder, the CSD should send these people who are suffering from psychological or mental disorder to specific facilities within the CSD for treatment. Using the "goofball needle" to deal with inmates with emotional problems on premises not designated for these types of prisoners is obviously a dereliction of duty. The reason is simple. If the frequency of the use of "goofball needle" has gone up coincidentally in facilities not for treating inmates with unstable emotions or mental disorder, then the authorities should build more penal facilities for inmates who are suffering from psychosis or serious mental illness. Therefore, the CSD is derelict of its duty.

I consider that if the expenditure estimate for "goofball needle" is cut, then the authorities should consider making some corresponding adjustments in its expenses. I believe that will be in the best interest of all and will benefit everyone. First, if the CSD cut the part for the use of "goofball needle" and redeploy that to other areas, I believe the CSD will round up all inmates who need sedative injection from all facilities to one particular facility for centralized management, then it would be more effective. This is one of the expenses I have proposed to cut.

The second item is the expenses on inmates in solitary confinement. Everybody knows that the cost for solitary confinement is rather high. For example, the solitary confinement facility in Stanley Prison comprises of several single block villas, surrounded by security and barbed wire fences. Whenever a separately confined inmate is sent out for a walk, he would be accompanied by a CSD officer of the rank of inspector, and that CSD inspector has to bring along one attendant with him, that is, two people watching one inmate, all the time. Therefore, the cost of solitary confinement is rather high.

However, is it necessary to use solitary confinement to deal with the problem? Let me cite a very simple example. Two separately confined inmates committed suicide in five days, but the prison term of one of the inmates was rather short. Deputy Chairman, can you imagine that a person will hang himself to death for being sentenced a shorter prison term (of course not that short, it was a term of more than seven years)? As to the other inmate, he also

adopted a similar approach. Therefore, if the CSD deals with a large number of inmates by way of solitary confinement indiscriminately with a view to solving some problems the CSD considers difficult to deal with, then I consider that not appropriate. All the resources and expenses used by the CSD on solitary confinement should be appropriately reduced, and it should be reviewed by an independent review mechanism within the CSD or some external review board, so as to examine if the CSD has abused the solitary confinement mechanism, with a view to saving up the money and expend the resources on some other worthy areas. This is the second argument I wish to advance.

My third argument is about the hygiene problem. At present, there are 24 solitary confinement facilities which have no separate toilets for security reasons. Of course, it also involves the problem of solitary confinement. With regard to this issue, the explanation given by the CSD cannot satisfy me that the arrangement is reasonable. If the CSD is unable to reduce the number of solitary confinement cases, then the resources should be added, so that inmates in solitary confinement need not go to the toilet with other inmates. This is another argument which I consider very important in supporting the reduction of prison cell expenses.

Another expense issue is related to the problem of excessive admission of inmates. As to the problem of excessive admission of inmates, my proposal is actually cutting the extra expenses due to the excessive admission of inmates. For example, the number of female prisoners has grown rapidly such that we are short of penal facilities for women, which has caused a lot of female prisoners who are not suffering from any mental disorder to be detained in facilities for female inmates with mental disorder as there are vacancies. The practice has caused an increase in the expenses of female institution on the detention of female prisoners with mental disorders, as the requirement for these facilities for prisoners with mental disorders are very stringent, and all the CSD staff are required to receive special training. Therefore, if the CSD keeps on ignoring the problem of a shortage in female penal institutions, then it will indirectly cause an unreasonable upsurge in the opportunity cost of manpower expenses.

Let me cite a simple example. The excessive admission of inmates in Tai Lam Centre for Women was as high as 21%. Deputy Chairman, perhaps you do not understand this. If the number of inmates increases under normal and spacious conditions, of course it is bearable, but a prison is a very repulsive and densely populated place. So if the population increases by 21%, it will not only

increase the potential hazard to the inmates, but also cause an imbalance in their conduct and mental condition. Actually, it constitutes an unbearable burden on the management staff. For that reason, from my point of view, the manpower expenses in this area should be cut and ..... given the increase in the manpower expenses, the facilities in the institution must be cut in order to force the CSD to address the problem squarely.

Another problem is the tender problem of the CSD. It is really unreasonable. In fact, the Director of Audit has criticized the CSD many times ..... because all the materials the CSD must be procured through the proper procedure and be put up for reasonable tender, but the CSD did not follow. Firstly, the CSD breaks down the size of the contract before putting it up for tender, and the process is so complicated that almost nobody would show interest; secondly, to one's surprise, the CSD bypasses the normal procedure and conducts tenders; thirdly, if the tender fails, then it simply drops it and keeps on putting out new tenders in that way. We cannot say that corruption and bribery would occur in this course, but if the CSD puts out tenders with these three methods and nobody wins the tenders, then the entire tender process will break down automatically. This is simply maladministration within the CSD, which has completely obliterated the Government's tender mechanism and caused unnecessary loss in public coffers. Therefore, in my opinion, the administration cost of the CSD in putting out tenders should be out, so as to force the CSD to discontinue abusing its authority or refusal of performing its duties, as well as to avoid the further loss of public coffers.

The fourth item, as I said just now, is the psychological counselling expenses on inmates. The CSD expends a lot of resources on penalizing or suppressing the normal needs of inmates. Besides, the CSD has not dealt with the family problems, emotional problems or the sequelae of drug abuse by inmates after they are jailed. Insofar as all of these problems are concerned, if the CSD keeps on using solitary confinement or other methods instead of seeking the assistance of social workers or medical practitioners after a thorough overhaul, it can never solve these problems.

Therefore, Deputy Chairman, I consider that we should save up the money by cutting all the above expenses, thereby streamlining the CSD and taking the appropriate steps to deal with all sorts of problem mentioned by me just now.

Thank you, Deputy Chairman.

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

**MR ALBERT CHAN** (in Cantonese): Deputy Chairman, I speak in support of the relevant amendments proposed by Mr CHAN Chi-chuen and Mr LEUNG Kwok-hung. These two amendments on head 30 concern the CSD, both proposing to reduce \$44,385,000, an amount equivalent to the departmental expenses — the estimated annual expenses for specialist supplies and equipment — for the CSD. The number of this amendment is 155, whereas that of Mr CHAN Chi-chuen's amendment is 156, under head 30. Likewise, his amendment proposes to reduce \$440,000. In essence, the two amendments seeking to reduce .....

**DEPUTY CHAIRMAN** (in Cantonese): It should be \$44 million.

**MR ALBERT CHAN** (in Cantonese): Yes, it should be \$44 million. Sorry, I am becoming dumb, and Deputy Chairman, you look similar, too. Likewise, his amendment proposes to reduce \$44,385,000, which is the estimated annual expenses for specialist supplies and equipment.

I believe, as Mr LEUNG Kwok-hung explained earlier on, the two proposed reductions are in essence pointing to the CSD's blunder in this respect, which concerns the compliance and incompliance with tender procedures. Unlike the private sector, the recruitment and tender procedures for civil servants and government departments are very strict, and many requirements are set. In many cases, internal promotion opportunities hinge on one's ability to observe discipline and follow the rules when tackling problems. If one fails to act in accordance with the rules, he will easily give others an impression of engaging in alleged corrupt and illegal practices.

(THE CHAIRMAN resumed the Chair)

The problems revealed in connection with the CSD are similar in nature to the problems relating to "covetous Tong", and again, they were uncovered by the Audit Commission, hence it is very important for the Audit Commission to stay independent and professional. The Audit Commission discovered that the CSD has violated the provisions of the Stores and Procurement Regulations in various aspects. One of the examples of incompliance by the CSD concerns certain purchases that have exceeded the specified quantity. In that case, according to the relevant requirement, invitations should be sent to a specified number of suppliers for quotations, and single tender is not allowed ..... But in many cases, senior government officials are very fond of single tender, so this explains why we have seen cases of corruption of a serious magnitude.

Given that the relevant provision stipulates that single tender is not allowed, the department concerned must invite a number of designated suppliers to participate in the tender and explain the reasons for choosing those suppliers. In addition, the sending of invitations to designated suppliers should follow certain procedures and mechanisms established for that purpose. Moreover, direct purchase of goods is limited to \$1 million, and any purchase over that limit must undergo the existing procedures aforesaid. In case of purchase of goods over \$1.43 million, it must be made through the Government Logistics Department, a mechanism established for sound reasons. As for the drawing of the line particularly at \$1.43 million, there must be a reason, but I have not looked into it. The point is once this mechanism is established, it must be followed.

However, the CSD did not follow the rule. As Mr LEUNG Kwok-hung pointed out in his speech earlier on, the CSD did not comply with the rule by parcelling up a single contract into smaller ones. So far, as we have observed in the community, this is a common practice among owners' corporations and property management companies. Many years ago, I handled a case related to the building works. Given that there were 16 blocks, the owners' corporation parcelled up the original contract into 16 tender contracts, each of which with a value below \$200,000, so that the works of the 16 blocks could be funded by management fee, thus dispensing with the need to get a green light from an owners' general meeting. Nonetheless, if the works of 16 blocks all proceed at the same time, they must be subject to approval at an owners' general meeting. These practices are commonly adopted by owners' corporations and private institutions, but if these practices are adopted by government departments .....

fortunately, we have the Audit Commission which can spot the incompliance, suspected incompliance or incompliance by finding loopholes in the provisions.

