

OFFICIAL RECORD OF PROCEEDINGS

Thursday, 27 June 2013

**The Council continued to meet at
half-past Two o'clock**

MEMBERS PRESENT:

THE PRESIDENT

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

THE HONOURABLE LEE CHEUK-YAN

THE HONOURABLE JAMES TO KUN-SUN

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

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

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

THE HONOURABLE WONG KWOK-HING, M.H.

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.

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 JAMES TIEN PEI-CHUN, G.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 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

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

THE HONOURABLE TONY TSE WAI-CHUEN

MEMBERS ABSENT:

THE HONOURABLE ALBERT HO CHUN-YAN

THE HONOURABLE LEUNG YIU-CHUNG

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

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

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

DR THE HONOURABLE LEUNG KA-LAU

THE HONOURABLE KENNETH LEUNG

DR THE HONOURABLE ELIZABETH QUAT, J.P.

THE HONOURABLE CHUNG KWOK-PAN

PUBLIC OFFICERS ATTENDING:

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

THE HONOURABLE EDDIE NG HAK-KIM, S.B.S., J.P.
SECRETARY FOR EDUCATION

CLERKS IN ATTENDANCE:

MR ANDY LAU KWOK-CHEONG, ASSISTANT SECRETARY GENERAL

MISS FLORA TAI YIN-PING, ASSISTANT SECRETARY GENERAL

MRS PERCY MA, ASSISTANT SECRETARY GENERAL

MEMBERS' MOTIONS

PRESIDENT (in Cantonese): Council now continues with the motion debate on "Concern about the expenditure of the West Kowloon Cultural District project".

CONCERN ABOUT THE EXPENDITURE OF THE WEST KOWLOON CULTURAL DISTRICT PROJECT**Continuation of debate on motion which was moved on 26 June 2013**

MR CHARLES PETER MOK (in Cantonese): President, I must first declare that I am a member of the Consultation Panel and the Information and Communication Technologies Subcommittee of the West Kowloon Cultural District Authority (WKCDA).

Dr Priscilla LEUNG, who is not in the Chamber now, said last night that she was the one who proposed the concept of "humanistic WKCD". But I wish to remind her that in 2007, the Professional Commons (the ProCommons) already published a research report on the West Kowloon Cultural District (WKCD) entitled *West Kowloon for the People*. I believe this is what Mr Alan LEONG means by "humanistic WKCD" in his amendment. The report highlights five concepts as follows: expansion of open area for the release of free creativity; forward-looking low carbon development mode; optimum use of resources and organic growth; blending of nature and culture; and leap beyond West Kowloon and be rooted locally. In eventuality, the WKCD must dovetail with the long-term needs of cultural development in Hong Kong and adopt a people-oriented approach. It is all right for Mr Alan LEONG to talk about "humanistic WKCD" because years back, the research report was indeed compiled by several members of the Civic Party and the ProCommons, and he could well be counted as one of the participants. Nonetheless, I still want to remind Dr Priscilla LEUNG not to ever claim that she was the one who proposed "humanistic WKCD".

President, the Consultation Panel of the WKCDA has already completed the first two stages of the public engagement exercise, and a decision on the conceptual plan options has already been made. The project will now proceed to

the construction stage. My greatest worry is that given the weak position of the Government and the need for seeking supplementary provisions due to costs overrun, some people may seize the opportunity to find fault with the WKCD project with the intention of impacting the WKCDA's independence in respect of its culture, arts and overall development. As they listened on and on to the speeches of Mr Christopher CHUNG and Miss CHAN Yuen-han last night, many Members sitting on this side of the Chamber turned increasingly apprehensive. We then said in our WhatsApp group last night that we must speak in refutation today because their speeches were really very ridiculous.

It is indeed true that the construction costs of the Xiqu Centre, the first arts venue of the WKCD, have soared to \$2.7 billion. Many political parties and Members have thus questioned why a cost ceiling was not set as a tender condition, saying that the project has now become an "abyss of expenditure". Some have even threatened the WKCDA that the Legislative Council may not necessarily approve the second funding request pertaining to the project. And, as they go on and on, they conveniently switch to criticize and query the acquisition policy of M+ in the WKCD. Last night, as soon as Mr Christopher CHUNG started speaking, he chided the WKCDA for chaotic and clandestine operation as though the WKCDA was his mortal enemy. Based on my own experience of working with people in the WKCDA, I do not agree to such criticisms. Nonetheless, Mr CHUNG is very clever. These remarks are not mentioned in his original motion, and he only added them in when he spoke on his motion last night.

I surely do not agree that the Government or the WKCDA is a squanderer. However, the problem is that all relevant government policies, whether on culture, arts or technology, are extremely myopic, focusing only on value for money and neglecting the need of society for long-term investment. On the surface, it is of course alright for the Government to ask the WKCDA to operate on a self-financing basis. However, because of this emphasis on money, consideration must be given to increasing the maximum plot ratio of the WKCD site, for instance, from 1.81 to 3, and to adding large numbers of leisure facilities like retail shops and restaurants to the existing master design. Consequently, total construction costs will naturally increase. I of course understand the need for boosting venue patronage, but we must be careful not to put the cart before the horse. Such a mindset can aptly show that the Government actually perceives

the WKCD only as a commercial undertaking or a cultural tourism project no different from its investment in the Disneyland, and regards profit-making as the most important objective — well, I hope this is not the case. The only intention of the Government is to rid itself of any financial burden, but then it is also unwilling to take up the responsibility of promoting culture, arts and education.

Of course, we must ensure the prudent use of public funds. According to the Administration and the WKCDA, the current estimated cost of \$2.7 billion for the Xiqu Centre is basically a projection made on the basis of the inflation rates from 2006 to date. This means that the focus is on the overall figure only. In addition, this estimated sum also covers the costs of many newly-added facilities such as car parks, retail and entertainment facilities, and so on. Nonetheless, I consider and concur that the WKCDA needs to give us the detailed figures, meaning the construction costs and estimations pertaining to each building design, and even the different parts of all the buildings, rather than just telling us the increase in total costs. The authorities should also set out the additional floor areas brought about by the new design, and also the costs comparison breakdowns for different parts of the building. Such figures should then be viewed against the actual needs of programming arrangements, and so on, so as to prove that the future construction costs of the Xiqu Centre and other building structures are justified. This is what I mean by "reasonable funding principles" in my amendments.

We should make sensible computations before funding allocation, but we should not interfere with the procurement policy of the WKCDA and arts freedom. We should compute the accounts clearly, but we should not speak like Mr Christopher CHUNG, who asserted that some \$1 billion would already suffice. Last night, Ms Cyd HO indicated that she would support those items of supplementary provisions which were justified. I support her stance, but I insist that all accounts must be computed clearly.

One more thing is that the remarks of Mr Christopher CHUNG and Miss CHAN Yuen-han last night seemed to show an intense prejudice against foreigners, and they even talked about foreigners' not knowing any Chinese. This is true, but many people in Hong Kong do not know any Chinese either. One of Mr Christopher CHUNG's remarks last night sounded very offensive to me. He said, "They have not learnt a lesson." And, he obviously referred to

this Cantonese saying: "They still have no fear for darkness even after seeing a ghost¹". After saying so, he hastened to add that he meant no racial discrimination. But the fact remains that he already said so. Let me also say to him that his words were probably caused by a rap on his head by a ghost, only that the ghost I talk about is different from the ghosts he mentioned. My reference to a ghost definitely means no racial discrimination; but I think all those ghosts are owed an apology. Anyway, Members uttering such xenophobic remarks really bring shame to the legislature. Still want to make Hong Kong an international city? Forget it!

Before the aforesaid remarks were delivered last night, I also listened to other Members' speeches, and these speeches make me very worried. I want to quote the speeches here because when I quote them, Members may then see that such speeches actually amount to political intervention after all. Mr CHAN Kam-lam also once said, "Any so-called works of art that are indecent and obscene, or even contain elements of politics or humiliation, should not be regarded as works of art as such. There must be freedom of expression, but freedom is not something absolute — it must be qualified by human selection." In that case, does he mean that only those things selected by him can get a passing grade? He also said, "I hope you can always remember that art is art, and culture is culture." I frankly cannot follow his logic. Does he mean that his definition must be followed? As also reported by the mass media, Mr Christopher CHUNG once remarked that anything which even small children were able to create, and anything which any ordinary laymen were capable of creating, should not be regarded as art. He also said that in case anything is to be acquired with public funds, the public have the right to know its merits and positive impacts on culture and arts. When it comes to the merits of works of art, I think it is very difficult, if not impossible, to explain. I think he simply treats acquiring works of art somewhat like buying medicine or housing properties.

When the proper use of public funds is advanced as a reason, it will be difficult and impossible for anyone to voice disagreement, nor should anyone voice any disagreement at all. But the question is: what actually is the underlying cause of all the controversies here? Well, all is because the first

¹ In Cantonese, "ghost" is a colloquial Cantonese expression for "foreigner".

batch of art collection acquired by M+ of the WKCD happens to include AI Weiwei's "Middle Finger, Tiananmen Square" and also "Eating People", the creation of a performance artist. Of course, such works will never be displayed in Mainland museums as they will certainly be banned by Mainland authorities. What we should now realize is that there is always a limit to the freedom of expression in the eyes of these critics. These critics also criticize that the selected works of art all lack any appraisal by experts. But, is such appraisal absolutely indispensable? In fact, our colleagues at the WKCDA have already given their responses; Dr Lars NITTVE, M+ Executive Director and incidentally also a foreigner, has clearly stated that acquisition autonomy is a matter of extreme importance to him, and the whole team under his leadership will not want to stay on if they are subjected to any intervention. President, in this regard, I totally stand by these professional arts management personnel in countering the political intervention from any forces.

President, my amendment and Ms Cyd HO's call for the protection of the freedom of artistic creation and expression. I hope Members will render their support. The amendments proposed by Mr Albert CHAN, Ms Claudia MO and Dr Priscilla LEUNG all put emphasis on local culture and arts, so I will give my support. I will also support Mr Alan LEONG's amendment on "humanistic WKCD", and the amendment proposed by Ms Emily LAU. However, Mr Tony TSE's amendment places too much emphasis on cost-effectiveness and economic benefits. Miss CHAN Yuen-han's amendment is even stranger, and can also be described as xenophobic due to its reference to "overseas management personnel with no cultural literacy". Hence, I do not agree to them and cannot render my support.

President, I so submit.

MR MA FUNG-KWOK (in Cantonese): President, I must first declare that I am a member of the Board of the West Kowloon Cultural District Authority (WKCDA).

I am very grateful to Mr Christopher CHUNG for proposing this motion to give Members an opportunity for discussion. In yesterday's debate, I heard how some Members lashed out at the WKCDA in their attempts to find out why the WKCD project went over its budget and what solutions were available.

The Government and the WKCDA must respond positively to the concerns expressed by Members about the WKCD project. At the same time, we must be pragmatic and objective before we can identify the problems, administer the right remedies and make use of revenue increase and expenditure reduction to fulfil the expectation of the cultural and arts sector and the public regarding the WKCD. More importantly, we must guard against any "overdose of remedies" lest the WKCD may be reduced to a useless asset in an "uncompleted" project, or a "white elephant" in the words of Members.

President, it is absolutely necessary to control costs and reduce expenditures. As pointed out by many Members, the Xiqu Centre went over its budget because the WKCDA sought to solicit a design through an international competition, in which costs carried only a very small weight relative to other assessment criteria. Another reason is that the designer would charge his fees at a certain percentage of the construction costs. These arrangements are not conducive to cost control, and there is room for tightening and review. In fact, there is no lack of outstanding architects and designers in Hong Kong. Therefore, I support the proposal on re-examining the planning, design strategies and tendering procedures of the WKCD project set out in Mr Tony TSE's amendment. And, this also explains why I request in my amendment the formulation of a more stringent cost control scheme.

Nonetheless, the selection mechanism and assessment criteria were not suggested by the WKCDA itself; rather, they all stem from the consensus reached by all in the past. In fact, during the first 18 months following the WKCDA's establishment, its operation was led by the Government. Its Secretariat was also filled by staff seconded from the Government. It was only after its Chief Executive Officer (CEO) had been appointed that the transition started and responsibilities were gradually transferred to the CEO. And, even now, the Chief Secretary for Administration is still the Chairman of the WKCDA Board.

As far as my understanding goes, under the operating framework established by the Government, the appointments of top-level WKCDA staff and the related requirements, the standards and procedures for WKCD works projects, and even the conduct of international competitions to solicit designs of various major cultural facilities are all modelled after government practices, with discussion in society and endorsement by the Legislative Council. In some cases, the above were even drawn up at the request of Members of the last-term

Legislative Council. These standards can aptly meet the expectations of various social sectors, but they are not conducive to cost control.

President, the purpose of my saying all these things is not to shift the blame to others. Quite the contrary, I want to stress that it is irresponsible to shift one's responsibility. But the point is that we must first identify the root causes before we can admit our responsibility and then administer the right remedies. One example is the acquisition of Dr Uli SIGG's collection at a cost of \$170 million. In this particular case, the making of a hasty decision in the absence of any acquisition policy or thorough discussion was definitely undesirable. The situation should be reviewed, so as to avoid the occurrence of similar problems. After this incident, the WKCDA already adopted measures to strengthen management. I am afraid that if we totally ascribe the possible costs overrun to the WKCDA Board or the WKCDA's management problems, we may not be able to uncover the whole truth, nor will we succeed in finding out the real answers to all those questions associated with the costs overrun.