In addition to the aforesaid practice of parcelling up a contract into smaller tender contracts so as to evade compliance with the provisions of the Stores and Procurement Regulations, there are also cases of not conducting any tender exercise at all. The Director of Audit observed that the CSD had made repeated direct purchases of less than \$50,000 each of goods. According to the provisions of the Stores and Procurement Regulations, whenever the purchase of goods exceeds a specified value, it is compulsory to conduct a tender exercise. Of course, in respect of different financial limits for purchases, the austerity of tendering procedures and the requirements for inviting quotations also vary. In one of the cases, instead of conducting new rounds of tender exercise for the purchase of plastic sandals for inmates, the CSD made repeated direct purchases for two consecutive years, and the total value of the sandals purchased through such practice during the period amounted to \$1 million. Obviously, this practice constitutes a certain level of incompliance, hence the Audit Commission has requested the Commissioner of Correctional Services to conduct an investigation, so as to find out why the CSD personnel concerned did not carry out tender arrangements in accordance with the Stores and Procurement Regulations. I hope that a reply on this issue can be provided later on, so that we can look into the reason for such practice. Nonetheless, we are worried whether this kind of investigation, particularly an internal one conducted by "their own people", would tolerate, connive at and deliberately cover up any incompliance.

Take the recent Lamma Island incident as an example, the recurrence of mistakes and omissions by the Marine Department during its survey of ships were only revealed in the aftermath of the incident. I do not believe in the excuse that these mistakes were caused by negligence, since the recurrence of mistakes and omissions very often involves a network of relationships and vested interests, however, it may not be that easy to prove that with evidence. Hence, we should ensure that any interest-related arrangements, such as procurement work, the personnel concerned must strictly adhere to the instructions of the relevant policies, and in particular, the Stores and Procurement Regulations. The provisions of these regulations are not tailored for one or two particular departments, in fact they can apply to all government departments. This gate, once opened, will lead to a barrage of corruption cases.



However, in the light of the cases in connection with government departments that emerged recently in succession, it seems that the higher the rank of an official, the stronger is his greed. Both the senior or the junior officials have their own way of corruption, be it small or big in magnitude. The corrupt practices ..... therefore I dub the years under the governance of Donald TSANG the "empire of corruption". The "empire of corruption" under the reign of "covetous TSANG" has brought disastrous impact on Hong Kong's core values, and this impact is worrying.

In respect of the problems revealed by the Audit Commission this time, the People Power is concerned about the CSD's dereliction of duty in this respect. Moreover, the mistakes were found not only in one or two particular years, for the report shows that similar problems existed in the three years from 2009 to 2012. The internal monitoring system of the CSD has oversight as well, so the problems remained unnoticed until the internal audit conducted by the Audit Commission.

Mr CHAN Chi-chuen has proposed this amendment with a view to highlighting the CSD's incompliance with the Stores and Procurement Regulations. In addition, we hope that the proposal to reduce the expenses can throw light on the issue, serving as an alarm for the relevant departments and other departments. As the current discussion will be officially recorded in the Hansard, and comprehensive information will be kept, in the future, the records can clearly show the public the problem that once existed. Certainly, we hope all the more that there will be opportunities to find out the truth of the issue, witness a noticeable decrease in these mistakes after they have been addressed and that all of these illegal and non-compliant conduct can eventually be curbed full scale.

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

**MR LEUNG YIU-CHUNG** (in Cantonese): Chairman, Mr CHAN Chi-chuen, Mr LEUNG Kwok-hung and Mr Albert CHAN support reducing the expenses of the CSD mainly because they find some of the CSD's practices undesirable, thus they call for reducing its expenses as a kind of penalty. I approve of reducing the departmental expenses in certain areas — I will elaborate on this later on, but I disapprove of most of the proposed reduction. When they call for reducing the

expenses as a kind of penalty, have they ever considered the ensuing consequences and the impact on other inmates? I hope they can give more thoughts to the matter after this discussion.

Let me first elaborate the area in which I agree to the reduction of expenses. Mr LEUNG Kwok-hung just now said he strongly agreed to reducing the expenses in administering "goofball needle" (sedative injections), I cannot agree more with his point. Inmates with mental problems can be transferred to the Siu Lam Psychiatric Centre, where they will be given a better and more spacious environment, and attended by specialist doctors. All these arrangements are good for them. Nonetheless, if they only give the problematic inmates "sedative injections", it cannot help the inmates in any way, but will cause instead residual and harmful effects on them. "Goofball's needle", as its name suggests, will cause inmates to act and think like a dope, and the injections will have great impact on them. Moreover, we are concerned if the "sedative injections" are abused, for once an injection is authorized by a doctor, inmates have no right to decline or lodge an appeal against the injection. But the question is, are the judgments by doctors always precise and accurate?

I have watched the movie "One Flew Over the Cuckoo's Nest" which touches on this topic. In fact, some inmates are not really mentally sick, for they may be obliged to behave weirdly due to various special reasons, hence these cases should be handled with extra care. In the light of this, I agree very much that the expenses in this aspect be reduced.

Chairman, in respect of the proposals to reduce expenses in other areas, I really cannot render my support. Why? Mr CHAN Chi-chuen just now mentioned the major responsibilities of the CSD, which include to ensure the safety of inmates. Chairman, this is very important, and I would like to cite a few cases to substantiate my point.

Some 10 years ago, I visited an inmate who told me a real story: One night in winter, he saw an old inmate suffering from incessant coughing. He wanted to give the old man some warm water, but neither warm water nor a thermal mug was provided in the prison, and he did not know if that was due to the CSD's short of funds or other reasons. In that circumstance, he could only give him some cool water. It was freezingly cold, yet the old inmate suffering from coughing was only given cool water to drink, and that made him cough even more

violently. After two consecutive nights of racking coughs, the old man coughed no more, as he had passed away.

The inmate who told me this story said, when he saw the scene, he really wished the CSD could provide thermal mugs to inmates, so that they could take a sip of warm water when the weather was freezingly cold, but the CSD said no to the request for thermal mugs. Strongly dissatisfied, I asked the Commissioner of Correctional Services the reason for such arrangement, and he replied that the arrangement was based on safety consideration. Subsequently, I bought a number of thermal mugs, brought them to the Commissioner and asked him what safety consideration he had? The Commissioner said they had to think about it. Eventually, they agreed to providing thermal mugs to inmates, but not in a way of free distribution for every inmate. The mugs would be given at charge. Why are those mugs for sale? If an inmate has no money, what is he supposed to do? In my view, this is a basic necessity. If the CSD is given more resources, it can distribute a thermal mug to each and every inmate, so that they can feel less miserable on cold days. This is one of the safety-related issues which is very important.

Another issue which is even more serious is the death of several inmates in custody. The cause of death may be fighting among inmates, and another possible cause can be beating to death by CSD personnel just like some of the complaints lodged with me by inmates. We have requested to review the relevant CCTV footage, but interesting enough, the footage failed to show us the actual and full picture, as it was either full of "noisy" images or damaged. Video recorders and video tapes are critical equipment if we want to ensure the safety of inmates. Nonetheless, I bet Ms Emily LAU can still remember that we had repeatedly requested the CSD to provide the relevant footage for our review to ensure the safety of inmates, but the footage was either damaged or lost. If the footage is lost, it is an administrative issue, and I have no comment on it; but how come the footage is damaged or full of "noisy" images? Was that because of the poor quality of equipment? If yes, and if the expenses of the CSD are reduced as proposed by the few Members, they will continue to procure products of poor quality, will this not worsen the situation? How can we protect the safety of inmates? Taking this into consideration, I hope the few Members will refrain from reducing the expenses in this respect.

Moreover, Mr CHAN Chi-chuen mentioned that the expenses should not be reduced due to humanity reasons. I have received many complaints from

female inmates regarding the restriction to use only eight pieces of toilet paper, which is really an annoying restriction. Should inmates want to use extra pieces of toilet paper, they have to go through a difficult process of application. I do not know if this restriction is due to the CSD's short of resources or other reasons. Chairman, if this is caused by shortage of resources, I find this most inhumane. Personal hygiene is critical, so if inmates are restricted to using only eight pieces of toilet paper, how can that be enough? If this is a matter of resources, and a few Members still propose to reduce the CSD's resources, how can we protect the dignity of inmates and ensure that they are treated humanely?

I hope the few Members calling for reduction of the expenses of the CSD will make things clear. If the expenses are reduced, how can we ensure that the treatment of inmates meets humanity requirements, and the rights and safety of inmates are protected? Hence, I would like the few Members to think twice — after the reduction in expenses, is there any assurance that inmates will be treated in a fair and reasonable manner?

Chairman, I so submit.

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

**MR WONG YUK-MAN** (in Cantonese): Chairman, I will speak on the three amendments, namely, Amendment Nos 154, 155 and 156 proposed by Mr CHAN Chi-chuen, Mr LEUNG Kwok-hung and Mr CHAN Chi-chuen respectively, in the 11th joint debate.

I thank Mr LEUNG Yiu-chung for expressing his views when we were toiling on the filibuster. As a matter of fact, he is very concerned about the issues of the CSD, hence his speech did not mean to support our filibuster. Earlier on, I mentioned in my speech a scheme — in fact I have received many similar cases — inmates who participate in the scheme may be granted early discharge. Some inmates wrote to us, asking us to write some kind of recommendation letters for them. Every time when we received such requests, we would handle them prudently. I would visit the inmates concerned in prison, chat with them and obtain their contact information, information of their family members, and so on. I then asked Mr LEUNG Yiu-chung for advice and

followed his practice, because he is familiar with the procedures of the scheme on early discharge of inmates. Thus when Mr LEUNG Yiu-chung said he disapproved of Mr CHAN Chi-chuen's amendment to reduce the CSD's expenses, I think he had a point there.

In my speeches on Amendment Nos 151, 152 and 153, I emphasized that I disapproved of reducing all staff emoluments for the CSD, we should not do that, should we? My stance is, even if the amendment is put to the vote, I may probably vote against it.

Nonetheless, we can take this opportunity to express our views on Hong Kong's prison administration and correctional practices, including prison management and ways to facilitate the rehabilitation of discharged inmates, which are two of the CSD's major responsibilities.

Firstly, prison management is normally an issue of greater concern to us. However, the most important point is not prison management, but the rehabilitation of discharged inmates. As Mr LEUNG Yiu-chung pointed out just now, the public education and publicity by the CSD are not extensive enough, as a result it is still difficult for discharged inmates to reintegrate into society. In many cases, they are rejected by society due to many reasons. Mr LEUNG Yiu-chung therefore opined that instead of reducing the CSD's expenses, the expenses on prison management should be increased so that the CSD can do better in the rehabilitation of discharged inmates.

I do not intend to repeat Mr Albert CHAN's arguments in my speech. As a matter of fact, the value for money report released by the Audit Commission on 28 March 2012 revealed the CSD's problems in procurement of goods and services. This warrants our attention, as the Public Accounts Committee of the Legislative Council will write up a report after conducting a public inquiry and follow up on the issue and the CSD's problems in this respect. The Audit Commission's report released on 28 March 2012 has made mention of the CSD's problems in procurement of goods. In fact, there is a connection between the amendment to reduce the estimated general departmental expenses and expenses on specialist supplies and equipment that I now speak on and the Audit Commission's report.

An audit examination conducted by the Audit Commission discovered that during the period between 2009 and 2011, there were nine instances of repeated

same-day direct purchases of items of a similar nature from the same supplier by the CSD. The practice circumvented the requirement to purchase through tender or the Government Logistics Department. In one of the instances, the CSD made 52 purchases of a total of 86 000 pairs of plastic sandals for inmates between early 2010 and the end of 2011. The total value of the purchases made during the two years exceeded the CSD's direct purchase authority limit of \$1 million. Apparently, the CSD has violated the rules on procurement.

In recent years, given the delays in the conduct of some of the tenders, the CSD extended the old contracts for a period ranging from three to 15 months. They did poorly in the re-tender exercises. In addition, the delivery locations specified in the tenders for purchases were more than actually needed, and that led to unnecessarily high contract prices. To put it in simple terms, for instance, some food items were delivered to six half-way houses and rehabilitation centres which do not need to cook food at all; or snacks were delivered to rehabilitation centres where inmates are not allowed to make purchases. They made various absent-minded mistakes of this kind.

Now I am talking about the proposal to reduce the estimated annual expenses on specialist supplies and equipment. This amendment will enable us to review the purchases of relevant items and specialist supplies and equipment by the CSD. In fact, they should review and make improvements in various aspects.

For some services, the CSD only received a limited number of tender offers. According to the information, there was only one conforming offer (from the incumbent contractor) for the 2008 and 2011 food item and canteen item tenders. What is the implication of this? In prisons, inmates know that cigarettes and snacks are very important, and they spend their earnings mainly on buying these items. Consequently, inmates regard cigarettes as a kind of currency. This is a unique culture of prisons, where cigarette is in essence a kind of currency. Inmates usually spend their earnings on buying cigarettes and snacks. While all these items are purchased through tenders, we still see the above-mentioned situations, which shows that the tendering procedures do not conform with the requirements and are not cost-effective.

At the same time, the tender process conducted in an unscrupulous manner begs suspicions of transfer of benefits at work. This is a grave problem. If we

make reference to the report compiled by the Audit Commission back then, the Audit Commission indicated the CSD had requested to upgrade its computer systems to enable efficient management of its procurement records, but there is no mention of the crux — the systemic problems — in the report. The key lies in the systems. I am an incumbent member of the Public Accounts Committee, but when the audit report of 2012 was released, I resigned since I initiated the five-district referendum, and somebody else has replaced me as a member of the Public Accounts Committee, hence I have not studied the Audit Commission's report released on 18 March 2012. Now I am an incumbent member of the Public Accounts Committee, we will continue to follow up on the matter and even the matters mentioned in previous reports. Given the proposal of this amendment, we can focus anew on the Audit Commission's report. I will pay heed to the progress of follow-up actions in the Public Accounts Committee.

Recently, there is this ludicrous story about procurement. The CSD has no checking procedures for its purchases in place, even if it has, they are conducted in a lax manner. The CSD spent over \$800,000 on the purchase of four drug detectors that can detect the concealment of drugs by inmates. However, it was discovered later that those detectors were in fact golf balls searchers that cost only \$154 each. The CSD was cheated, and the detectors that cost it over \$800,000 were eventually found out to be golf balls searchers. Strange though, the CSD said it had tested the detectors upon receipt and, as no problem was found, and deployed them together with other drugs and explosive detectors. Here is the problem, buddy, its testing procedures are questionable.

In addition, the CSD introduced into Hong Kong the first X-ray body scanner — as we are talking about supplies, I try to cite more examples, so that Members will not be bored — in that case, anal cavity search is no longer needed. Some people file a lawsuit in order to be waived from receiving such search, "Long Hair" was subject to such searches for several times. The search is equivalent to anus check, which is considered a huge humiliation. Nonetheless, elderly people like me are subject to anus check regularly. If you suffer from prostate problems, do you think you can be spared the anus check by LEUNG Che-hung? One is subject to such check when he is sick, hence it should not be considered a huge humiliation. The people in this Chamber aged above 50 or 60 should have undergone these checks. As for the X-ray body scanner, the CSD said it can detect whether or not an offender has rectum concealment of contrabands in just 14 seconds. Afterall, this is a good substitute for anal cavity

search as new-comers to prisons are no longer required to take off their trousers, subject to the search, by which they are devoid of their dignity. A one-month trial operation has proved the effectiveness of the scanner, but I have strong doubts about it. Buddy, drug detectors turn out to be golf balls searchers. I feel deeply concerned whether any mistake can possibly arise with respect to the X-ray body scanner.

Coming back to the amendment, this year, the estimate of expenses on specialist supplies and equipment sees an increase of 30% from the original \$34.25 million to \$44.39 million. In the light of the examples I mentioned just now which are so ludicrous, unless the CSD can give a clear account of those instances, including the absent-minded mistakes they made during the process of tender and procurement, how they were cheated in certain purchases, and so on, and if they fail to give an account, or take no follow-up actions with respect to the advice in the report released by the Audit Commission on 18 March 2012, I am reluctant to approve the funds for them. I do not mean to sing a different tune from that of "Brother Chung" (Mr LEUNG Yiu-chung), but they have made too many absent-minded mistakes. There are a great many problems with the entire procurement process, system or tender process that should be addressed and rectified. I disapprove of the CSD using taxpayers' money to purchase fake products, unless you tell me that you will not use taxpayers' money to buy fake products. What is more, even if those are not fake products, it is problematic to purchase products of low cost-effectiveness.

Moreover, some special devices including pepper spray — the few of us were hit by pepper spray before — used by the police are used by the CSD as well. Even if they apply force on inmates, there is a type of force called empty-hand control, in which case one can hardly make a move when he is subdued by the sturdy CSD officers. Their so-called security officers are unlike those in the Legislative Council; our security officers rarely subdue people. CSD officers apply empty-hand control, but when they are not in a position to do so, is it necessary to apply force on inmates? The use of force is either in the form of using oleoresin capsicum foam alone, or together with empty-hand control in a synchronized manner.