Fortunately, the works projects of WKCD have not yet commenced, and there is already an accumulated reserve of \$23.5 billion. The present costs overrun of the Xiqu Centre can give us a very good opportunity to determine and discuss the way forward for the WKCD project. As for how we can prevent the worsening of the overspending problem, I being a representative of the cultural and arts sector maintain that the project must be implemented under the principle of "Four Don'ts".

First, don't delay the progress. The WKCD project began in 1998. Fifteen whole years has elapsed since the initial concept was put forward. During all this time, the cultural and arts sector has never stopped reflecting the shortage of performance venues and space for training and creativity. The construction of facilities in the WKCD can serve precisely to alleviate the shortage of development space, and the sector has been making active preparations for embracing the new opportunities presented by the WKCD.

Second, don't downsize. It was only after many rounds of consultation that the sector and the community managed to reach a consensus, and legislation has been enacted to confirm the construction of 18 cultural facilities in the WKCD in two phases. The project must be fully implemented without any backtracking.

Third, don't compromise on quality. President, first-class architectural design does not necessarily incur expensive construction costs, but the various types of arts venues must comply with the relevant standards and fulfil the requisite needs. We must not compromise quality on account of cost considerations, or else the facilities will only be reduced to useless assets, thus causing even greater wastage in the end.

Fourth, don't be extravagant and wasteful. As the focus of today's debate is the costs overrun of the WKCD, the WKCDA should learn from the experience of the Xiqu Centre. It must seek maximum cost savings and avoid any extravagance and waste of money under the principle of "Three Don'ts" mentioned above.

President, situated in the prime site of Kowloon, the WKCD is the most important cultural and arts facility in the territory. People have been following the construction progress with great expectations. On the one hand, we must of course treasure every single cent belonging to taxpayers and strictly control costs and expenditure, so as to ensure that the WKCD will not be reduced to a "fiscal black hole" or a "white elephant project". But as one colloquial saying goes, "even the ablest housewife cannot cook a meal without any rice." The sum of \$21.6 billion as estimated in 2008 might have been enough for completing the entire WKCD project, but regrettably, the objective circumstances have since changed significantly. Such is a reality the WKCDA cannot possibly change and may also be the greatest reason for the costs overrun.

First, in 2011, the WKCDA acted in response to public demand and selected the "City Park" design of Norman FOSTER, which required the provision of vast underground areas. In addition, the WKCD would adopt a more environmentally-friendly district cooling system. All such planning has come to incur extra construction costs for the WKCD project, which were unforeseeable when the Government first sought funding approval.

Second, the funding approval for the WKCD in mid-2008 was soon followed by the financial tsunami at the end of the same year. The quantitative easing policy of the United States subsequently led to the devaluation of the Hong Kong Dollar. Over the past five years, Hong Kong has witnessed serious inflation and soaring goods prices. The Building Works Tender Price Index has, as a matter of fact, climbed from 751 to 1 516, or by 101% — a far cry from the annual inflation rate of 2% as projected at the time of funding application.

President, in the case of the newly-commissioned Kai Tak Cruise Terminal, construction started in 2011; the site area is 7.6 hectares; and, the construction cost was \$8.2 billion. By comparison, the 40-hectare WKCD is a much more complicated project in terms of architectural design, planning and works implementation. Another actual example is the project approved by the Finance Committee last week for the construction of a 30-metre footbridge connecting the Legislative Council Complex and the CITIC Tower at a cost of some \$70 million. Hence, it is unrealistic to expect that all works items under the WKCD project can be completed with merely \$21.6 billion. Even the tightest cost control measures cannot possibly enable us to simultaneously nullify the effect of inflation, suppress the upsurge of construction costs, and satisfy the various public expectations regarding the WKCD.

Hence, we should adopt a pragmatic approach, meaning that after implementing different cost control measures, we should consider different schemes of appropriately increasing the financial resources for the WKCD on the basis of actual needs.

I have advocated time and again that for the sake of securing additional revenue, the Government should first consider raising the WKCD's plot ratio as a means of increasing land sales proceeds and then consider further capital injection into the WKCD. Over the past few years, with rising inflation and construction costs, land prices have also increased considerably. Even if we cling to the plot ratio under the existing plan, the Government's revenue from land sales in the WKCD should still far exceed \$21.6 billion. As estimated by the press, an increase in plot ratio to 2.5 or 3 will bring about extra land sales proceeds in the amount of roughly \$26 billion to \$46 billion, which can provide the Government with strong support in making further injection into the WKCD. Moreover, a higher plot ratio may also boost the flows of people at the WKCD, create greater activity space for the cultural and arts sector, and increase our much-needed housing supply. This proposal can "kill four birds with one stone".

As Miss CHAN Yuen-han said in an article she wrote earlier on, "What Hong Kong people want is not a 'low-cost' WKCD, but a 'reasonable' WKCD." While we adopt various cost control measures, we must also implement the WKCD project as scheduled under the principle of "Four Don'ts", namely, don't delay the progress, don't downsize, don't compromise on quality, and don't be extravagant and wasteful.

Both Miss CHAN Yuen-han and Mr Christopher CHUNG criticized the WKCD for depending too much on overseas management personnel and foreign consultancy firms. President, enabling the local cultural and arts sector as well as local small and medium enterprises to also participate in the WKCD project should be a strategy of very great importance to the promotion of local culture and economic development. This strategy must be strictly adhered to. But in the meantime, we must also adopt an open attitude towards the employment of talents. The WKCD must ensure that any employment of foreign talents must be for reasons of genuine shortage and absolute necessity in Hong Kong, that such foreign talents will always account for only a reasonable and tiny portion of WKCD staff, and that their conditions of employment must be reasonable. On their part, such foreign talents must be truly willing to provide us with high-level professional services, integrate with the local team, and make use of their experience and expertise to enable local talents to gradually take up the role of operation and management.

President, I have participated in the work of the Board of the WKCD for several years with an attitude of speaking honestly and unreservedly. At times, my views were in the minority and might not necessarily be approved by other Board members. But I have always fought my case with reasons. Having said that, I must add that I have always found the Board and the majority of WKCD management personnel very dedicated to the cause of achieving the best for the WKCD project. Besides, on the part of the Government, there is also the participation of the Chief Secretary for Administration, three Directors of Bureaux, and other relevant departments. All of them have been providing support for the implementation of the WKCD project.

I believe that all Board members and management personnel of the WKCD will take this motion and the amendments very seriously, and they will look at their own successes and failures. Regarding all the criticisms, they will make amends for mistakes if they have made any, and guard against them if they have not. Moreover, they will continue to take forward the construction and development of the WKCD jointly with a responsible attitude.

Thank you, President.

MR ALAN LEONG (in Cantonese): President, speaking of the costs overrun of the West Kowloon Cultural District (WKCD) project, I must rake up the records.

In 2008, when the Government sought funding approval for \$21.6 billion from the Finance Committee, Henry TANG, the then Chief Secretary for Administration undertook solemnly that Members did not need to worry because the authorities would not seek any further appropriation from the Legislative Council in the future.

The President may also recall that back then, a subcommittee formed under the Development Panel and the Home Affairs Panel even commissioned, with the Legislative Council's own funds, some experts at the University of Hong Kong to compile a financial report within a very short time. The report clearly indicated that on the basis of the financial estimates and evaluations provided by the Government, it would be impossible to complete the various works plans under the WKCD project.

Given the costs overrun of the WKCD project, if the authorities seek additional funding from the Legislative Council, somebody must shoulder the political responsibility. The Civic Party considers that given the critical importance of the WKCD project to Hong Kong, we cannot watch the miscarriage of the project with folded arms. Nonetheless, we maintain that in view of the light promise, obstinacy and conceit of the executive authorities years back, somebody must shoulder the political responsibility.

President, why does the Civic Party regard the WKCD project as critically important? The reason is that the WKCD project is a very important project for enshrining humanism. But I must put on record here that by "humanism" (人文精神), I am referring to culture (文化), rather than "people" (民眾) or "nationals" (國民) as referred to by Dr Priscilla LEUNG in her amendment². President, these two concepts are totally different.

Humanism is about the "people-oriented" spirit. We hope that the humanistic qualities of Hong Kong people can be enhanced in an ambience of culture and arts. Humanism is about the "people-oriented" spirit, with mankind being the centre of everything. With its heavy emphasis on mankind, humanism aims to give prominence to the value of mankind, accentuate the relationship between mankind and Nature in cultural and artistic forms, and ultimately benefit all society and upgrade its quality. This is the concept behind the idea of a

² In Cantonese, the words "文" and "民" sound the same.

"humanistic WKCD" (人文西九) we proposed back then. I hope Dr Priscilla LEUNG's proposal of a "People's WKCD" (人民西九) is just a written error, having nothing to do with any misunderstanding of humanism.

President, since upholding humanism is extremely important to Hong Kong — not least because there have emerged in society the struggle between the individual and the collective, the fight between the self and the big self, and the debate on the importance or otherwise of freedom, human rights and democracy, and so on — we honestly cannot afford any failure of the WKCD project. As a matter of fact, other countries and cities in the world have been constantly enhancing their cultural and arts qualities in recent years. Therefore, the WKCD project is an important project which can put Hong Kong back on the territorial map of international culture and arts. If the WKCD project turns out to be a success, Hong Kong shall become a bright star; otherwise, Hong Kong will be erased from that territorial map.

President, since the WKCD project is so important, I really cannot understand why some Honourable Members who spoke earlier on could be so subjective as to ascribe the costs overrun to the wastage of money resulting from the employment of foreigners who, in their words, are not well-versed in building cultural facilities. One Member even suspected that due to the recruitment of overseas talents, the Board might have in fact come under the manipulation of foreigners. And, it was even suspected that since foreigners were susceptible to manipulation — I have no idea who were manipulating them because this Member did not tell clearly — the problem of costs overrun had resulted.

Mr MA Fung-kwok, who is a member of the Board of the West Kowloon Cultural District Authority (WKCDA), mentioned in his speech that the mess today actually resulted from the arrogance and conceit of the executive authorities years back, which argued that the experts engaged by the Legislative Council were not as good as their own experts. However, Mr MA's remarks likewise cannot be used as the basis for reaching the conclusion that the costs overrun is attributable to the employment of foreigner as management personnel.

In fact, I think Members should be happy that the right persons have been selected because the WKCDA is able to recruit Mr Michael LYNCH and Dr Lars NITTVE. Mr Michael LYNCH was once the Chief Executive of the Sydney Opera House and London's Southbank Centre, both of which are renowned arts venues. Dr Lars NITTVE, Executive Director of M+, was the first Director of

Tate Modern in London, and he also served as the Director of the *Moderna Museet*, Stockholm, Sweden. Now that Hong Kong has recruited people of such renown to assist it in constructing world-class cultural and arts facilities, all of us should provide them with every assistance. And, regarding some people's suspicion that the WKCD project may have been adversely affected by the abovementioned foreigners who do not know Cantonese or Chinese, I hope they can produce further proof to substantiate their claim.

President, lastly, I would like to talk about a very important proposal in my amendment, the proposal relating to the Consultation Panel of the WKCDA established under section 20 of the West Kowloon Cultural District Authority Ordinance. President, from the three reports submitted by a subcommittee on the WKCD project between 2004 and 2008, it can be noticed that we have in fact learnt from the practices of Bilbao Metropoli-30 in Spain. Bilbao has been adopting a very good practice of operating an open platform where all stakeholders in Bilbao's cultural and arts development, including government officials, artists, members of the public and local patrons of the arts, can hold open debates. On this platform of open debates, all stupidity of arguments will be laid bare, thus enabling everybody to immediately notice the ignorance of the speakers.

President, we need a similar platform because such a platform can enable different stakeholders to have exchanges and map out the way forward for the WKCD. But regrettably, as mentioned by a number of Members, the Consultation Panel of the WKCDA has only met a few times after its establishment. I hope that after today's debate, the Consultation Panel of the WKCDA can revert to the basics and perform its due role.

I so submit.

MR ALBERT CHAN (in Cantonese): President, when I first read Mr Christopher CHUNG's strongly-worded motion, I almost thought he had left his own party and joined the opposition. When listening to his speech, I even noticed that his flaming emotions and acrid expressions had made him look quite like me and "Long Hair". The expressions he used included his description of the West Kowloon Cultural District (WKCD) as a "white elephant", the Government or the Board of the West Kowloon Cultural District Authority

(WKCDA) as engaging in "clandestine operation", and the project as a "fiscal black hole".

But when I checked the membership list of the WKCDA Board, I was surprised to see the name of a senior member of the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB). A DAB Central Committee member who is concurrently the Vice-Chairman of the Young DAB is also a member of the WKCDA Board. If the DAB genuinely thinks that the people are not represented in the Board's operation, and that there are many problems with the Board, it should ask its representative to take the blame, bow down and resign. Regrettably, the DAB has never walked its talks. I can recall most vividly that when the Government proposed to build Route 10 with a proposed routing stretching from Yuen Long and Tuen Mun to North Lantau via Tsuen Wan many years ago, the leaflets distributed by the DAB (including Mr TAM Yiu-chung) in the districts stated that it supported the construction of Route 10, and even described it as an absolutely essential project. But when the appropriation request was eventually put to vote in the Legislative Council, perhaps because of the sticks and carrots of large consortia, Members belonging to the DAB all cast a negative vote.

This is also the case with the WKCD. Mr Christopher CHUNG's diatribe is quite rare. But why does Chris IP of the DAB still sit on the Board? Well, the answer is that when there are benefits to be distributed, everybody will scramble for them. Therefore, all members of the DAB have become very rich people or the leisure class of Hong Kong. Some have even amassed over \$100 million in wealth, and others may be able to make a profit of several dozen millions in one single property transaction. Hence, I have many doubts about Mr Christopher CHUNG's action.