Take a look at the relevant figures. As at 31 November 2012, there are obviously more cases of using force or special devices/materials such as pepper



spray as compared with previous years. What is the implication of this? Does this imply that inmates are more ferocious and difficult to manage than before? This may not be the truth, and it is not backed by evidence. In that case, what has intensified the use of force or abuse of authority? We guess that the increase in these cases is not because it is now more difficult to manage inmates than before, but a result of the CSD's adoption of more relaxed criteria on the use of force. For this reason, we are not going to support the CSD to purchase additional equipment, including pepper spray, for the application of force. As the more funds you grant them, they will have more opportunities to abuse their authority, thus we find the 30% increase in expenses unnecessary.

Thank you, Chairman.

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

**MR CHAN CHI-CHUEN** (in Cantonese): Chairman, I would like to make a brief speech to conclude my points in the 11th join debate. But before that, I would like to request a headcount according to Rule 17(3) of the Rules of Procedure.

**CHAIRMAN** (in Cantonese): Will the Clerk please ring the bell to summon Members back to the Chamber.

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

**CHAIRMAN** (in Cantonese): Will Members please return to their seats.

(Some Members talked to each other in their seats)

**CHAIRMAN** (in Cantonese): Will Members please keep quiet. Mr CHAN Chi-chuen, please speak.

**MR CHAN CHI-CHUEN** (in Cantonese): Chairman, I hope you can say a few words in all fairness later on. The bell has been rung less frequently today as compared with the past few days. Tomorrow, our requests to ring the bell will be even less frequent than today, as the meeting will only last for four and a half hours.

Before my concluding speech, Mr Albert CHAN would like to add some points. Given that this part is about my amendment, I do not wish to repeat the points already made by Mr Albert CHAN. Chairman, can you allow Mr Albert CHAN to add his points first?

**MR ALBERT CHAN** (in Cantonese): President, we have extended an olive branch but somebody does not appreciate it as he rebuked us for going crazy when he entered this Chamber just now. In that case, we will behave like crazy to deal with this crazy .....

**CHAIRMAN** (in Cantonese): Mr CHAN, please speak to the question.

**MR ALBERT CHAN** (in Cantonese): ..... Some nutty psychos are howling like crazy now. Chairman .....

(Mr WONG Kwok-hing stood up)

**MR WONG KWOK-HING** (in Cantonese): Chairman, I hope that you will make a ruling, because just now somebody said in his speech two words that I do not wish to repeat and they are offensive.

**CHAIRMAN** (in Cantonese): Members, this meeting is broadcast live. Please pay attention to the way you behave in this Chamber.

Mr Albert CHAN, please speak to the question.

**MR ALBERT CHAN** (in Cantonese): How smart you are, Chairman. Chairman, I would like to explain the reasons why we support Amendment No 154, and I have already spoken on Amendment Nos 155 and 156 earlier on.

Amendment No 154 involves general departmental expenses, and just as the case of many items, Members have not carefully examined these expenses. Although some Members did ask the Government a lot of questions when it came to the Legislative Council to take questions, these Members have not followed up their questions in the debate.

Concerning this expenditure item, if we look at its history, we will find that it has increased at quite an astonishing rate. The relevant expenses were \$220 million in 2000 but have increased to \$380 million this year. Some of these expenses involve the expenses on outsourced services, and in the earlier debates earlier on several other amendments, I already commented on the increase in the expenses on outsourced or contract workers of certain departments. Now, my comments will focus on the CSD.

Compared with last year's figures, the expenses on outsourcing have risen by 21% this year, which is quite astonishing. It is because an increase in the expenses on outsourcing often reflects to a certain extent that some people wish to circumvent certain systems or make use of the outsourcing system to reduce the real wages of workers. We can see this from the strike of dock workers. Through their various connections, the contractors had exploited and bullied the workers by hook or by crook. In this connection, I thank Mr WONG Kwok-hing for putting a question to the Government on this issue. These expenses involve the situation of outsourced workers, and information shows that this problem in the CSD gives cause for concern. But we have yet seen him speak and comment on these harsh policies of the CSD and its unfair treatment of outsourced workers and cleaners.

With regard to the situation in this respect, especially insofar as the salaries are concerned, what makes people feel most uncomfortable and dissatisfied is that the salaries of the outsourced workers, especially the cleaners, are only about \$6,500 to \$8,000. As the minimum wage has already been implemented, this level of pay is indeed very much lower than the general standard outside the Government. So, if the information that I have in hand is not wrong, the

exploitation suffered by workers under the outsourcing system of the CSD is comparatively harsher than anywhere else.

Chairman, from this paper I have with me now, on which there is a reference number of "Session 6 SB - Page 384" written at the bottom, it sets out the information provided by the Government to the question. It clearly and explicitly points out that there are 79 workers with a salary level ranging from \$6,501 to \$8,000. In view of this, we must point out the problem of low wages in this debate and call on various departments, especially government departments, not to follow the practices of the unscrupulous employers and the wealthiest plutocrats in making use of the outsourcing system to suppress wages and exploit workers. We all the more have to call on those Members who are so-called representatives of labour organizations not to appear to be critical but are in fact doing a great favour to the Government. Rather, they should take this opportunity .....

**CHAIRMAN** (in Cantonese): Mr CHAN, you have strayed away from the question.

**MR ALBERT CHAN** (in Cantonese): Alright, Chairman. I am coming to the end of my speech anyway. I only wish to make another point. As the working environment of these workers makes them feel more like to be under great psychological threat because the prison is not an ordinary workplace, working in prison will subject these workers to greater threats both in their feeling and psychologically. As such, low wages are doubly unfair to these workers.

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

(Mr CHAN Chi-chuen raised his hand to indicate his wish to speak)

**CHAIRMAN** (in Cantonese): Mr CHAN Chi-chuen, let me see if there is any other Member who wishes to speak and then I will ask you to make a conclusion.

Does any other Member wish to speak?

(No Member indicated a wish to speak)

**CHAIRMAN** (in Cantonese): Let me first ask if Mr LEUNG Kwok-hung wishes to speak. Do you wish to speak again?

**MR LEUNG KWOK-HUNG** (in Cantonese): Yes. Chairman, I was so touched by your advice just now. I now declare that I will follow the teachings of Chairman MAO by being modest and careful while guarding against arrogance and rashness in order to serve the people of China with all my heart and all my mind.

**CHAIRMAN** (in Cantonese): Please do not say anything that is not related to the question.

**MR LEUNG KWOK-HUNG** (in Cantonese): This is an attitude. My speech will be relatively brief. I think two questions must be answered. The first is the question mentioned by Mr LEUNG Yiu-chung about why we have to cut all the expenses of the CSD. I must admit that this is not at all appropriate. Cutting all the expenses of the CSD will certainly do no good to anyone. But our amendment mainly seeks to induce discussion by Members, though this purpose cannot be achieved, and we do feel helpless about it.

My view is that it is very difficult to cut all the expenses of the CSD. I only wish to reiterate one point. In the entire discussion, we found that it is indeed very difficult to subject the CSD, being a government department, to our monitoring. What I am trying to say is: In inviting tenders or handling some expenses, the CSD has only stuck to the old rut without making adjustments in the light of the needs of the Department. Earlier on you reminded me that I should talk about toilet paper and sanitary napkins in this part of the discussion. I think I should talk about this at greater length here, as I have personally experienced the sufferings. If there is only scarce provision of toilet paper or — I do not need sanitary napkins though — I believe this is a necessity of prisoners too as it has to do with hygiene. Why am I saying this? The prison is a very dirty place. I do not mean that it is evil but the hygienic conditions are appalling. If a prisoner is provided with only eight pieces of toilet paper or if the provision of sanitary goods, such as soap, is inadequate, that would actually lead to a very serious problem as germs could spread even more quickly.

Therefore, I call on the CSD to really take the hygienic conditions and the spread of germs seriously, particularly as epidemics are common nowadays.

Second, I think the facilities in hospitals of the CSD should be duly increased. This will have a merit objectively. When CSD officers escort prisoners to hospitals not under the CSD's jurisdiction for medical consultation, it actually takes a lot of human resources. If improvement can be duly made to the hospitalization facilities in each hospital and clinic of the CSD, I believe this will greatly enhance the cost-effectiveness and also provide greater protection to the health of prisoners. Thank you, Chairman.

**MR CHAN CHI-CHUEN** (in Cantonese): Chairman, I originally hoped that more colleagues could be here to listen to my concluding speech, but do not worry, I will not request a headcount for I fear that I would be accused of going nuts by Dr CHIANG Lai-wan. I am actually a reasonable person and from my speeches, my arguments in debates or requests for headcounts, Members can .....

**CHAIRMAN** (in Cantonese): Mr CHAN, please give your concluding remarks.

**MR CHAN CHI-CHUEN** (in Cantonese): ..... Alright. But please do not force me to request a headcount. Do let me concentrate on my concluding remarks.