Some of Mr Christopher CHUNG's criticisms that I heard yesterday make me see clearly that the main targets of his fierce criticisms are foreigners. He wants to say "down with you" to anyone from France, the United Kingdom, or other foreign places. His tone exudes an extremely strong aura of the Cultural Revolution, doesn't it? He probably thinks that it is best to put on re-runs of all those "classic" operas such as "The Tale of the Red Lantern", "Taking Tiger Mountain by Strategy", "Sailing the Seas Depends on the Helmsman", and so on — I do not know how to call these works — yes, they are called "model operas". I can still remember all those stiff bodily postures and movements

intended to show heroism and valour. Every character coming on stage looked exactly like this — cheeks heavily rouged like monkey buttocks.

Such a way of developing culture may have something to do with the gene of Caring Hong Kong Power at work. They simply want to knock down any persons who neither belong to the Chinese Communist Party nor have the pure pedigree, or who belong to the Five Black Categories. In the eyes of Mr Christopher CHUNG, this is exactly the kind of cultural industries that Hong Kong should develop. No foreigners should be allowed to have any say or lead the reform and promotion of cultural industries. If he takes over the helm, or if the DAB is allowed to develop the cultural district in the way it likes, they will probably say that the best way is to invite those Putonghua-speaking mandarins from Mainland places such as Beijing, Shanghai and Xian to lead the cultural development of Hong Kong. Alternatively, I would say, Caring Hong Kong Power may also be good for the purpose because its members are likewise binge drinkers and heavy smokers, and they will certainly enjoy puffing their cigarettes all around the WKCD, filling it with smoke. Perhaps, they may even set up an opium museum, so that everybody can relive the Qing Dynasty culture.

President, initially, I quite approved of Mr Christopher CHUNG's motion, so I did not intend to raise any disagreement and only proposed one amendment. My amendment basically aims to add one point to his motion to give prominence to the importance of local cultural characteristics, because I consider that any cultural development which is not rooted locally will have no value at all. Hence, in my amendment, I suggest that the development undertaken by the Government should enable the various types of projects and associated cultural industries to grow their roots in Hong Kong.

Having studied such development in various places, I find that the overall direction of cultural development in France should merit Hong Kong people's consideration. Basically, France follows five major directions. I think that cultural development is much more than the development of one particular museum in the WKCD. As many Members in this Chamber have pointed out, there should be a wide variety of museums with their respective characteristics. I must of course admit that I am a stranger to high culture. I do not know anything about the appreciation of Chinese brush painting, for example. I honestly have no understanding, and I do not know anything about arts appreciation.

But I still think the injection of cultural elements into the life of Hong Kong people should be something quite nice, and something very important too. Once we are in a small European town or village, we will immediately feel its cultural ambience. On the approach to a farmhouse, the common view before us is usually some sort of horticultural arrangement, followed by windowsills holding pots of flowers with beautiful yet simple curtains on the two sides. This immediately gives a cultural aura to the whole place. Sadly, in Hong Kong, for reasons of how it is run, Hong Kong people have been living a rather philistine life. This is quite a great pity.

Besides following unambiguous and established policies on acquisition, France also encourages the collection of works by young local artists who have not yet risen to fame. The Hong Kong Government and particularly the WKCD should make reference to such policies. Furthermore, cultural development in France is promoted not only by the central government, but also by the governments of various regions, cities and towns. All organizations involved in cultural affairs will support their local arts talents. Moreover, major venues like *The Louvre* are not the only kinds of development projects, as there are many local-level projects, such as those for turning barnhouses and factory plants into arts activities centres to nurture local talents and revitalize local cultural life.

Today, the Secretary has been listening to our speeches very carefully. I honestly very much hope that in this regard, the Home Affairs Bureau can make more efforts and explore how to enliven Hong Kong's cultural life, instead of thinking that simply by organizing certain functions during festive seasons, it can already enliven our cultural life. One example of how cultural life can be enlivened, as I just said, is to add cultural touches to our daily life and home environments. This is also very important.

France also places great emphasis on promoting artistic creativity and revitalizing arts venues, and the most important aim is to make the best use of everything. Besides the nurturing of talents, there are also the development of space for fostering an artistic and cultural setting in people's life as well as the great respect for artists' creative pursuits. Moreover, there are also various living art projects to provide performing opportunities to arts talents, so that they can make a living and showcase their talents through various performances. In addition, France is also very successful in making arts and cultural products by integrating industrial production with arts. Hong Kong needs to follow suit and

explore the integration of arts talents with industry and business, especially in respect of product design. This is an important element.

Hence, to sum up, culture and arts should exist in every aspect, corner and area of our life, and I hope the Government can give further consideration in this regard (*The buzzer sounded*)

PRESIDENT (in Cantonese): Mr CHAN, your speaking time is up.

MS CLAUDIA MO (in Cantonese): President, as early as 2008, Hong Kong people already heard that the estimated construction cost of \$26 billion was an erroneous estimation, and would not be enough to complete the West Kowloon Cultural District (WKCD) project. Hence, at that time, everybody wanted to see what would happen eventually. At that time, Henry TANG pledged in the name of God that things would be alright, and that the estimated sum would be enough. But the authorities now talk about a costs overrun, so somebody must shoulder the political responsibility. If anyone thinks that the current-term Government has nothing to do with the costs overrun, and that it is only a problem passed onto them from the past, I would say that those who hold this view are probably "political idiots", the reason being that all incumbent governments in this world must be held responsible for the "achievements" or "mistakes" of their predecessors. We can see that in the West, many incumbent governments must even apologize for the wrongdoings of their predecessors a century ago. In case a previous government committed some irresponsible acts (including discrimination) against certain ethnic groups, the apology would have to be made by the incumbent government.

Yesterday, when I listened to Mr Christopher CHUNG's speech on moving his motion, I was so terrified that I almost fell off my chair. "Big Guy" already said so just now, and I myself also thought he had joined another political party. The expressions he used were not only strange but also exuding a strong aura of the Cultural Revolution in tone. I hope Secretary TSANG Tak-sing would not be scared by his former fellow party member. President, please allow me to quote some of the remarks made by Mr Christopher CHUNG yesterday. He claimed that the Board of the West Kowloon Cultural District Authority (WKCDA) — including a fellow party member of his — was "unorthodox". However, the Chief Secretary for Administration from the Government is also a member of the Board; in that case, can the Chief Executive Officer of the

WKCDA, described by Mr CHUNG as "unorthodox", really do whatever he wants?

He also said (and I quote), "The previous-term Government should take the greatest blame." However, the term of the previous-term Government has already ended. Does this mean that the current-term Government does not need to bear any responsibility? What was he talking about anyway? Then, he went on to say (and I quote), "They adopted the wrong logic in their concept of appointment, thinking that the appointment of a foreigner as the Chief Executive Officer would definitely work". He continued (and I quote again), "Why must a foreigner be appointed? Is their unfamiliarity with Hong Kong and the arts and cultural environment in Hong Kong considered their advantage? Are they considered a puppet which can be manipulated by the Government more easily in the future?" (End of quote for the time being) Just now, Mr Alan LEONG said that he did not know who was manipulated by whom; in fact, Mr CHUNG said a lot on this, only that Mr Alan LEONG failed to hear his words clearly. Mr CHUNG said, "manipulated by the Government in the future". He meant that they would be manipulated by the Government.

I now continue to quote Mr CHUNG, "(After) Mr Graham SHEFFIELD (resigned), the WKCDA had not learned a lesson but insisted on employing a foreigner" What was he talking about anyway? If he thinks that a person is not fit for the post, he can always criticize that person as much as he wants. But why must he emphasize that the person is a foreigner? Does he mean that since the person does not know any Chinese, he is not fit for the post? In fact, there are many ethnic minorities in Hong Kong who do not know any Chinese. Are we supposed to bar them from doing anything simply because they do not know any Chinese? Many employees of the major banks in Hong Kong, such as HSBC, likewise do not know any Chinese. Please do not forget that Hong Kong is a metropolis. What is even more ridiculous is that he immediately added these words: "I have to clarify that I am not being racist". His behaviour is certainly unacceptable. How could he, after slapping somebody across the face, say this to the victim right away: "I have not slapped you. I have only given your face a light touch." Shame on him! He was even so brazen as to say something like this, thinking that Members could utter all sorts of nonsense when speaking in this Chamber because they were under the full protection of powers and privileges. Mr CHUNG's remarks are absolutely unfair to all the ethnic minorities in Hong Kong. When I heard him use expressions such as "wrong appointment", "the puppet", "manipulated by the Government", and so on, I really

thought he was criticizing Roy TANG of the RTHK, or LEUNG Chun-ying himself.

I want to remind Mr CHUNG that the entire WKCD is designed by a foreigner called Norman FOSTER, who was Hong Kong's then His design was chosen because the last-term Government decided that it was the best. Is Mr CHUNG now saying that the whole project must start all over again? Is he saying that we are all blind worshippers of things foreign who always think that local designs are never good enough? His words have turned increasingly His words are totally unacceptable. I must also remind him of one point. Many people have kept expressing the worry that the WKCD may turn into "大白象". "大白象" is only the Chinese translation of "white elephant" in English, as the President surely knows. In that case, why does he use a translated term, rather than using a Chinese expression to put across his ideas? What is meant by a "white elephant"? A "white elephant" has nothing to do with China, but Thailand. Why doesn't he say "I am most afraid that the WKCD will become a '大頭佛' (a big-headed Buddha)"? This Cantonese expression is good enough, so please do not say "大白象" anymore. "大頭佛" as a description can actually mean a large yet useless project that leads to a great waste of public funds. This is the right expression. Don't be blind worshippers of things foreign.

He says that people who do not know any Chinese are not qualified for appointment. In that case, should talents from the Mainland be employed? Oh, by the way, I have omitted one thing. When he moved this motion, he said that (and I quote), "In this connection, the contract of the incumbent Chief Executive Officer is expected to expire in next July. The authorities should assess his performance carefully according to stringent requirements, and his contract should only be renewed if he passes the assessment." This tells us clearly that he wants to have a new appointee. As rightly asked by Mr Charles Peter MOK just now, is he aiming at political intervention, and using racial origins and language as the line of division? I maintain that arts transcend all political boundaries. In that case, should we employ talents from the Mainland? Or, should we require that Mainland talents must know English and Cantonese before they can be regarded as being familiar with Hong Kong arts and culture?

Our greatest worry is that LEUNG Chun-ying's repeated emphasis on China-Hong Kong integration, or the mixing of well water and river water, since his assumption of office may lead to the complete erasure of Hong Kong's culture and local characteristics. Admittedly, it is stressed very strongly that one

objective of the WKCD is to nurture local arts talents and showcase local arts and culture. Nonetheless, the arts sector is very concerned that the WKCD may turn into a gigantic version of the Leisure and Cultural Services Department or even the Arts Development Council. The arts sector is worried that the WKCD may become just an exclusive social club. Honestly, has Hong Kong really been so transformed that what we now have is just an anachronistic officialdom marked by cronyism and the ready acceptance of any "old friends" through connections?

We want to nurture Hong Kong's Andy WARHOL and AI Weiwei. But even if we put down everything clearly in black and white after this debate and say with tears in our eyes that we will nurture such talents, we may realize at the end of day that what prevails is only the kind of arts theory expounded so loudly by Mr CHAN Kam-lam: anything that is obscene and indecent, or contains element of politics or insult, must not be regarded as art. A very frightening theory, isn't it? Would Members be frightened when hearing his statement? What about the independence of artists? If somebody can arbitrarily label a work of art as containing elements of insult, another work as obscene, and still another work as politically incorrect, can the freedom of artistic expression still exist?

We are most afraid that the WKCD may eventually become a project of mere empty words. My personal perception is that there is a new generation of unique culture in Hong Kong If any artists, sculptors or photographers create a work of art with the 1 July march — the march is unique because it is held only in Hong Kong — or the 4 June candlelight vigil as the theme, will the work be labelled as incorrect, improper or inappropriate? And, will the artists be ostracized amidst cronyism? That is very worrying indeed.

The policy and vision of the WKCD are stated most unequivocally, and the authorities claim that they will nurture and cultivate arts talents, arts and culture in Hong Kong, so I sincerely hope that the project will not be reduced to a project of mere empty words. Hong Kong's culture is not only about Wing Chun Fist, bone-setting, snake wine or dim sum in Chinese restaurants. We do have a Hong Kong culture which is unique to ourselves. Thank you.

MS EMILY LAU (in Cantonese): President, the West Kowloon Cultural District (WKCD) project has been highly controversial from the outset. You may recall

that the then Chief Executive, TUNG Chee-hwa, adopted the "single-developer approach", which stirred up a big row in town. Since the interests of property developers could not be balanced, the project was aborted. Many people very much hope that the Government can make greater efforts to promote arts and culture for appreciation by both local people and inbound tourists, so as to enrich people's lives.

President, I believe you can understand better than anyone else that arts and culture in China today are highly sensitive and controversial issues. As many Members have remarked in our debate today, a genuine respect for arts and culture must hinge on a respect for people's freedom of expression, including the freedom to satirize or criticize those in power. However, I believe many people cannot tolerate such freedoms. More importantly, the project is "a big piece of meat" involving some \$10 billion or even more. Some have even said that the construction costs may go further up and exceed \$40 billion. Well, I am not sure how they have come up with this figure, though.