I wish to thank Members once again for speaking in this 11th joint debate, especially on my Amendment No 154 proposing the reduction of the estimated general departmental expenses of the CSD for the whole year. This debate that we have conducted has indeed highlighted a dilemma. If we support the reduction of this item of expenditure, the well-being of inmates may be affected as a result, which means compromising the principle that I consider most important, namely, providing inmates with a safe custodial environment in line with humanitarian principles. I do not hope that the reduction of expenses will make it impossible for some benevolent policies to be put into practice and give the CSD an excuse, saying that as they are short of funds, they would need to

keep spending within the limits of resources and so, they have no choice but to act against humanitarian principles.

However, in the discussions that we have just conducted, Members have raised a lot of issues. For example, the issue of solitary confinement that I have mentioned, the issue of "goofball needle" and hygiene facilities raised by Mr LEUNG Kwok-hung, the issue of weapons raised by Mr WONG Yuk-man and the problem of procurement as pointed out in the Director of Audit's report. These issues are the reasons for my keen wish to cut the expenses of the CSD. So, after learning from our experiences this time around, I think the proper way is to ask questions on the expenses on solitary confinement before the special Finance Committee Meetings are held and then propose an independent amendment on the reduction of expenses on solitary confinement. That said, we still may not be able to do it because for such a specific question, the authorities will not tell us the actual expenses involved and all they will say is that there is no such statistics or records, just as we were told when we attempted to reduce the expenses on pepper spray. We cannot obtain the information even though we would like to have it.

So, coming back to this amendment, what we have done this time around seems to be rather lax as we have only proposed this Amendment No 154 to cut all the general departmental expenses across the board. After we have learnt from these experiences, in future debates on the Budget and disregarding whether they are intended for "filibustering" or increasing the opportunities for review of departmental expenses, we may really need to propose 10 or 20 amendments in order to set out separately and in detail the items of expenses that need to be reduced. For example, a rate of reduction should be proposed for each item of expenses, or the amendments should target different items of expenses individually, such as the expenses on solitary confinement, and propose reductions to the expenses item by item.

As I pointed out in the last debate session, if Members support the point made by Mr LEUNG Yiu-chung, they can cast an abstention vote or an opposition vote on my amendment. But now, I would like to seek the Chairman's advice. If I wish to withdraw Amendments No 151 to 154 and Amendment No 156 — I am only seeking advice, not that a decision has to be made now, as I am just considering it — should I withdraw them now or later

when they are put to the vote? Or, is it that I can withdraw these several amendments anytime?

**CHAIRMAN** (in Cantonese): Mr CHAN, as you have already moved Amendment No 154, you must seek the consent of the Committee if you wish to withdraw it.

As for the other amendment, since you have not yet moved it, you may withdraw it anytime.

**MR CHAN CHI-CHUEN** (in Cantonese): Thank you, Chairman. I will further think about it because after listening to the speech of Mr LEUNG Yiu-chung, I think I am still caught in a dilemma now. This across-the-board reduction is proposed out of my reservations about the expenses of the CSD. If I have no further proposal or decision, I do not mind Members casting an abstention vote or an opposition vote on these amendments.

I so submit.

**CHAIRMAN** (in Cantonese): This debate has now come to a close. We will now proceed to the 12th debate.

**CHAIRMAN** (in Cantonese): Mr LEUNG Kwok-hung has given notice to move two amendments to reduce head 30 by different amounts in respect of subheads 000 and 118. The amendment concerns the provisions for institutions and expenses on nicotine patches for the CSD.

**CHAIRMAN** (in Cantonese): The Committee will now have a joint debate on the two amendments.

**MR LEUNG KWOK-HUNG** (in Cantonese): Chairman, I am a smoker, and I had been jailed before. Smoking .....



**CHAIRMAN** (in Cantonese): Please move Amendment No 157 first.

**MR LEUNG KWOK-HUNG** (in Cantonese): Chairman, I move that Amendment Nos 157 and 158 be passed, and they belong to the 12th joint debate. My amendments concern "head 30 — Correctional Services Department".

Why do I propose a substantial reduction of \$100,000 in the estimated expenditure on nicotine patches? I think it is pointless to encourage prisoners to quit smoking. When you are in jail, you can only have sufferings and boredom. Take myself who is a smoker as an example. I have been addicted to smoking and become a dependent smoker because I feel bored, and I smoke in order to dispel loneliness. To me, smoking has become a habit, a psychological habit, and a biological habit, too.

Even in such a free environment as it is now, I still smoke all the time, and if I am in jail, I think I would wish to smoke. Therefore, in all fairness, a person who became addicted to smoking before his imprisonment will only have a stronger desire to smoke when he is in prison and it is unlikely that he will not wish to smoke. Therefore, if the CSD does not use its provision to buy cigarettes for prisoners' consumption but tells them to quit smoking, that would actually be wide of the mark.

What am I trying to say? I mean if they are not allowed to smoke, it is actually tantamount to encouraging them to smoke. The CSD has its addiction treatment centres. When drug addicts go to jail, the CSD will mandatorily forbid them to smoke. But since cigarettes are not considered as drug under the laws of Hong Kong, why should public coffers be wasted to encourage a group of people who are dependent on smoking under objective circumstances to quit smoking? This simply cannot be explained away.

The CSD has already abolished the practice of distributing "卡罇茶" to prisoners. What does "卡罇茶" mean? It means the three sticks of cigarettes given to prisoners for their consumption after breakfast, lunch and dinner, which may be referred to as "after-meal cigarettes". It is more desirable if prisoners can be provided with three sticks of cigarettes every day for their consumption to keep their mind in balance. I do not know the motive of the CSD in purchasing nicotine patches, but if the CSD considers that smoking should be banned on

premises managed by the CSD, go ban smoking for all prisoners then! Having said that, this measure would definitely lead to judicial review because this would be challenged as an exploitation of human rights.

Since the CSD has long since been aware that this would be the result and hence a smoking ban would not be possible, it is actually unnecessary for the CSD to use public coffers to help prisoners quit smoking. A smoking ban may be implemented effectively elsewhere, but from my personal experience, it is not going to work in prison. Why? Let me cite an example. Chairman, I never read the four major weekly magazines, which include *Next Magazine*, *Eastweek*, and so on. But when I was in jail, I would read these magazines as if they are treasure reads. Why? Because there is no other books or magazines for me to read.

From this we know that in an enclosed environment, a person's habit will change. He will wish to do what he normally does not wish to, and he will be keener to do what he wishes to do. Therefore, I think it is in line with the principle to completely cut this unnecessary expenditure on nicotine patches in one go. As regards the question of whether or not the funding for purchase of nicotine patches should be used for purchasing cigarettes instead, that would be open to consideration. This is my view.

As regards the expenses on meals, we have found that a paradox is involved here, because if the expenses on meals are really reduced from \$97,240,000 to \$7.24 million as we so wish, the only outcome is worsening quality of meals. But I must point out here that the practices adopted by the CSD in inviting tenders are actually open to question. I do not know if the Audit Commission has conducted value for money audits in this respect but judging from the "prison meals" that I have taken before, I think there is no reason for them to be so expensive. I do not know if the CSD has adopted various means to circumvent the Government's requirements on procurement, just as we said during the joint debate on the last subhead. I wonder if there is such a situation.

I think there is room for improvement in the arrangements for meals made by the CSD. Whether or not the arrangements for meals are value for money is worthy of study. Besides, I think the CSD should provide a greater variety of meals because the nationality of prisoners now tends to be more diverse and if the

old practices are followed, prisoners of ethnic minorities may find it very difficult to adapt to these arrangements.

I demand the reduction of the expenses on meals only in the hope of arousing discussion by Members. I also hope that the CSD can spend a small amount of funds on seasonings in order to achieve better results. I wonder if you, Chairman, likes to add condiments to your meals but if the CSD can spend part of the meal expenses on buying condiments ..... Of course, the CSD certainly will not provide pepper because pepper powder can be sprayed at other people's eyes. The provision of condiments will not increase public expenditure but prisoners can flavour the food with condiments to suit their taste. Our former colleague, CHIM Pui-chung, had striven for the provision of soy sauce. So, in this regard, I think the CSD should allow the provision of condiments.

I wish to make a bolder proposal. I propose that the families or friends of prisoners be allowed to bring certain kinds of food to the prison and of course, such food must be subject to inspection or meet the requirements, so that prisoners can enjoy "an additional dish". This practice is allowed in Mainland prisons as well as in prisons in other places, and this should not cause problems in management. For example, when a prisoner is given a tin of luncheon meat and then he opens it and eats the luncheon meat, what problem is there? This will actually have some merits. First, it will not substantially increase the spending out of public coffers; and second, it can improve the meals for prisoners.

Certainly, I understand that this will give rise to a problem, that is, how about prisoners who do not have the means to afford "an additional dish"? However, I think this will not lead to unfairness because the CSD can certainly provide a minimum safeguard for prisoners in respect of the nutrition and cooking of food in prison, and coupled with the food brought to prisoners by their visitors, the meals for prisoners and their nutrition can be improved, and this is in line with humanitarian principles.

There is another point I wish to make. The reason for the Prisons Department to be renamed Correctional Services Department is actually to guarantee that prisoners are given humanitarian treatment. Following this logic, the improvement of meals for prisoners by measures taken outside the CSD without jeopardizing prison management or security is, in fact, a way to further improve prison order and security. Why? When meals are improved, this can

on the one hand satisfy the desire of prisoners and enable them to be fully nourished and on the other, it can reduce the situation of prisoners feeling discontent or becoming grumpy and cynical in disposition due to poor quality and inadequacy of food.

I had thought about this issue when I was in prison. If a prisoner is affected by poor nutrient absorption, his body will certainly undergo some changes which may cause him to become grumpy and cynical. For example, a prisoner may have poor absorption of sodium or certain vitamins and under the existing Prisons Ordinance, he must seek medical consultation. If the doctor, after examining him, found that his deficiency in a certain vitamin had caused him to suddenly turn grumpy and cynical, perhaps that would still be better. Otherwise, the prisoner simply cannot say to the doctor, "Doctor, I used to take vitamin E or supplement capsules every day before I go to jail and I was fine back then. Can you give me supplement capsules?" The answer is certainly "No".

We should expand the types of nutrients in the meals. If a certain prisoner is dependent on a certain nutrient, his relatives and friends should be allowed to provide food containing that nutrient, or a system should be put in place with reference to the existing system whereby visitors are allowed to bring certain articles to prisoners. I think whether in respect of meals or nutrition ..... This reform will not have any bearing on public expenditure. On the contrary, it can enable prisoners to get the nutrients that they are unable to receive due to the various shortcomings of the existing system or at the very least, satisfy their desire.

I think it is indeed imperative to carry out a reform in this respect. I do not wish to waste Members' time. Members can just search the Internet for information on reforms carried out in prisons overseas and they will know that this reform can greatly improve prison order. Certainly, all these still need to be substantiated scientifically.

I will not show off my scanty knowledge here. My principle is that improvement of the meals in prison and prisoners' nutrition can benefit the prisoners, while prison management and order can, in turn, benefit from such improvement.

Thank you, Chairman.

**Mr LEUNG Kwok-hung moved the following motion:**

"RESOLVED that head 30 be reduced by \$7,240,000 in respect of subhead 118."

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

**MR LEUNG YIU-CHUNG** (in Cantonese): Chairman, Mr LEUNG Kwok-hung said that the two proposals on the reduction of the expenditure on provisions and nicotine patches were put forth to arouse discussion. I do not know whether he will admit that he indeed disagrees with the expenditure cut. I think if the expenditure for provisions is to be reduced from some \$90.7 million to some \$7.2 million, it will have a tremendous effect on inmates. It is obvious to all, and as Mr WONG Yuk-man said just now, cigarettes are the currency in circulation in prisons, and cuts in cigarettes will cause problems of order in prisons. Apart from cigarettes, provisions are another significant concern, which may create a lot of problems in prison management.

Members may not believe what I said. Stir-fry beef and rice fettuccine is not supposed to be served in prison. But is it served in reality? Yes, it is. Why? There are many tricks behind that and I will not say too much about it. In fact, an inmate can have access to all kinds of food. Since the meals served in prisons are unsatisfactory, inmates try to get better food. Food then emerges as a currency in prisons through which inmates will make money and do many other things. Therefore, provisions are a big concern in prisons. If the meals are not improved, it will create a vicious cycle, resulting in crimes in prisons which could have been prevented otherwise. Therefore, I think the CSD should improve the provisions.

Many inmates are in poor health. More often than not, they suffer from various diseases because of the unsatisfactory provisions, and it is the fact. Colleagues from the CSD keep saying that the nutrition of meals is monitored by dietitians. However, it is not merely a concern about nutrition, for if the food is nutritious but not tasty, inmates may not have the appetite for it and they will eventually suffer malnutrition. As such, it is inadequate to state that the nutrition of each portion of meal is adequate, for if the food is not cooked to a

desirable standard, inmates will face another problem. Therefore, I think provisions in prisons must be improved.

I hope that Mr LEUNG Kwok-hung only means to induce discussion on the issue but not really mean to cut the expenditure on provisions. If this expenditure is cut, it will trigger many problems and the situation may deteriorate. Chairman, though Members are not allowed to request additional provision under the Budget, I consider that additional provision for improving the provisions in prisons is more important. If the CSD would conduct a survey on areas requiring improvement, I think provisions would be one of the areas which most inmates interviewed would like to see improvement. This is an important point. I hope colleagues in the CSD will give more consideration to this.

Regarding the concern about nicotine patches, Mr LEUNG Kwok-hung is right in saying that it is difficult to require inmates to quit smoking. Since they feel bored in prisons, they will turn to smoking as a relief. However, I would like to tell Mr LEUNG Kwok-hung that one of the purposes of imprisonment is to let inmates to reflect on their mistakes. Life in prisons is definitely boring with no excitement, and they will surely face this problem. It seems to be logical to say that they have a greater urge to smoke when they are bored, yet on the contrary, if we do not offer them the means to try to quit smoking in prison, we would have let slip the opportunity.

Actually, when I chat with inmates, many of them have told me that they miss the life outside prisons when they are first put in prisons, but as time passes, their attitudes will change. They will think of many issues, such as the aspects of their life which require correction. This is some kind of effect of imprisonment. This is particularly the case for inmates serving longer terms of imprisonment. Since they are imprisoned for a long period, they have to plan for their future. Therefore, if there is any aid to quit smoking, it will be helpful to those in need. If the provision of nicotine patches is cancelled, I think it will be regrettable, for some inmates may miss the opportunity to quit smoking. People who do not want to quit smoking do not need the nicotine patches, but those intending to quit smoking will need them. If the expenditure on nicotine patches is cut, inmates intending to quit smoking will not have access to nicotine patches. I think it is regrettable.

Therefore, I implore Members not to support Mr LEUNG Kwok-hung's amendment to reduce the expenditure in these two aspects, for the reduction will not do any good to inmates.

Chairman, I so submit.

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

**MR ALBERT CHAN** (in Cantonese): Chairman, I speak in support of Amendment No 157 and in opposition to Amendment No 158 proposed by Mr LEUNG Kwok-hung.

For Amendment No 157, as Mr LEUNG Yiu-chung said earlier, it is about the expenditure estimate for the provisions for the year under the CSD. The reduction is alarming, which involves a cut from \$97.24 million to \$7.24 million. In other words, the amount after reduction, which is \$7.24 million, is only 7% of the original estimate, which is \$97.24 million. I have conducted some studies on this. Chairman, I think Mr LEUNG Kwok-hung may not have conducted detailed studies on the subject. He is excellent in political discourse, yet he sometimes fails to conduct detailed analyses on social policies. Perhaps he is too busy to find the time to read those figures. I would like to provide some figures for his reference. I believe that after I have presented the figures, he may vote against the amendment or abstain from voting. The People Power does not support his amendment. Though we are allies and should render mutual support, I think we should understand the nature of the issue. As Mr LEUNG Yiu-chung commented earlier, we also have our concerns, and my views are founded on good reasons.

The Government Logistics Department (GLD) is responsible for the provisions arrangement for the CSD. I have said earlier that items exceeding \$1.43 million will be put to tender through the GLD, whereas items below \$1.43 million will be processed through internal tendering exercises by the CSD. In respect of provisions, it must be put to tender through the GLD unless the CSD employs tricks, like other departments do, to parcel up the \$9.7 million annual expenditure into 365 days or 52 weeks so that it will be responsible for the tendering exercise. The procurement items for 12 months add up to a total of

5.07 million kg. The number of prisoners provided with provisions amount to 9 171 persons, adding to this the projected establishment of 6 883 posts of the CSD in 2013, the provisions will be meant for 16 054 persons in total. The expenditure for provisions is based on 365 days.

Indeed, I am somewhat worried about this. Chairman, when I did the calculations, dividing the total expenditure for provisions by the total number of persons being provided with provisions and then by 365 days, I came up with the amount of \$16.59, which is the daily expenditure on provisions for each person on average. I really do not know how they can make it. Mr LEUNG Yiu-chung, the daily expenditure for provisions for prisoners and staff of the CSD as well is only \$16.59. I really hope the Government will give me an answer. Besides, the daily expenditure of \$16.59 is not for one meal but three meals a day. Some Members have taken part in the "poverty meal" events organized by certain organizations, during which they are given \$10 or \$20 for preparing a meal, which is quite difficult. But now, they only have \$16. Perhaps I should give you \$17 for the expenditure on food for a day. According to "Long Hair" — sorry, "Long Hair", he has just left the Chamber — if the proposal of "Long Hair" is implemented, the expenditure of \$16.59 will be reduced to \$1.16, just enough for an egg, which may cost \$1.1.

This is a matter about provisions. We support the reduction of expenditure for the procurement of certain items, for the lack of those items will not cost lives. Moreover, the reduction in expenditure may arouse concerns, pressing the Government to take remedial measures, which may be a temporary solution to the problem or may prevent a crisis from arising. However, the reduction in expenditure on supplies under the present amendment may cause prisoners starving, which is a matter of life and death.