Years back, I myself expressed very strong reservations about the project. And, many foreigners even told us that no other places in the world would adopt our practice of making a one-off injection of several dozen billion dollars into such a project. These foreigners described us as being really lucky because in other places, such facilities were invariably developed step by step. Sadly, the executive authorities were then bent on taking forward this project. But the WKCD site is still overgrown with weeds even today. Many people are therefore extremely sad and displeased. Not too long ago, we once again invited people from the arts and culture sector to have discussions with us. Many of them told us that the West Kowloon Cultural District Authority (WKCDA) had rarely held any discussion with them. Ms Liza WANG was an exception, however. She said that the WKCDA had consulted her because the Xiqu Centre was the first works item under the project, and it was faced with a serious costs overrun. President, the person from the top management of the WKCDA who consulted her is also a foreigner. I am not saying that foreigners are not supposed to consult Chinese people. But is the problem this time around caused by an uneven distribution of the booty?

The SAR Government has set up many funds, and it frequently submits funding requests to the Finance Committee for huge sums of money. We have kept auditing the incomes and expenditures of these funds, and we find that many of those responsible for handing out money are big shots in the leftist camp. As

for those fund members from the business and professional sectors, they are somewhat like onlookers only. Some have told me that the HK Dome Festival on 1 July is really an example of how the Secretary has been misusing public funds. President, the HK Dome Festival on 1 July is not the only example. If Members bother to look at what is happening in the 18 districts, they will know that a lot of civil servants have already jumped on the bandwagon, in the sense that they all know very well to whom the benefits should be distributed. The whole of Hong Kong can actually see this trend. Is an uneven distribution of the booty once again the cause of the present eruption of bitter controversies?

A Member has just talked about the appointment of foreigners as leaders of the WKCDA. These foreigners all have records of high-level management in their respective fields. Some people say that the appointment of foreigners is desirable because they are not part of any intricate relationship of benefits in Hong Kong. Honestly speaking, such relationship is not unique to the arts and culture sector, and the problems with the WKCD this time around are really very complicated. What kind of leader should we choose if we are to satisfy all sides? The present situation definitely shows that some people are dissatisfied. Since there is dissatisfaction, it makes sense to really conduct an investigation. If any concrete proof can be produced in the process, they should directly denounce the persons concerned for their dereliction of duty and mistakes, rather than saying that the reason "may be" an over-reliance on foreigners in the relevant process, as mentioned in one of the amendments. What kind of argument is this? What do they mean by "may be"? "May be" actually also means "may not be". They are now asking all Legislative Council Members to cast their votes, so even though the motion is not intended to have any legislative effect, they still must not show such lack of seriousness. Is that right?

President, when I had discussions with people from the WKCDA, some of them frankly told me that they could feel the existence of racial discrimination. Actually, we do have legislation on the regulation of racial discrimination. And, I believe all Members would agree that since there is legislation on regulation, people can always take the matter to court. But do we really have to take such actions? As some Members have always said, the crux of the matter is that every side is now basically able to get a share of the benefits from the WKCDA, only that some people still think that their shares are not big enough. Is it really true that some people still find their shares of the works projects not big enough? A Member has expressed the view that all the works projects should be broken down into smaller ones, so that local companies may also participate in the

tenders. I also buy this idea. Why don't we enable all to get some benefits? The Government likes to talk about World Trade Organization (WTO) requirements, and I am sure the Secretary will once again refer to these requirements a moment later. Nonetheless, some from the engineering sector have told me that actually, no one in the entire world observes any of these WTO requirements. But Hong Kong is the only exception, and it even goes so far as to award all the works contracts to foreigners. Is this really true? Please clarify this point because the local arts and culture sector and various professions all wish to participate in these projects. Yet, I must of course add that the projects must not be distributed on the basis of personal connection or political background.

The arguments I have heard in this motion debate honestly displease me a great deal. Mr Christopher CHUNG's motion looks alright, but after listening to his remarks, I come to realize that he in fact holds such views. How can I support this motion in that case? I think that their arguments are utterly outrageous. If they have any proof, just present it! We have always supported the idea of requiring the WKCDA to disclose its meeting proceedings anyway, so if they really dare, just join us! Nonsense! I believe they should point out the problems clearly, rather than simply saying "may be this" or "may be that". How can the Legislative Council work in such a way?

President, my amendment likewise places great emphasis on cost-effectiveness. This is an issue I will always raise whenever any opportunity arises. But very often The Secretary will likely talk about this a moment later What I am saying is that in reality, the prices of many things have risen, and the costs of many different projects have likewise increased, as in the case of school construction and others. In that case, the question is: should we stop the construction? Please do not forget that "our heads are now already full of shampoo". Besides, the Government also explains that construction costs have risen because of the addition of new projects. Are Members going to take and accept this explanation?

We are not asking for any luxurious facilities and we just want to have facilities marked by uniqueness and good taste, something unlike the Hong Kong Cultural Centre (the Cultural Centre) in Tsim Sha Tsui. The Cultural Centre in Tsim Sha Tsui is situated by Victoria Harbour, which is the most beautiful harbour in the world. But it does not have any windows. Visitors to Hong Kong thus cannot help wondering what has happened to Hong Kong people.

Honestly, if a building does not have any windows, it can in fact be constructed underground. Why is the Cultural Centre constructed at this most beautiful location? Some have even said that it is best to blow it up. So, we must never ever construct another building like the Cultural Centre.

Does the construction of signature buildings definitely involve high costs? The answer is of course no, and the sectors concerned may express their views on this. I agree with Mr Paul TSE that all construction requirements may be set out in the tender. Recently, the Public Works Subcommittee of the Legislative Council Finance Committee approved the construction of the Vocational Training Council's International Cuisine College in Pok Fu Lam. President, please look at the picture and see how beautiful the campus building is! I once asked the College if the design actually came from the winner of any concept design competition. The College simply replied that it commissioned a consultant to work out a design. In the end, they have such a beautiful building now.

Another example is the Multi-media Building of the City University of Hong Kong, which is a very beautiful white "polygonal" building. The only pity is that it is located close to another building. Sometimes, the beauty of a building can be fully manifested only when there are no other buildings around. Once our sightline is blocked by the buildings near it, it will become less attractive. Nonetheless, this kind of buildings should still be constructed.

I hope creativity can receive encouragement. But I do not think that the present "Cultural Revolution approach" should be adopted. We should not simply tell people that "execution" will come next year, that an assessment will first be made, that those found not up to standard will be driven away, and that other persons will come as replacement. If we do so, we will turn ourselves into a laughing stock, President. We hope that everything can be done according to the rules Oh, it is nice to have the Secretary here now. He does not belong to our party and I do not know which party he belongs to. What has caused his present embarrassment? Abandonment by his allies? Uneven distribution of the booty? Or, other reasons?

I hope that all of us can stay calm. In case they think that there is anything unsatisfactory, just present data to prove their claim. Please do not associate the matter with the foreign nationalities of anyone. We often talk about our wish to make Hong Kong a metropolis. But if such comments are frequently made, what messages will we give to foreigners? Are we going to

ask foreigners not to do business, invest and work in Hong Kong? I think these comments are really nonsense. I do not quite understand what have provoked Members holding these views.

President, perhaps they have really been provoked, but I still hope that we can handle matters fairly in Hong Kong; otherwise, how can we become a cosmopolitan city? What a shame.

SECRETARY FOR HOME AFFAIRS (in Cantonese): President, the West Kowloon Cultural District (WKCD) project is a long-term investment of the Government with strategic significance, which promotes the development of the cultural and creative industries, responds to people's increasing cultural demands and enhances Hong Kong's position as a cultural metropolis. The WKCD belongs to all Hong Kong people and public participation is essential to the implementation of this project. In 2008, the Finance Committee of the Legislative Council approved an endowment of \$21.6 billion for the establishment of the West Kowloon Cultural District Authority (WKCDA). From 2009 to 2011, a three-stage public engagement exercise was conducted to gather the views of the public, the culture and arts sector and other stakeholders on the planning of the district and the core arts and cultural facilities. The Conceptual Plan Options for the WKCD formulated by three design teams were presented for public consultation and the public were invited to fill out response documents. The Conceptual Plan selected by the WKCDA was finally developed into a proposed Development Plan, incorporating desirable features from the other two master plans. After the statutory planning and consultation process, and the approval by the Chief Executive in Council in January this year, the facilities have successively entered the stage of construction.

The WKCD project has been monitored by the Legislative Council. The WKCDA regularly briefs the dedicated joint subcommittee set up by the Legislative Council on the work progress, and the Chief Executive Officer of the WKCDA have attended meetings to answer Members' questions.

Last month, the Government and WKCDA notified the Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project that they would brief the Subcommittee on the latest financial situation and financial arrangements of the WKCD project on 3 July, that is, next Wednesday.

Although the authorities have announced the above arrangement, I still welcome Members' discussion on this topic yesterday evening and today. On the motion of Mr Christopher CHUNG and the amendments of 10 Members, we will carefully consider the contents of the documents printed by the Legislative Council Secretariat, and I am more than willing to listen to Members' views. However, Mr Christopher CHUNG's remarks on his motion last evening comprised unjustified abuses and replaced facts by prejudice; he even named the person-in-charge of the WKCDA and attacked him, which is not acceptable to me.

Under the impact of the general economic environment, construction costs soared in the past few years. Therefore, Members are worried that the expenditures on the WKCD project may exceed the estimated expenditures, and they are also concerned about the cost-effectiveness of various works items. A Member has asked the Government to ensure that the construction of all cultural and arts facilities under the WKCD project are fully implemented with the originally approved \$21.6 billion. I have also heard a Member ask the Government to reduce the number of the cultural and arts facilities undertaken to be constructed and the slow-down of the works progress. Another Member thinks that supplementary appropriation may be applied for in the light of practical needs to appropriately increase financial resources. The Government welcomes and will seriously consider different opinions. In any case, the development and planning direction of the WKCD is achieved after prolonged consultations. Despite the pressure of rising construction costs, the SAR Government and the WKCDA will follow the approved development plan and expeditiously carry forward the WKCD project on the premise of prudent financial management, so that the public can benefit early.

Like the Legislative Council, the Government attaches great importance to and is very much concerned about the financial issues of the WKCD, and we have been urging the WKCDA to strictly control costs and expenses. Since the design teams for the Xiqu Centre were announced in December last year, members of the WKCDA at various levels, such as the Board, the Executive Committee and the relevant committees, have discussed the financial and related issues. The result of the design competition for M+ will be announced soon. According to the WKCDA, with a better grasp of the construction costs of the two core cultural and arts facilities, namely the Xiqu Centre and M+, more thorough financial analyses and discussions may be carried out in the future.

As I have just said, the SAR Government and the WKCDA have undertaken earlier to brief members of Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project on the latest financial situation and arrangement at its meeting to be held on 3 July.

Furthermore, I wish to say that, while promoting the WKCD project, the Government has invested resources in the provision of more opportunities for extensive public participation in culture and arts, and strengthening overall support for cultural and arts teams, especially providing more opportunities to the younger generation and creating more space for emerging artists. All along, we have resolutely defended the freedom of creation and the protection of intellectual property. We have actively protected cultural heritage and promoted traditional culture, while encouraging innovation. We also promote the reform and innovation of public cultural facilities such as museums and libraries, and engage in public promotion in this connection. The new-term Government allows the District Councils to play a more active role in promoting culture and arts, and introducing culture and arts into the community. In addition, we promote cultural exchanges and promote Hong Kong as the platform for regional cultural co-operation.

President, I so submit. I will respond again after listening to other Members' remarks.

IR DR LO WAI-KWOK (in Cantonese): President, after many years of planning and preparation, the West Kowloon Cultural District (WKCD) project was finally included in the 2007 Policy Address of the last-term Government as one of the 10 major infrastructure projects. The aim of this project is to develop an integrated arts and cultural district with an area of about 40 ha.

In 2008, the Legislative Council approved an appropriation request for a one-off endowment of \$21.6 billion, and the West Kowloon Cultural District Authority (WKCDA) was subsequently established. After some twists and turns, the "City Park" conceptual plan was selected by the WKCDA in March 2011 as the master plan. The Development Plan of the WKCD project was approved by the Chief Executive in Council in January this year. The project will be developed in two phases, and the Phase I facilities will be completed from 2015 to 2020, while the Phase II facilities will be completed starting from 2020. Based on this brief review, Members can easily understand that the WKCD

project is a complex project of enormous scale, with its planning and design, tendering and construction, and the completion of all facilities spanning nearly two decades.

My engineering management experience tells me that the expenditure estimates of large-scale projects are based upon a host of assumptions. If there are changes to any major assumptions concerning investment returns, inflation rates, the final design of facilities and works operation costs, drastic changes may occur to construction costs. Any rigid requirements on implementing a construction project according to the original expenditure estimates will be tantamount to a total disregard for the effects of changing circumstances.

Furthermore, many people in society are worried that the WKCD project may turn into a "fiscal black hole". As disclosed by the media, the overall costs of the WKCD project have increased from \$21.6 billion to \$47 billion, representing an increase of 117%. For instance, in the case of a Phase I facility to be completed in 2016, that is the Xiqu Centre, its construction costs have increased drastically from the estimated \$1.3 billion to \$2.7 billion. As a matter of fact, the total construction costs of \$21.6 billion for the WKCD project were an estimation based on the prices in the year of funding approval, but certain external factors have changed over the past few years. For example, according to the Government's Building Works under Tender Price Index, construction costs in general have nearly doubled over the past six years. In addition, the support facilities proposed under the WKCD conceptual plan, including basement facilities and information and communications technologies, will inevitably add to the overall construction costs. This is understandable. It is not hard for us to foresee that the estimated construction costs of other works items under the WKCD project will likewise face upward pressure. Thus, people in society are understandably worried, having doubts on the total expenditure of the WKCD project at the end of the day. In case it is impossible to identify effective measures to increase revenue and reduce spending, will the authorities be forced to yield to the reality, thus necessitating a reduction of the original quantities of arts and cultural facilities, slowing down the works progress, and stripping the public and the cultural sector of their expectations regarding the project?

President, in view of the current socio-political atmosphere, I am afraid that it will not be easy to depend solely on the Government's supplementary provision as a means of addressing the costs overrun of the WKCD project. I am of the view that since the WKCDA is responsible for the management and operation of

the largest ever arts and cultural facilities in Hong Kong, it must put in place a financial control mechanism, so as to enhance economic efficiency and increase financial transparency. Besides asking for increased funding, it may also adopt the following measures: first, formulating a more effective overall cost control scheme for enhancing cost-effectiveness and economic efficiency in different stages of the project, such as design assessment, tendering arrangements, project scale and sourcing of construction materials, one possible measure being the conduct of joint tender for the design and construction of certain facilities to save construction costs and time. Second, in the planning process, the Government should as far as possible adopt various environmental facilities such as district cooling systems, so as to conserve energy, reduce emissions, lower operating costs, and promote the sustainable development of the project and neighbouring regions. Third, the authorities should make use of the WKCD project to drive the development of waterfront facilities and various traffic and road ancillary facilities around the WKCD, with a view to achieving better synergy in the course of development. For instance, the plot ratio of 1.81 for the WKCD may be appropriately increased. Even though the proceeds from land sales must be surrendered to the Treasury, floor area increase will nevertheless enhance the operation and bargaining power of the WKCD project in the future because the flows of people in the area will thus increase. Fourth, the Government and the WKCDA should re-examine the financial arrangements of the entire project as soon as possible, formulate reasonable funding principles, report to the Legislative Council on the implementation progress and financial situation of the WKCD project at appropriate times, so as to enhance accountability, and ensure the proper use and effective monitoring of public funds. Fifth, the WKCDA should allow the maximum participation of local engineering and construction industry personnel as well as culture and arts management talents in the planning, construction and management of the various facilities under the WKCD project.

President, in the face of queries, the WKCDA should put forward a feasible financial control mechanism with credibility, so as to address the worry of those in society who fear that the WKCD project may turn into a "fiscal black hole", and secure the support of various sectors (including Legislative Council Members). The authorities should pragmatically seek to appropriately increase financial resources based on actual needs, so as to ensure the successful implementation of the WKCD project. And, the authorities should also address the concerns of the sector, honour their commitments to the general public, and meet the long-term needs of Hong Kong regarding the infrastructure and development of arts and culture.

President, I am a professional engineer and an amateur lover of culture, history, arts and music. I realize very deeply that if we are to foster a cultural ambience in society, there must be a nice complementary partnership for hardware and software facilities as well as the relevant talents. On the one hand, we must pay attention to hardware construction for our cultural development, and on the other, we must urge the SAR Government to adopt effective policies and measures to actively promote the development of cultural diversity and nurturing of talents.

President, I so submit.

DR CHIANG LAI-WAN (in Cantonese): President, I strongly support Mr Christopher CHUNG's motion today. My comments on today's motion will comprise two parts, but I want to respond to the remarks of some Members before expressing my own views. According to some Members, since problems of costs overrun and management have occurred with the West Kowloon Cultural District (WKCD) project and there is a District Council (DC) member from the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB) on the Board of the West Kowloon Cultural District Authority (WKCDA), the DAB should really bear part of the responsibility. Mr Chris IP, the DC member mentioned above, has joined the Board of the WKCDA for just a few months, and it was precisely because of his detection of these problems that he raised the issue and asked us to initiate discussion in a Council meeting. I hope Members can clarify the whole thing before accusing others. Please stop making slanderous accusations.

Members have also criticized Mr Christopher CHUNG for being "xenophobic". However, if they had listened at all carefully to Mr CHUNG's remarks just now, they would have heard him remark very clearly that culture management talents were found not only in foreign countries but also in Hong Kong. I hope those who have made the criticism can withdraw the word "xenophobic".

First of all, I would like to discuss costs overrun. In recent years, many government projects have experienced this problem, and the seriousness of costs overrun for the WKCD project is really frightening. The construction cost of this particular works item has soared by 100% from \$1.3 billion to \$2.7 billion. Based on the costs overrun in this particular case, we may project that the total

funding required for the whole project may rise from \$21.6 billion to over \$40 billion. The WKCD project is the first culture and arts development project funded by a one-off upfront endowment. Years ago, many Members actually questioned whether the inflation rate of 2% projected by the authorities was on the low side. But, the financial consultant deemed that the projection was reasonable, and government officials also stated that the authorities considered that the estimated \$21.6 billion one-off upfront endowment was an appropriate amount, and it was unnecessary to seek any further endowment.

However, the construction costs of this Phase I facility, the Xiqu Centre, will double the estimated costs, and there are still the expenses on Phase II projects and other works that have not commenced. In the course of consultation in 2006, the Government estimated that the expenses on the WKCD project would be \$19 billion, and the estimated expenses increased to \$21.6 billion when they were presented to the Public Works Subcommittee and Finance Committee of the Legislative Council in 2008. We should have noticed that there was something wrong with the estimates then. Why is the costs overrun of the WKCD project so serious? After a careful examination of the relevant accounts, I notice that, excluding direct costs, consultancy fees alone already exceeded \$300 million in the past four years, which was more than the total salaries of all WKCDA employees.

Besides, I also wonder why the WKCDA needs to rent a Grade A office. Must everything be grade A when it comes to cultural development? This question reminds me of the office of Energizing Kowloon East Office. Although it is only a temporary office erected under a flyover, it is a famous low-carbon office in Hong Kong, one that is cost-saving and very environment-friendly. I hope the WKCDA can consider this approach rather than wasting \$15 million a year on renting a Grade A office.

Regarding design, I also have some views. Some are of the view that signature buildings should be erected in the WKCD. Honestly, a cultural district does not necessarily require huge expenditures, and the successful arts venues in the world may not necessarily have any grand signature buildings. We all know very well that the Tate Modern Art Museum in the United Kingdom used to be a power plant, and the Chaoyang District in Beijing, a rendezvous for cultural and creative industries and a favourite place of many foreigners, was converted from an old factory and by now enjoys international renown.

The opera theatre of the WKCD will mainly be used for staging Chinese operas. This reminds me that even though Chinese operas were performed in open-air bamboo theatres in the past, opera fans still enjoyed the performances with great relish. This tells us that when we seek to promote culture, we sometimes need to understand the quintessence of the very culture we are promoting, and we must also realize that expensive and grand facilities are not necessarily required. We may look at Yau Ma Tei Theatre as an example. The original exterior design is retained, but its interior has been completely renovated to give it the aura of a new place. The total costs are less than \$119 million. The Cantonese opera sector even describes it as a first-rate theatre. President, I know that the Xiqu Centre under the WKCD project is scheduled for completion in 2016, so if the authorities want to compute the accounts again and review the management methods, the completion of this project may have to be postponed.

President, the only issues that cannot tolerate any slightest delay are "clothing, food, housing and transportation". After all, more than a decade has been spent on this project, and Legislative Council Members should be responsible for monitoring the public expenditure on this cultural project. Hence, we hope that the Government can expeditiously review the entire project, so as to enable the public to see the whole picture clearly (*The buzzer sounded*)

PRESIDENT (in Cantonese): Dr CHIANG, your speaking time is up.

DR CHIANG LAI-WAN (in Cantonese): Thank you, President.

MR FRANKIE YICK (in Cantonese): President, over the past six months, the design and construction costs of the West Kowloon Cultural District (WKCD) have remained hot topics in the press and other mass media. So far this session, the Legislative Council has held a number of discussions on the serious costs overrun of over \$20 billion relating to the WKCD project. Unfortunately, government officials have been unwilling to give clear replies, nor have they provided the Legislative Council and the public with any further financial information. Given the lack of transparency, the costs overrun of the WKCD project is worrying. The public even fear that the project may become a "white

elephant project" entailing an "abyss of expenditure", and huge amounts of public funds may thus have to be spent on this cosmetic culture project.

The purpose of constructing the WKCD is not only about the provision of additional performing arts venues as well as modern art galleries and museums in Hong Kong. A more important purpose is to make use of the WKCD as a means of promoting local cultural industries and upgrading Hong Kong people's cultural and artistic qualities. Therefore, software components such as museum exhibits and collections are much more important than hardware facilities like museums and art galleries.

The construction costs of the Xiqu Centre under the WKCD project have drastically risen from \$1.3 billion as projected in 2006 to \$2.7 billion. The major reason for this is the twofold increase in construction costs over the past six to seven years. It is also projected that the construction costs will only continue to go up in the future. Therefore, society unanimously agrees that the "all-inclusive" funding package of \$21.6 billion approved by the Legislative Council in 2008 will be inadequate. The media have quoted internal sources of the West Kowloon Cultural District Authority (WKCDA) as projecting that the overall costs of the project at the end of the day will increase to \$47 billion, meaning a costs overrun of \$25.4 billion. I hope that when government officials give their replies later at this meeting, they can give the Legislative Council and the public a clear account of how the authorities are going to deal with the serious costs overrun. Will they apply to the Legislative Council for any supplementary provision? If yes, what will be the amount of the request? And, when?

President, the Government and the WKCDA must strictly control the expenses on design and construction, spend within the means and adhere to prudent financial management. Functionality and value for money must be adopted as the assessment criteria for works projects yet to invite tenders, including the Great Theatre and M+, both of which are scheduled for completion in Phase II. Otherwise, in case any unconventional and wildly creative designs are put forward, construction costs will only soar in the end.

A few months ago when the Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project of the Legislative Council discussed the design of the Xiqu Centre, we came to know that in the Design Competition, while the criterion "Innovation, Creativity, Aesthetics and Identity" carried a weighting of 20%, "Cost Aspect/Value for Money" accounted

for only 10%. The government officials at the meeting explained that the adjudication criteria were in line with international practices. But I do not quite agree to this view. We must adopt methods suited to the situation and apply different adjudication criteria suited to the specific conditions of individual buildings. Since "Cost Aspect/Value for Money" only accounted for 10%, the Liberal Party thinks that the percentage should be slightly raised as appropriate. Thus, the Liberal Party supports Mr Tony TSE's amendment and his request that the WKCDA should work out more effective cost control proposals.

The Liberal Party is also of the view that while the Audit Committee of the WKCDA should strictly control costs and expenditures, the Audit Commission also has the responsibility to monitor the expenditures of the WKCD project, so as to ensure value for money and enhance the financial transparency of the project. As we now expect to face a financial dilemma, the Liberal Party supports Mr MA Fung-kwok's proposal that the plot ratio of the commercial buildings within the WKCD should be appropriately relaxed for the purpose of increasing revenue.

However, I must at the same time point out that when considering any relaxation of the plot ratio, the Government must also pay attention to possible disputes. It must, among other things, seek to avoid creating the wall effect along the coastline of Victoria Harbour because this will affect air ventilation, and it must also prevent any blocking of the ridgeline by excessive building heights because this will contravene town planning principles. To sum up, the Government must consider every factor prudently, conduct extensive consultation, and make a final decision only after forging a consensus.

Regarding Mr Alan LEONG's amendment proposal that the Administration should "study the introduction of an arts accountability system", the Liberal Party cannot fully grasp Mr LEONG's meaning, but based on the wording of the amendment, we think that Mr LEONG may be focusing on whether the future operation of the arts and cultural facilities can be cost-effective and who should be held accountable in case of the negative. The Liberal Party is in favour of this proposal.

President, the construction of the WKCD is meant for promoting local cultural industries, so in the course of its construction, local architects should have greater participation in its planning and design. Hence, we also support Miss CHAN Yuen-han's amendment on enabling local designers as well as

culture and arts management personnel to participate in the planning and management of the various works items under the WKCD project, so that local people can have more opportunities to participate in large-scale projects, widen their horizons and accumulate experience.

President, I so submit.

DR KWOK KA-KI (in Cantonese): President, the debate today has been "wonderful", and I kind of especially like Mr Christopher CHUNG. It is a pity that he was not yet a Member of this Council on 4 July 2008. On 4 July 2008, when the various social sectors expressed their concern about that "white elephant project" called the West Kowloon Cultural District (WKCD) project and questioned why the Government's proposal could be passed in the absence of any public opinion support, Members of the DAB all supported the one-off endowment of \$21.6 billion. But now, they are staging a drama of "slaying one's blood relation in the name of justice" right here. That is absolutely amazing to me.

Probably because there is the word "cultural" in the name "West Kowloon Cultural District Authority" (WKCDA), they all think they should add in some sort of "Cultural Revolution" overtone today. As a result, some Members are exactly like characters in old films such as "Ying Ku the Double Pistol Lady" and "Red Detachment of Women". I am sure the future WKCD will definitely be full of "good shows". And, as for today, the drama of "Boxers Reborn" has delighted us all especially greatly.