Therefore, when we analyse the situation and the relevant figures, we think we should be careful. We filibuster to bring to the fore the injustice of certain departments, the outrageousness of certain policies or the malpractice in administration of certain government departments, particularly the shamelessness and incapability of the "689" Government, yet when it comes to the provisions for staff of the CSD and prisoners, we think it is no kidding matter and should not be dealt with hastily. Therefore, despite our support for a number of the many amendments proposed by Mr LEUNG Kwok-hung, the People Power does not support the present amendment.



Regarding Amendment No 158 proposed by him, which proposes the deletion of the expenditure estimate for nicotine patches of \$100,000 under the CSD, we agree with the proposed cut. Chairman, in our view, the provision of nicotine patches is a waste of money, which is completely useless. On the one hand, it is the policy of the Government — I have had a number of heated debates with York CHOW on the so-called smoking cessation policy, which is completely ineffective in prisons. Smoking is prohibited in many places, yet he dares not designate prisons as no smoking areas. In prisons, people can smoke anywhere — this policy makes me quite angry, and I have to take this opportunity to reprimand York CHOW again.

Regarding the smoking cessation situation in the CSD, there is a strange phenomenon of which many have not been aware. We have looked up the information, Chairman, and I would provide some figures for Members' reference. In terms of the smoking habits of prisoners in the past five years, there was a great difference between male and female prisoners. For male prisoners, in 2008, 95.2% of them smoked, the ratio increased to 96.3% in 2009 but dropped to 94.4% in 2010, and the ratio for 2011 was similar. However, last year, the ratio of male smokers in prisons dropped to 89.6% — York CHOW should probably be quite happy about this. Compared with the ratio in 2008, there was a drop of 6%, which is encouraging. The drop may be attributed to the certain measures adopted by the CSD, which may be effective in some way.

However, the success is overshadowed by the failure, for there was an increase in the number of female smokers in prisons. It is strange. Why had the promotion on the health hazards of smoking been effective among male prisoners, prompting them to be concerned about their health, but not to female prisoners, where the number of smokers kept increasing? It might be that the ratio of female smokers in prisons had been relatively low. In 2008, the ratio of female smokers in prisons was only 30.6%, which was far lower than the ratio of 95.2% of male smokers in prisons. However, the year-on-year increase in the number of female smokers in prisons was alarming. The ratio rose to 31.3% in 2009, and then 38.9% in 2010 and 2011. It was extremely strange.

The ratios of male and female smokers in prisons in 2010 and 2011 showed no change at all. I do not know if it was because the figures were "fabricated" or that it was out of some special reasons. It really beats me. It is definitely incomprehensible that the ratios of male and female smokers in prisons had

remained unchanged. It is strange that even the figures after the decimal point remained the same. I think the Audit Commission should do a thorough check to confirm if it involved any "fabrication". Some time ago, "fabrications" were found in the census. It is impossible that there was no change in the ratios of male and female smokers in prisons in two years, is it not? It is absolutely unacceptable. As at 2012, the ratio of female smokers in prisons has risen drastically to 42.7%, from 30% in 2008 to 42.7% in 2012, a real increase of 12.5%. In terms of percentage, it is nearly an increase of over 40%. An increase of more than 40%, nearly 50%, in five years is a very alarming rate.

Regarding the work of the CSD, they have introduced measures, policies and plans to help prisoners to quit smoking, and nicotine patches are naturally one of these measures. The CSD has set up the "Steering Committee on Smoking Control Measures in Correctional Facilities" to monitor tobacco control measures, and to conduct educational talks and individual counselling to encourage prisoners to quit smoking on a voluntary basis. Through displaying publicity posters, organizing poster design competitions and smoking cessation courses, the CSD seeks to promote a non-smoking culture among prisoners and enhance their awareness of the harmful effects of smoking. It has also designated no smoking zones in individual correctional institutions as choices for prisoners. The CSD will assess the various factors and measures involved, and liaise with relevant departments like the Tobacco Control Office of the Department of Health and the Hong Kong Council on Smoking and Health and conduct studies to examine other alternatives to encourage more prisoners to quit smoking voluntarily.

The anti-smoking effort of the CSD may be effective among male prisoners, yet why is the work on female prisoners a devastating defeat? Why has the number of smoking female prisoners risen drastically? Therefore, I think that the amendment proposed by Mr LEUNG Kwok-hung today to reduce the expenditure for nicotine patches under the CSD has brought forth a good opportunity for various parties to examine, understand and highlight the problem of smoking in prisons. In view of the situation, we hope that through the debate today ..... representatives of the relevant authorities are not present in the Chamber now, it is like casting pearls before swine to discuss the problem before the Secretary for Commerce and Economic Development. Yet I cannot rule out that he may be appointed the Secretary for Security in the next reshuffle. These significant posts can only be taken up by persons with political loyalty.

Chairman, we support Amendment No 158 proposed by Mr LEUNG Kwok-hung. However, I have to reiterate that regarding the reduction of the

expenditure on provisions which he mentioned earlier, we will not support it in view of the possible crisis it may trigger. We cannot support cutting the expenditure on provisions to only 7% of the original estimate. I can in no way accept this. How can the authorities provide three meals a day with \$1? The amount of \$16 per day is hardly acceptable. I hope the panels concerned will follow up this issue in future. In fact, how can this be done ..... probably through tender exercises, but how can the authorities provide three meals a day with only \$17? I have great doubts about this.

Therefore, I have spoken in support of one amendment and in opposition to the other.

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

**MR WONG YUK-MAN** (in Cantonese): Chairman, please do a headcount.

**CHAIRMAN** (in Cantonese): Will the Clerk please ring the bell to summon Members back to the Chamber.

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

**CHAIRMAN** (in Cantonese): Mr WONG Yuk-man, please speak.

**MR WONG YUK-MAN** (in Cantonese): Chairman, I speak particularly on the two amendments proposed by Mr LEUNG Kwok-hung, that is, Amendment No 157 and Amendment No 158. Our views on these two amendments are slightly different. Under Amendment No 157, it is "Resolved that head 30 be reduced by \$7,240,000 in respect of subhead 118", which means a reduction of the expenditure on provisions for the year under the CSD from some \$90 million to some \$7 million. I think such a reduction is inhumane, for it is about the provisions for prisoners but not other people. As for Amendment No 158, it is "Resolved that head 30 be reduced by \$100,000 in respect of subhead 000", and the reduction equals nearly to the expenditure estimate for nicotine patches for the entire year under the CSD.

As far as the provisions are concerned, I have received complaints from many prisoners that the meals served are really unsatisfactory. I have visited the prisons and seen the so-called meals. The staff have naturally emphasized that prisoners are also provided with suppers, breakfasts and main meals, and that the meals are nutritious. They have given a good presentation of this, yet the food is not nourishing indeed. Mr LEUNG Yiu-chung has left the Chamber. He said earlier that if I went to jail, I would have the chance to experience it. I do not need to go to jail to experience that, buddy, and I have visited prisons in the past. Mr LEUNG seems to expect that I will surely be sentenced to imprisonment on 16 May. Chairman, if that is the case, it is most desirable that the filibuster will only be cut on 16 May.

Regarding the daily food for prisoners, honestly, as far as I see it, the food is not nourishing in anyway, and the quality is extremely poor. They will be provided with slightly better meals on several occasions throughout the year, such as on the first day of the Chinese New Year, Christmas and the Mid-Autumn Festival, and so on. On these occasions, prisoners are provided with a small piece of lamb chop, which may have been frozen for a long time, or two chicken wings or a drumstick in addition. That is all. Moreover, in the canteen in prisons, prisoners are not allowed to exchange their food. Even if a prisoner does not like chicken wings, he is not allowed to give them to other prisoners. Though it is disallowed, many prisoners still do so. Some of them who have cigarettes will even exchange cigarettes for drumsticks. As I pointed out earlier, cigarettes are currency in kind, so it is possible that cigarettes are used to exchange for drumsticks. Prisoners who are rich will definitely "enjoy advantages", and they enjoy many advantages during their imprisonment for many people will bring all kinds of things to them.

There are many hard and fast rules in prisons, stating specifically what items are disallowed to bring into prisons. However, despite all the rules, money is the solution to all. Poor people will definitely have a hard time in prison. But for the rich, they can eat anything they like even in prison. Those so-called rules exist only in name but not in substance. Yet for the poor prisoners, they will have a miserable time with food. For this reason, I disagree with the reduction of the expenditure estimate on provisions in prisons. I oppose this proposal.

In many prisons, including the prisons at Stanley, Hei Ling Chau ..... We have received complaints about the insufficient portion of meals provided in prisons. Sometimes, prisoners are only provided with a slice of boiled meat with a trace of meat tenderizer. The quality of food is incredibly poor, but prisoners will not starve to death. In fact, certain prisoners have grown very fat after confinement. By the way, the deep fried fish is really smelly — I do not need to be in jail to know this — deep fried fish is provided in the prisons' menu, yet we do not know what kind of fish is used.