What exactly is the subject of our debate today? Well, we frankly do not need to be so concerned because as Members also know, the birth of the WKCD was itself an accident. When the Government first applied to the pre-unification Legislative Council for funding to take forward the West Kowloon Reclamation project, it actually intended to build a park named West Kowloon Park, which would even outsize Victoria Park. However, when you people's good friend, Mr TUNG, took office, he wanted to look for some places where real estate development could be undertaken. In this way, the West Kowloon reclamation area was transformed into the WKCD. Well, re-packaging the area as a cultural district was itself no simple task already, and he still had to press ahead with a "single-developer approach" in order to please all those property developers. As Members already know, the Government withdrew the "single-developer

approach" in the end amidst community-wide condemnation. It was not easy to achieve such a result at that time. Society at large, the general public and the Legislative Council all made many efforts before they managed to stop this further attempt of the Government to collude with business. However, the DAB was in support of the Government every step of the way. They not only voted for the WKCD; even more recently, on 28 May 2008, when the Government put forward the proposal of creating new posts for the establishment of the WKCDA, the DAB was likewise in total support. Therefore, I find all the drama they have staged today very, very "amusing".

Well, fence-sitting can sometimes be a very difficult job, and it is equally difficult for a person to totally negate what he has said openly before. But since they are brazen enough to do so, I think I really must think about what has actually happened, and why they have turned themselves into such great heroes of justice. Having listened to their speeches, I now understand why — they want to condemn the present domination of the WKCDA by foreigners. We all know that Hong Kong has always been a relatively tolerant city. Much as we are against colonialism and favouritism to foreigners, we will never actively discriminate against anyone on the ground of his identity and nationality. We will treat all culture workers equally and assess them on the sole basis of their artistic achievements, regardless of where they come from — Beijing, the United States, Europe or even Hong Kong. After reviewing the job history of the Chief Executive Officer of the WKCDA, I notice that he is not without any achievements. He once served at the Sydney Opera House and he also worked at the London Southbank Centre in southern London, which I suppose Members may also have visited. He possesses certain qualifications and experience, and he is not so bad after all.

Yet, why have they still made all such criticisms today? Maybe, I am a bit over-suspicious, but I am afraid that the present Chief Executive Officer may well be replaced pretty soon to make way for another candidate acceptable to the Central Propaganda Department. We should be able to see that we are talking about a new cultural district, and it is sometimes really difficult to distinguish between culture and propaganda work; the two can be described as having the same mother. Are they really going to use the cultural district for propaganda work? Hong Kong people can just wait and see. And, on my part, I very much want to hear the views of the Secretary for Home Affairs on this matter.

It is a pity that the Chief Secretary for Administration, Mrs Carrie LAM, is not present today. Many of the disputes actually revolve around one question only: has the Government secretly spent extra money without telling the public? I think all the talks about this sum of \$47 billion in the community these days must be based on certain grounds and reasons. At that time, the Government vowed and claimed that \$21.6 billion would be sufficient and there should be no problem. I remember that many Members, including me, repeatedly asked Henry TANG, whether the amount would really be sufficient. He responded that there would not be any problem and the amount would certainly be sufficient. I really despise those people who want to sever ties with Henry TANG now. This is really a wrong thing to do, totally against loyalty and justice, and they should never have done that. All that he did here that very day, he did it in his capacity as the Chief Secretary for Administration, so the whole thing was never about him alone. Rather, the entire Government should take all the blame.

The present public concern is whether there is really a costs overrun. We have roughly calculated that since the construction costs of the Xiqu Centre have increased from the original \$1.3 billion to \$2.7 billion, the construction of one seat is almost \$3 million, which is practically the price level of a luxurious flat. Why?

Second, the Government is very smart, in the sense that it frequently absorbs some expenditure accounts secretly. For example, the basement car park and air-conditioning cooling system we are talking about involve an amount of around \$8 billion. I hate such tricks because the Government did not mention these figures at the very beginning.

Even if there is a costs overrun, there should still be some actual figures. My greatest fear is that some people with secret motives may want to use what should have been a cultural project as a means of political censorship. They may want to turn it into a Special Political and Cultural District which exalts some alternative values not wanted by Hong Kong people but cherished greatly by the country. I hope all of us can respect "one country, two systems" and "Hong Kong people ruling Hong Kong". Culture transcends all national boundaries, but it is important to remember the values at the core of culture, including freedom, justice, equality, and the freedom of all arts from political intervention.

I do not agree to the criticisms expressed by many Members today, especially Mr Christopher CHUNG. I so submit. Thank you, President.

MR MARTIN LIAO (in Cantonese): President, after a wait of 10 years, there is finally the hope of seeing the works commencement of the West Kowloon Cultural District (WKCD) project this year. And, on the other hand, according to media reports, the West Kowloon Cultural District Authority (WKCDA) has already foretold the occurrence of costs overrun, thus arousing social concern. Although costs overrun is within our expectation due to alterations to facilities, inflation and costs increases, I still want to point out that according to a recent costs projection report, the overall costs of the WKCD project will soar from the original \$21.6 billion to \$47 billion, representing a rate of 117% in costs overrun. Some insiders have even told me that they actually expect the overall costs to exceed \$60 billion, and the construction cost of the Xiqu Centre alone will be more than double the original estimate. I think all this is hardly acceptable.

Since the birth of the idea in 1998, the WKCD has undergone rounds of twists and turns involving invitations to tender, alterations to development mode and even the come and go of Chief Executive Officers, so the works under the project have not yet commenced after more than 10 years. And, recently, the problem is compounded by a costs overrun controversy. The root causes are basically the Government's shoddiness and haphazard handling of project planning and supervision, as well as procedural arrangements many years ago.

President, records show that in 2006, the Government applied to the Legislative Council for an endowment of \$21.6 billion for the entire project and based expenditure estimates on the assumption that the annual inflation rate would be 2%. Such an approach was really unrealistic. To begin with, even before rolling out any blueprint and planning, the Government already hastened to apply for a one-off endowment for the entire project, thus raising the eyebrows of all. Second, the Government confidently assumed that the annual inflation rate would be 2% and adopted this as the basis of costs increase projection. Nonetheless, in the past 20 years, Hong Kong's average inflation rate was about 4%. Therefore, the adoption of an inflation rate of 2% as the basis of projection must have stemmed from either ignorance or incompetence, or even ulterior motives.

Everybody knows that in 2006, the construction industry was in the doldrums. Figures of the Census and Statistics Department indicate that within the short span of six years following 2006, the prices of key construction materials already went up by about 70%. This was compounded by the hasty implementation of the 10 major infrastructure projects, which led to a manpower shortage in the construction industry and boosted wage costs. Later, some countries resorted to the quantitative easing policy as a means of boosting infrastructure projects and in turn their economies. This created even keener demands for raw materials and manpower. Faced with both internal and external pressure, the WKCD project has only been able to proceed at a snail's pace, totally failing to keep pace with cost increases.

It is true that some of the abovementioned factors were unforeseeable at the time, but this was not the case with many other factors. There are many outstanding economic analysts in Hong Kong, so why did the Government fail to foresee the impacts of drastic construction cost increases on the project? Have the authorities ever conducted any adequate analyses and planning, and is the failure to do so a cause of the delaying of works items? The WKCD Project Management Team under the Home Affairs Bureau has failed to perform its avowed role, hasn't it? The answers to these questions are all like the writing on the wall, something which all can see clearly.

President, the Board of the WKCD has made it very clear that it is impossible to estimate the dimensions of costs overrun for the whole WKCD project, and that it is a waste of effort to assess the costs overrun at this stage. The Bureau has also stated that it will not be able to confirm whether there will be any costs overrun until after the announcement of the design blueprint and the completion of tendering. This fully reflects the inanity of applying for endowment before making good preparations years back. In contrast, the gigantic new airport at Chek Lap Kok was completed within eight years. The WKCD project certainly does not compare with the new airport project, right?

The various works items under the WKCD project are to be taken forward during different periods and in different phases. I do not see any problems with this approach in principle. But I must still add that the Government has never had any intention of capping costs and expenses, and this will add to costs overrun and project risks. Once costs go up, revenue will once again fail to meet expenditure, thus forming a new vicious cycle. We all understand that we can no longer call a halt to this project even if we really wish to. But should the

Government apply to the Legislative Council for supplementary appropriation whenever there is any costs overrun? Is the Legislative Council supposed to give its approval as a matter of routine, turning the whole project into an abyss of expenditure? This is unacceptable. The authorities must review and improve the methods and procedures of planning, monitoring and implementing large-scale projects.

President, I have heard that due to the pressure of public opinions, the Government has recently proposed to make up for any costs shortfalls in the case of most major works items under the project, and postpone the construction of the Phase II theatre. I have also heard that the Government has requested the WKCD to construct venues with simple designs and functionality, and merge those galleries and performing venues of lesser importance, so as to reduce costs. Nevertheless, the whole thing is simply like a "foe glass". It reflects all the past omissions and errors in handling the project, and also the authorities' failure to make amends for repeated mistakes. All this will reduce the WKCD to a cultural district of inferior quality, one which compromises quality for the sake of costs. Such a cultural district is similarly unacceptable.

In view of its profound and far-reaching impacts on society and also its role in dovetailing with the broad direction of the Chief Executive's policy address, the WKCD will provide a major basis for Hong Kong's future development. The WKCD as a whole will give creative talents in Hong Kong many performance and training opportunities. And, through community programmes, the young generation and the public can participate extensively in arts development, thus providing endless inspirations to arts development at the community level. This will be a very important segment of the efforts to lead Hong Kong in the sustainable development of cultural and creative industries and the overall upgrading of cultural qualities in society.

President, the process of implementing the WKCD project has fully uncovered the long-standing problems of ineffective monitoring and improper handling. I hope the Government can learn a lesson, review the existing system and speed up the completion of the WKCD.

President, I so submit.

MR KWOK WAI-KEUNG (in Cantonese): President, the Government established the West Kowloon Cultural District Authority (WKCDA) in 2008, and gave it a one-off upfront endowment of \$21.6 billion to take forward the West Kowloon Cultural District (WKCD) project. Today, five years have passed, but West Kowloon is still a large piece of deserted land. Recently, there have been a spate of media reports on the 100% costs overrun of the project. In response, Chief Secretary for Administration Mrs Carrie LAM has recently said that there does not exist any figure of \$47 billion, adding that the authorities will make good use of the \$20-odd billion, and they have no intention to seek any additional funds from the Legislative Council for injection into the WKCDA in the short run. Although the Chief Secretary for Administration has made a prompt clarification, the arts circle and the general public still have many different doubts about the WKCD project. Regarding the comment of the Chief Secretary that the authorities have no intention to seek additional funds from the Legislative Council in the short run, does she imply that this may not be the case in the long run? Will the Government seek additional funds from the Legislative Council when the works items under the WKCD project are launched? Is the sum of \$47 billion the final figure or just an interim one? Is it possible that the figure will rise further to \$57 billion or \$67 billion? I believe this is an important issue about which the Legislative Council and members of the public are very concerned.

A sum of \$20-odd billion is definitely not a small one. Here, we had to argue over and over with the Government until our gums sore and bled, so to speak, before it eventually agreed to increase the Elderly Health Care Voucher amount from \$500 to \$1,000. And, the amount of annual funding is only \$500 million. In contrast, the amount of funding under our discussion now is \$20-odd billion, which is enough for operating the Elderly Health Care Voucher Scheme for 40 years. Therefore, the Legislative Council is duty-bound to monitor the Government to ensure that the \$20-odd billion will be properly spent on establishing a WKCD capable of dovetailing with the long-term cultural and arts development, as well as promoting the popularization and internationalization of Hong Kong culture and arts.

A subcommittee to monitor the WKCD project is established under the Legislative Council. The subcommittee held totally five meetings so far this session, during which many local arts groups were invited to express views and members listened humbly to their concerns. The issue of gravest concern is how

local culture and arts, as well as the training of local culture and arts management talents can be promoted under the WKCD project. Earlier on, Members argued over whether foreign or local staff should be employed. Honestly, our common wish is just to see the sound operation and management of the WKCD project. Many people describe the WKCD as an independent kingdom whose internal operation is unknown to all. Some arts groups have strongly criticized the Consultation Panel of the WKCD for conducting a meeting only once or twice a year, saying that there is simply no time or opportunity for them to express their views. In this connection, we think that it necessary to enhance the transparency of the arrangement and increase the frequency of meetings, with a view to extensively collecting their views.

Earlier on, the WKCD spent \$170 million on buying some works of art, but some people subsequently queried whether the purchase was value for money and criticized it for being clandestine in decision-making. In fact, regarding such advance purchase of works of art, the Hong Kong Federation of Trade Unions (FTU) also has some slight disagreement. It is expected that M+ will not be completed until 2017. Even a plan is not yet ready, nor is there an exact location for it yet. But the purchase of works of art already started. What actually was the budget for the purchase? In the end, will there be a surfeit of exhibits, and will this necessitate an expansion of the museum, thus leading to a costs overrun once again? If we are talking about a residential flat instead of a museum, who will procure any painting or works of art before actually inspecting the flat?

The lack of consultation aside, the lack of transparency is another issue of concern. As already pointed out by some Members, the WKCD simply places too much emphasis on making the WKCD a world-class and international cultural district, and it has thus neglected the promotion of local cultural and arts development. These opinions have nothing whatsoever to do with any xenophobia. In a word, we can only say that what is happening is "a chicken talking to a duck", meaning a communication breakdown. We collected all these views from the local cultural circle and they are not our fabrication. In the case of talents training, for example, the current reliance of the WKCD on overseas management personnel is not so much a problem. But have the authorities considered how these expensive professional talents can be relied upon to promote the development of local cultural and arts talents as well as management personnel? Since money has anyway been spent on employing these world-class overseas management personnel, the authorities should think

carefully about how to absorb their skills and wisdom for the benefit of their local counterparts.

Shenzhou 10 is an example. If our country has not developed our own space technology but has instead depended on the purchase of overseas technology all the time, then even if we can still launch Shenzhou 10 all the same, the costs will certainly have been much higher. The original mission of the WKCD should in fact be the promotion of local cultural and arts development. Therefore, the authorities should seriously consider how to make use of the WKCD project as a means of strengthening the training of local cultural and arts talents and absorbing them, so that they can give play to their talents.

Suppose when the WKCD eventually comes into being, its over-emphasis on western culture and neglect of local culture lead to the regression of the latter, will the WKCD project become an international laughing stock? If the WKCD project only aims to support the development of tourism rather than promoting the development of local culture, I believe it is very likely (*The buzzer sounded*) to become just a

PRESIDENT (in Cantonese): Mr KWOK, your speaking time is up.

MR KWOK WAI-KEUNG (in Cantonese): mannequin

PRESIDENT (in Cantonese): Mr KWOK, your speaking time is up.

MR KWOK WAI-KEUNG (in Cantonese): having no soul — a real estate project, in other words. Thank you, President.

MR YIU SI-WING (in Cantonese): President, the costs overrun of the gigantic West Kowloon Cultural District (WKCD) project is already a fact. Although the Government and the West Kowloon Cultural District Authority (WKCDA) have not disclosed any detailed financial information, based on the confirmation that the construction costs of the Xiqu Centre will rise from the original \$1.3 billion to \$2.7 billion and the doubling of construction costs in recent years, we can still project that the budget of the entire project may increase by 100% against the

original funding of \$21.6 billion. I very much agree with Mr Tony TSE that the WKCD should be requested to formulate a more effective cost control proposal, so that more consideration can be given to increasing economic efficiency, and the WKCD project can be prevented from becoming a "white elephant project".

The construction period of the WKCD will span as long as 20 years, and changes are occurring to construction materials, manpower costs and external factors every single moment. I can therefore appreciate why there is a costs overrun, and I agree that the Government should continue to inject resources into the project within reasonable limits. The WKCD will enjoy a very lofty status, so if it is operated properly, it will be able to effectively promote the development of cultural pursuits and creative economic activities. However, if the authorities simply spend for the sake of spending in order to complete the project in total disregard for any costs overrun and future operational problems, and if the WKCD also operates improperly, spends without any restraint and fails to secure stable revenue, then the WKCD will probably be turned into a big "fiscal black hole".

President, my remark is not without any justifications. As stated by Mr Tony TSE in his amendment, "Cost Aspect/Value for Money" only accounts for 10% in the assessment criteria of the Xiqu Centre Design Competition, and this leads to queries concerning the WKCD's regard for the factor of value for money in the entire WKCD project. Actually, we can note from the discussion paper provided by the Government in 2008 that overall, the operating costs recovery rates of the cultural facilities in the WKCD will not be very high. Of all the 10-odd cultural and arts facilities in the WKCD, only the Great Theatre, the Exhibition Centre and the Mega Performance Venue will have operating surplus, while all other core arts and cultural facilities will not be financially self-sufficient.

Let us look at the operation of M+ as an example. The estimated costs of its advance works and purchase of works of art at 2008 prices stand at \$4.8 billion. It is estimated that an operation deficit of \$300 million will be recorded in each ensuing year, but the target annual recovery rate is only 18%. Among the dozen of facilities in the WKCD, M+ is the one with the greatest input but smallest output, and the operating deficit of the entire WKCD is mainly attributable to M+. People do support the building of an arts pavilion of international standard in Hong Kong, but is it thus worthwhile for them to bear such a huge financial burden? This question is worth considering. Even if M+ cannot yield the kind of efficiency which is commensurate with the input it

receives in the future, its operating cost recovery rate must at least be on a par with those of similar museums in other advanced countries. The failure to do so will pose huge financial risks to the Government.

President, when the Government submitted the relevant financing approach to the Legislative Council in 2008, it stated that the WKCD would derive its operating capital mainly from the rental proceeds of sites for commercial, retail, dining and entertainment facilities, which would provide a steady source of recurrent income to meet the operating deficits of the cultural and arts facilities. Rental proceeds will thus be the lifeline of the WKCD, and the planning of such facilities is therefore crucial to the revenue of the WKCD in the future. According to some surveyors, if the original plot ratio of 1.81 for the WKCD can be raised to 2, it will be possible to generate an additional 77 000 sq m of commercial floor area. In that case, the land premium alone will already amount to nearly \$10 billion. If the additional floor area is all rented out, the monthly amount of additional rental proceeds will exceed \$50 million. I am therefore in support of any proposal which seeks to increase revenue by mildly raising the plot ratio, and which does not affect the overall planning of the WKCD. Rental proceeds aside, the WKCD should also explore every possible means to enhance the economic efficiency of the entire WKCD and increase the operating costs recovery rates.

President, the construction of the WKCD is a project spanning a very long time from preparation to commissioning. As estimated by the financial report submitted by the Government to seek funding from the Legislative Council in 2008, construction costs and labour costs were estimated to increase by 2% per annum respectively. But over the short span of five years since then, construction costs have almost increased by 100%, so the estimated revenue and expenditure for most of the items should no longer be applicable. I suggest that to prevent any repetition of the same mistake, the authorities should comprehensively review its investments in the project and the returns yielded following the completion and commissioning of Phase I of the WKCD project. If the budgeted amounts turn out to be much too inaccurate, or if the operating deficit is much too big, the authorities should re-examine the funding arrangement for Phase II and give a reasonable account to the general public.

President, I so submit.

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

MR WONG YUK-MAN (in Cantonese): President, at the meeting of the Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project held on 10 June, the Home Affairs Bureau and the West Kowloon Cultural District Authority (WKCDA) responded in writing to Members' questions on the costs overrun of the WKCD, pointing out that since they had already undertaken to give an account to the Legislative Council in July this year, they would not comment on any "speculative reports" on the costs of the entire WKCD project in the meantime. May I ask the Secretary what is meant by "speculative reports"? Since early April, members of the WKCDA Board have been talking to the media about the overall costs overrun of the WKCD project, and the amount is frightening. Mr SIN Chung-kai and Mr MA Fung-kwok, who are also members of the WKCDA Board, have also responded to questions from reporters.

On 13 May, a free newspaper, *am730*, reported extensively on this matter and confirmed a costs overrun, saying that the total costs would amount to some \$47 billion, much to the great horror of all. In late May, the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB) met with the top management of the WKCDA to exchange views. The authorities really neglected our existence totally. As the highest representative body of public opinions, the Legislative Council was the last to be informed. Worse still, they only disclosed some information and refused to disclose other data. The remarks of some Members today, especially those delivered by pro-establishment Members, are really nonsense and rubbish. They said, "Costs overrun is something natural and understandable". How could they say anything like this? Let me tell Members that we have been opposed to this project right from the beginning and will never support it. Therefore, we can now voice our opposition so very loudly and without any fear. I may sound a bit rude, but I must still say that such an outcome is in fact a forgone conclusion. In English, we often say, "I told you so.". At that time, some of those people mentioned above were even not yet Members of the Legislative Council.

Before funding was approved on 6 June 2008, many people felt pretty worried. Everybody talked about inflation, and some mentioned the peg. In a way, all problems, including costs overrun, are already expected, but the amount

should not be so large, should not be so astronomical. The project has now become another "white elephant", just like the Express Rail Link. Incidentally, let me put it simply that a government which squanders public money in this way must be put to death.

My original intention was to give a huge array of facts here, but since the seven-minute speaking time is too short for me to finish them all, I have decided to concentrate on chiding people instead. Secretary, what is meant by "speculative reports"? Chief Secretary Mrs Carrie LAM, the Secretary for Home Affairs and the top management of the WKCD should all take the blame and step down. What have we seen from the WKCD project so far? Has there ever been any concrete work that Hong Kong people can feel with their hands and see with their eyes? What have we seen so far is only the dumping of huge sums of money into the sea. And, pro-establishment Members still have the face to do so much whitewashing for them, saying that it is not always necessary to employ foreigners or concentrate so much on the grandeur of the project. In a way, this is correct, and I tend to agree with them. But the question is: does Hong Kong itself have anything worth mentioning in arts and culture? Hong Kong people are even having problems with their own quality. This reminds me of the motion on tertiary education to be debated by us later on. Tertiary education in Hong Kong is likewise messy. The quality of schools determines the quality of students, and the quality of the Education Bureau determines the quality of schools, I must say. When Donald TSANG rolled out the project back then, he said that the "single-developer approach" would be adopted. However, this approach was later rejected. Some property developers subsequently spent several dozen million dollars on doing research on the project, but their research has turned the project into its present form. This is bound to be the result when a real estate project is packaged as an arts and culture project.

Members may recall what happened in May 2008, and those who supported the funding application should study the relevant paper once again. The paper entitled "Upfront endowment for implementing the WKCD Project" submitted by the Home Affairs Bureau to the Legislative Council Subcommittee on West Kowloon Cultural District Development is very in-depth, and my script lists all the expenditure items set out therein. This endowment of \$21.6 billion covers the development cost of the entire WKCD project. As for the costs of specific works and exhibition galleries, I do not have time to read them all out. Members may search for this paper on the Internet. Simply put, the paper states

that the endowment is sufficient, and the \$21.6 billion already covers all the works items. However, attempts are now made to de-bundle the various works items. How? By making separate funding for Phase II and putting the costs of road systems in the cultural district under the Government's expenditure account. Did the authorities ever mention this when they made the expenditure estimates back then? Secretary, what kind of public financial management is this? He argues that there is no costs overrun as such because he is just trying to put the costs of road systems in the cultural district under the Government's expenditure account, and to seek separate funding for Phase II. How "clever" of him! What is the underlying principle of such financial arrangement? Are they juggling with the works items to suit costs, or the other way round? The authorities must disclose all the information instead of juggling with figures to conceal the truth.

One of the most important reasons for the costs overrun of the WKCD project is the poor quality of the WKCD. This very Government is really rotten beyond any description. What else can we do with it? It should step down if it still has any slightest sense of shame. Yet, it has not done so because this Government led by "689" has everything except any sense of shame; and it wants everything except self-respect. This is the Government of "689".

Therefore by the way, I think it is difficult for us not to expect a large turnout in the march on 1 July this year. Here, I call on Hong Kong people — President, you may also join us if you have time — to take to the streets on 1 July this year because if these corrupt "dog officials" continue to erode our public money in this way, our next generation will be left with nothing.

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

MR LEE CHEUK-YAN (in Cantonese): President, I did not expect this motion debate today to be so very "entertaining". Secretary TSANG Tak-sing has surprisingly given Mr Christopher CHUNG such a dressing-down, almost going so far as to dismiss his words as complete nonsense. These Members have been so supportive of the Government, but it has nonetheless given them a dressing-down. What has gone wrong? Besides, I am also very puzzled as to why Mr Christopher CHUNG should have raised so many problems today and

voiced so much dissatisfaction with the West Kowloon Cultural District Authority (WKCDA), saying, for example, that it holds only six meetings a year and operates in a clandestine manner. I find that the behaviour of the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB) is rather strange. Is this because of a split of its mind or a split of the party? DAB has a member sitting on the Board of the WKCDA, so it should have plenty of opportunities to monitor the operation of the entire WKCDA, but it has decided to "fire the cannon" here instead.

Of course, we are very delighted to see them "fire the cannon", but I really cannot help asking what the DAB representative has been doing in the WKCDA. According to Dr CHIANG Lai-wan, Chris IP has joined the WKCDA for just a few months, but having detected many problems, he wants to voice his concerns. It simply does not make sense for her to talk about Chris IP having joined the WKCDA for a just few months. Is she saying that before him, no one from the DAB sat on the Board of the WKCDA? A seat in the WKCDA Board is always "reserved" for the DAB. Who is Chris IP's predecessor? Can they tell us? He is Edmond CHUNG. A member of the DAB has all along been found in the WKCDA. I wonder if the problem is actually caused by Mr Christopher CHUNG's tantrum after the Secretary's not appointing him eventually. If this is the case, the problem is with him, not with the DAB.

And yet, the DAB must still clarify where the problem lies. Since a member of the DAB is always found in the WKCDA, have any of the DAB members concerned ever voiced any such opinions? Have they ever raised all the problems mentioned by Mr Christopher CHUNG just now? We of course do not know the answer. But the fact is that the DAB is now giving such a diatribe outside the WKCDA. The most ridiculous thing is that even "clandestine operation" is found among the fallacies enumerated by Mr Christopher CHUNG. We in the democratic camp are the ones who have spoken most on this question, and at the time, we actually asked for the conduct of open meetings. Who opposed this proposal, however? Does Mr Christopher CHUNG know? Who else could it be if not the DAB? If he really dislikes clandestine operation so much, he should support the conduct of open meetings. Since they have all along insisted on the conduct of closed meetings, we frankly fail to understand why they should be out here giving such a mad tirade, completely forgetting their deeds in the past. Having taken part in committing all such wrongdoings, they are now pointing their fingers at others.

What he finds most infuriating is the recruitment of foreigners and "trusting the wrong persons". Dr CHIANG Lai-wan has asked us not to accuse them of being xenophobic and requested us to withdraw the word. But having heard her words, we find it all the more necessary to say it several times more. They are xenophobic, xenophobic and xenophobic. They are clearly xenophobic. They simply hate to see the post being occupied by a foreigner. I do not know whether the real reason is that they already have a candidate in mind, and they want the post to be occupied by one of their own people, so that they can take control of everything. The most undesirable thing must be the adoption of political ploys to ostracize the foreigner occupying the post because their own people cannot get the post. To them, it is so much the better if the post is currently held by a foreigner because in that case, there will be grounds for them to behave like all those xenophobic and anti-foreign Boxers, in the hope that their own people will be chosen as replacement. Is that what they are thinking? Are they adopting such a political ploy? Do they intend to seize power or control and "install" their own people? I do not know. Perhaps they should explain to us. Our greatest fear is that besides wanting to "install" their own people, they still have another political objective Well, culture is important because it is also politics. Everything in this world involves politics.