The prisoners will not feel too full with the provisions in prisons, yet they will not starve to death. However, it is certain that the food is not nutritious. For prisoners with a big appetite, they will often wake up in the middle of the night because of hunger. There was a case in the past — I wonder if Members have read that in the newspapers. It is about a discharged prisoner called CHAN Kin-sum who had submitted a summons to the Court on the voting rights of prisoners. He had served imprisonment terms in Stanley and Hei Ling Chau. Whenever he talked about the food in prison, he would grow angry. At that time, the Society for Community Organization had written to the CSD to request some information on the provisions for prisoners, yet the CSD simply ignored their request. However, as I pointed out earlier, some prisoners are offered different treatment. A famous person called Amina had requested Indian and Western food ..... The CSD provided Indian meals with beef, mutton, chicken or fish as main courses, but no pork is served, and the meals were served with naan and curry source. In a nutshell, money means all.

In the case of another famous person — I will not make his name open, but we are close — he had applied for "private meals", where the meals were provided by restaurants outside the prison. So, it is all about money. When the man was in prison, he said he would not eat the meals provided in prison. It is evident that meals can be provided from restaurants outside the prison. Therefore, I do not support reducing the expenditure on provisions. There is something wrong about this, so I oppose this amendment.

Regarding the expenditure on nicotine patches, it is related to smoking. If anyone can prohibit smoking in prisons without causing any riots, I will pay tribute to him by all means. This culture is interesting. In prisons, as I pointed out earlier, cigarettes are currency in circulation. Only a few Members of the Legislative Council smoke. I think there are not more than five. These few

smokers surely lack no cigarettes. To them, it is only a matter of smoking more or less frequently. They are most concerned about "venues where smoking is allowed".

In prisons, smoking areas are definitely available, so Members do not have to worry about that. Last time, when WONG Yeung-tat served his prison term in Lai Chi Kok, I visited him and asked him, "Son, do you smoke?" He asked me to bring some cigarettes to him. That time, he had been convicted and was serving the imprisonment sentence but not in remand custody. I said, "If you want cigarettes, it is possible, and since you are serving your term in Lai Chi Kok, you will have loads of cigarettes, more than you can consume if I make the call." However, since his wife refused to bring cigarettes to him, he had no cigarette. But still, he had smoked in prison, for the prisoner in the neighbouring cell kept offering cigarettes to him. Since he was in solitary confinement, and the prisoner in his neighbourhood had an abundant supply of cigarettes, WONG had the opportunity to smoke. Of course, it all depends on the ability of the person in question.

I once received a complaint and made a specific visit to Shek Pik Prison. The incident involved many prisoners. At the time, they did not get a pay rise despite the increase in duty on tobacco. Their wages were their source for buying cigarettes and snacks — most of them spend their wages on cigarettes. For this reason, they wrote to me and so I visited them. During the visit, a large group of prisoners urged me to lodge a complaint against the increase in cigarette prices on their behalf — the cigarettes are of poor quality. Thanks to the Financial Secretary, cigarette prices increase with the rise in duty on tobacco. Let me tell you, Members, prisoners now hate the Financial Secretary, but he is not in the Chamber now. John, let me tell you, the prisoners hate you, particularly because you have raised the duty on tobacco several times.

Back to the issue on cigarettes, the authorities will sometimes increase the wages of prisoners so that they can buy snacks, for the prices of goods like instant noodles and biscuits will also increase. However, the authorities will not increase their wages to let them buy cigarettes. The two amounts are treated separately. The amount of wages specified for buying snacks will increase according to inflation or the price rise in snacks. But for the amount of wages specified for buying cigarettes, it will not be increased in tandem with the rise in cigarette prices, for it is the wish of the authorities for prisoners to quit smoking.

After my chat with prisoners during that visit, I wrote a detailed letter to the CSD, requesting it to provide the relevant information, including the different terms of imprisonment and the respective wages, as well as the different amounts for buying cigarettes and snacks, and so on. I have gathered all the relevant information. The CSD provided the relevant information to me and stated in the reply the CSD's hope for prisoners to quit smoking in the long term. The authorities hope that prisoners will not smoke. It is a dream, is it not? It is obviously a perfunctory reply. How can a prison be turned into a smoke-free environment? Can you imagine a prison with no smokers? It is definitely impossible. I can tell Members that there is 90% that such a move will provoke riots.

Therefore, it is a very tricky issue. If there are no cigarettes in prisons, the authorities can hardly manage the situation, and it will be really miserable. Eventually, the authorities did not increase the wages of prisoners for buying cigarettes, but an additional expenditure on the so-called nicotine patches was included. What can be done with the expenditure of \$100,000? How many prisoners will quit smoking with the help of the nicotine patches bought with the \$100,000? Is the expenditure of \$100,000 dispensable? Basically, I would say it is a waste of money. I can tell Members that it is utterly meaningless. However, if the sum of \$100,000 is used to buy cigarettes and distribute them to prisoners, it is even more meaningless. Therefore, I think the expenditure on nicotine patches is unnecessary. I think the authorities are merely making a gesture to show to the public that a certain amount of expenditure has been set aside for the purchase of nicotine patches to help prisoners to quit smoking, so as to reduce the number of smokers in prison.

I would like to tell Members that the efficacy of nicotine patches is not prominent in smoking cessation. I had been a smoker for several decades, but now I have quitted smoking for 11 years. I have never relied on nicotine patches or attended any course on smoking cessation. I quit smoking by willpower alone. However, I respect those smokers who refuse to quit smoking. I had smoked for several decades and choked others as I smoked for several decades, so I do not mind being choked by the smoke of other smokers now. I have been doing such an evil for many years, so I should not mind taking the suffering now, should I? However, the provision of nicotine patches in prisons is an empty gesture aiming no more than to show the CSD's effort in encouraging prisoners to quit smoking. In reality, if prisoners are addicted to smoking, it is impossible

for them to quit smoking, for they have no other things to do in prison. If the authorities do not allow prisoners to smoke, they will really go all out to fight with the CSD, and they will probably engage in more fights and cause more troubles. This is the reality which is inevitable, and the CSD knows this full well. The authorities have set aside an expenditure of \$100,000 for the purchase of nicotine patches for no reason. May I ask the authorities about the efficacy of the arrangement? If the arrangement seeks to urge prisoners to quit smoking, it will definitely be ineffective. It is only a perfunctory gesture to show the effort made. Why should it do so?

For these reasons, we support the reduction of the \$100,000. If the authorities want to help prisoners to quit smoking, they have many alternatives. If Gospel therapy works on drug addicts, why not consider Gospel therapy in helping smokers to quit smoking? I have been to the Shek Pik Prison and the detention centre next to it to share the Gospel. Gospel can help a drug addict to quit drugs, so it can also help a smoker to quit smoking. Why have not the authorities considered these options? Why would it spend \$100,000 to buy nicotine patches? We cannot approve the provision for the expenditure ..... The Secretary for Commerce and Economic Development has been listening to speeches in the Chamber for some time and he must be very bored, for the question has nothing to do with him. Though it is irrelevant to him, I have to tell him that the estimate of \$100,000 to be spent on nicotine patches will be fruitless. Therefore, I support removing the provision. Thank you, Chairman.

## **SUSPENSION OF MEETING**

**CHAIRMAN** (in Cantonese): I now suspend the meeting until 5.30 pm tomorrow.

*Suspended accordingly at six minutes to Ten o'clock.*



## Annex I

呈  
香港特別行政區  
立法會主席及全體議員

(只備中文本)  
(in Chinese only)

## 呈請書

(根據議事規則第 20 條提交)

廉政公署成立至今三十九年，一直戮力肅貪倡廉的工作，令香港成為一個足以自豪及備受世界讚賞的廉潔城市。

今年四月，本會議員在審議財政預算案期間，披露前任廉政專員湯顯明在任期間多次境外訪問並花費大量公帑宴請及送禮予境外及駐港官員，令公眾質疑湯顯明先生的做法著實違背了廉署一直以來提倡的廉潔奉公的社會核心價值，對廉署的威信及形象造成極大的破壞。以及，廉署在回應本會議員在財務委員會的跟進質詢，所提供的資料不盡不實，有誤導立法會之嫌，故立法會實在有必要跟進事件。

儘管立法會政府帳目委員會將會跟進審計署有關廉署的衡工量值報告，以及行政長官梁振英成立了「廉政公署公務酬酢、餽贈及外訪規管制度和程序獨立檢討委員會」，惟均無法全面跟進湯顯明先生的外訪、宴請及送禮事宜。因此，我們懇請各位議員支持此呈請書，以挽回廉署的威信及形象，重彰香港廉潔奉公的核心價值。

呈請人：  
郭榮鏗  
何秀蘭

2013年5月8日