I can remember one case of collection acquisition by M+. One of the items being considered happened to be a work of AI Weiwei. Once Mr CHAN Kam-lam learnt of AI Weiwei's work, he immediately kept criticizing that such works were of very low standards, hastening to add that no obscenity should be allowed. As for Mr Christopher CHUNG, I have no idea of his views on arts. One's views on arts actually depend on how one looks at history and culture. Do Members think the Statute of David is obscene? It is very famous. What do Members think? Is it obscene? If we look at the painting collections of museums around the world, we will notice that many ancient works of art can be described as very obscene. But should they be banned across the board? Understandably, my gravest concern is that what they actually want to ban are not really obscene works of art but those works involving politics. Once they assume control of the entire WKCDA, they will impose political control over the works of cultural and artistic creativity in the cultural district. In this way, AI Weiwei's works and any collection items of a critical nature, or which can inspire creative protest, will be all banned. Therefore, I hope that Mr Christopher CHUNG can substantiate his accusation concerning trusting the wrong person.

Dr CHIANG Lai-wan repeatedly dismissed the need for constructing any signature buildings in the WKCD just now. However, as Members may recall, when "Bow Tie" specified the building of a signature canopy years ago, the "royalist camp" was behind him, despite our opposition to building any signature structure. To sum up, it suffices to say that they will always support whatever the Government says. But if public opinions go the other way, they will side with public opinions. We can thus see that they actually do not have their own stances, and will merely follow the Government in most cases.

Earlier on, Dr CHIANG Lai-wan sang praises of Tate Modern in London. But she might have forgotten that Michael LYNCH, the foreigner being strongly criticized by Mr Christopher CHUNG, was precisely in charge of Tate Modern between 2002 and 2009. Dr CHIANG Lai-wan actually meant to support Mr Christopher CHUNG, but with all her praises of Tate Modern, she did exactly the opposite thing of exalting that very foreigner whom Mr Christopher CHUNG hates most. Their contradictory logic really renders me unable to follow their lines of argument. I have nonetheless noticed one thing. Their criticisms are definitely personal attacks. I have no idea of what they want. Will they please say clearly whether their only aim is to "install" their own people?

Dr CHIANG Lai-wan also commented that the previously proposed Xiqu Centre should not be built, and just a bamboo scaffolding theatre would be good enough. Is a bamboo scaffolding theatre really good enough? The Cantonese opera sector welcomes the building of the Xiqu Centre very much, but she says that a bamboo scaffolding theatre will be good enough because the atmosphere in such theatres used to be very good. If this is the case, why don't they just stage only god-worshipping operas? Thank you, President.

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

MR SIN CHUNG-KAI (in Cantonese): President, first of all, I want to declare that I am a Board member of the West Kowloon Cultural District Authority (WKCDA), but I am not speaking on its behalf.

Since a Member has specifically mentioned my name, saying that I have disclosed the financial situation of the WKCD to the press, I must state, as a matter of objective truth, that I have never done so. What have I said instead?

Let me repeat it once today. I remember that between 2004 and 2008 — when I was still a Legislative Council Member — the Government sought funding approval from the Finance Committee for an upfront endowment, just as many Members have said. The Development Bureau must adopt the Building Works Tender Price Index (the Index) back then. When the Government computed the construction costs of the WKCD in 2006-2007, the Index ranged from 750 to 800. Today, it is 1 516. This is the latest figure and the Index for the first quarter of 2013. What is the Index about? It is about the prices of building works or tenders, and the Government benchmarks these prices to compile the Index.

What I talked about were only these two levels of the Index. When the Government provided the \$21.6 billion funding to the WKCD in 2008, the Index compiled on the basis of prevailing construction costs was about 700, but it has now risen to 1 516. What I talked about were only these two figures, and they are figures accessible to the public. When we look at the Index, we must agree that construction cost increases are an objective fact, and costs have indeed risen by close to 100%. I now have some statistics with me, and they can also be found in the relevant annual reports or information accessible to the public: the Government provided \$21.6 billion to the WKCD, and at present, the WKCD possesses about \$23.7 billion, or about \$2 billion more than what it had five years ago, with the increase mainly from investment returns; over the past five years, the WKCD has spent nearly \$1 billion. All these statistics are information accessible to the public. This is all that I said.

Just now, a colleague said that the Chief Secretary for Administration WKCD representatives must also attend next week's Legislative Council meeting to give a full account of the relevant financial strategies. But I would like to take this opportunity to make some clarifications. Much of the required information has either been reported in newspapers or made available for public access, and can also be found in the website of the WKCD. Besides, a Member, probably Mr KWOK Wai-keung, said just now that the WKCD had spent some \$100 million on acquiring collection. I hope Members can understand more clearly that on that particular occasion, an arts collector learnt of the WKCD's development of M+, so he approached the WKCD for a deal comprising both donation and purchase of works of art with a total value exceeding \$1 billion. The contract must contain two parts: one part on donation and the other on purchase. As estimated by Sotheby's at that time, the total value of the works of art was more than \$1 billion, only that the donated portion accounted for about \$1.1 billion to \$1.2 billion, and the purchase was only about

\$100 million in value. Of course, the WKCDA is in return responsible for the exhibition and preservation of these works of art. Therefore, regarding the question raised by a Member just now about whether the works of art worth \$100 million, my answer is that we did spend some \$100 million on purchasing works of art, but we should not ignore the fact that there was a donation worth more than \$1.1 billion. We must look at the whole picture of the matter.

Regarding construction costs, Members should also seek a more thorough understanding. When the Government drew up the estimated construction costs of the Xiqu Centre in 2006 and 2007, some of the 10-odd facilities in the existing proposal on the Xiqu Centre were not yet included. They were added by the WKCDA later. I recall that after the WKCDA had conducted three public consultation exercises, suggestions on enhancing education in this regard were put forward, so educational facilities were added to the Xiqu Centre. Hence, costs increases are attributable to a number of factors. When examining the costs increases of the Xiqu Centre, we should not look only at the costs increases on the ledgers, but should also pay careful attention to project details. Under the initial plan, the Xiqu Centre is equipped with a Cantonese opera venue only. Under the current plan, besides a Cantonese opera venue, the Xiqu Centre is also equipped with a tea house and educational facilities for teaching and learning Chinese opera. These facilities were not mentioned in the plan years ago.

Of course, a colleague criticized us I believe the WKCDA should enhance its transparency and give a full account of the figures, and as a Legislative Council Member, I also think that it should do so. The greater the details, the better. The higher the transparency, the better. A full account should be offered in any case. There are still one or two points more, such as Mr YIU Si-wing's proposal on further increasing the plot ratio. Regarding this, many issues must of course be considered. Applications for making any such changes must be submitted to the Town Planning Board (TPB) for approval. The TPB may then take around 10 months to process each application. This may cause further delay to the project. This is the first point. The second point is that the additional floor area generated by any plot ratio increase may not necessarily be handed to the WKCDA for selling. The Treasury will definitely receive additional revenue, but the WKCDA may not necessarily be able to get any benefits. This must also be taken into consideration.

Concerning the issue of rising costs, we must realize that while a large portion of land in the WKCD is dedicated to the building of cultural facilities,

some sites over there have in fact been taken back by the Government and may be used for auction purposes in the future. These sites have increased substantially in value over the past seven to eight years. Therefore, overall, while the construction costs borne by the Government have increased, we can predict that if some of these sites in the WKCD are sold in the future, the relevant revenue will increase accordingly.

Of course, as Legislative Council Members, we must monitor the project. We all hope that the project can be a success and provide a venue for people to relax and enjoy artistic life.

MR IP KWOK-HIM (in Cantonese): President, more than 10 years have passed since the West Kowloon Cultural District (WKCD) project was finalized, but it is still very much at the stage of mere discussions. We once thought that when the detailed architectural design and tendering process of the first finalized cultural facility, the Xiqu Centre, were completed this year, the site of the WKCD would finally see the formal commencement of works and would no longer be left idle and parched under the sun. However, according to the latest estimation, the costs of the entire WKCD project will soar from the originally estimated \$21.6 billion to \$47 billion, meaning a costs overrun of 100%. These are of course media reports only, and whether such reports are true is not clear. I believe the Secretary should make a clarification on this. In the case of the Xiqu Centre alone, the construction costs have surged from the estimated \$1.3 billion to \$2.7 billion. We therefore project that the original construction costs of \$21.6 billion may well rise to \$47 billion, which is pretty worrying to us.

The original costs estimation of the WKCD project was based on the prices in 2006. That was of course six to seven years ago already. We all know that both the costs of construction materials and workers' wages have since risen drastically. Therefore, costs overrun is in a way something expected, but we could never have imagined that the costs overrun would be as high as 100%. In fact, the construction costs of other major infrastructure projects in Hong Kong, including the Shatin to Central Link, the Guangzhou-Shenzhen-Hong Kong Express Rail Link and the Hong Kong-Zhuhai-Macao Bridge, have likewise far exceeded their original estimations, but the rates of costs overrun are invariably around 50% only, which is much lower than that of the WKCD project. Therefore, concerning the motion proposed by Mr Christopher CHUNG this time around, we cannot help suspecting that the costs overrun of the WKCD project is

attributable to the extravagance of the West Kowloon Cultural District Authority (WKCD).

In response to the question put by a Legislative Council Member earlier on, the Secretary denied any extravagance of the WKCD, but he did not disclose to the public the detailed financial position of the WKCD project to show that the authorities had spent every single cent wisely. The financial position of the WKCD project is marked by extremely low transparency. If it later turns out that the costs overrun of the WKCD project really amounts to \$20 billion, we will likewise think that the situation is very unsatisfactory, and that the Legislative Council has failed to put in place effective monitoring in this regard.

I was the Chairman of the Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project of the last-term Legislative Council. Members of this Subcommittee and other Members have always been very concerned about the finances of the WKCD project. We therefore very much hope that the Government can provide the necessary information as early as possible and effectively enhance the transparency of the development or financial arrangements of the WKCD project, because I think that our continued reliance on such channels to obtain information which cannot be verified will not be of any help to addressing the problem.

We think that the authorities may focus on the overall construction costs and facility designs of the WKCD project and then seek to save costs as much as possible on the premise of not compromising quality. Consideration may also be given to cost-saving in respect of construction materials. The WKCD is positioned as a world-class cultural facility, but this does not mean that first-class and the most luxurious construction materials must be used in all respects. The WKCD should seek to manifest its world-class status in the areas of cultural contents, management and operation.

If the Government — I mean "if" — seeks funding from the Legislative Council again, the DAB will react with an attitude of strong reservation. When the Government sought funding from the Legislative Council years ago — as many Members mentioned just now, the Government sought an upfront endowment of \$21.6 billion — it declared the requested funding would cover all costs, and it would not be necessary to seek any additional funding from this Council. Therefore, it should not seek any further funding from the Legislative Council unless there are cogent reasons. I also note that when the

Administration sought funding from this Council back then, it stated that all usual community facilities would be undertaken by the Government. Members accepted this undertaking at that time. Usual community facilities include all underground facilities, such as underground parking lots and underground infrastructure facilities. Such works are to be undertaken by the Government. I therefore hope that neither the Government nor the WKCD should allow themselves to become extravagant and squander taxpayers' money. We are very serious about this.

Just now, I also listened to Mr LEE Cheuk-yan's groundless criticisms. I do not know whether all is because he is very satisfied with the existing WKCD, otherwise When we in the DAB commented on the existing problems with the WKCD, he escalated the matter indefinitely, accusing the DAB of seeking to replace the incumbent Chief Executive Officer of the WKCD. Such an argument is totally absurd, and I do not want to hear such irresponsible criticisms in this Council. I want to express deep regret at Mr LEE Cheuk-yan's remarks and accusations.

Thank you, President.

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

DR HELENA WONG (in Cantonese): President, the topic under discussion today is the expenditure of the West Kowloon Cultural District (WKCD) project. I think that at present, the expenditure is mainly on hardware construction, that is, meeting construction costs. However, in the future, the expenditure on the software, including museum collections, will not be insignificant. I think the greatest wastage will occur if in the future, the museums in the WKCD project, or the facilities of the entire cultural district, deviate from the originally planned directions and targets.

Under what circumstances will this occur? First, the provision for procuring works of art may be used for making arbitrary purchases in the absence of a clear acquisition policy. Someone may, for example, want to donate certain works of art, so the WKCD may perhaps allocate \$100 million to make the necessary purchase, but how is the remaining \$1 billion or so going to be spent? So far, neither the Bureau nor the West Kowloon Cultural District Authority

(WKCD) has ever told Members clearly what specific acquisition policy M+ will follow in the future.

The Home Affairs Bureau mentioned some time ago that the Leisure and Cultural Services Department would set aside \$50 million for procuring the works of local artists. At that time, I already asked, "What kinds of works will M+ procure in the future? Will there be any clear policy?"

In the case of one facility, we may well realize, after wasting huge sums of money, as much as several dozen billions, that it is after all not what Hong Kong people want to have. I am talking about M+. M+ will be the leading and largest museum in the entire WKCD. Has it been developed in the planned direction? Or, has it deviated from the planned direction in the course of development?

President, from the views expressed by people from the cultural sector, we notice that they have the following worries. First, in 2006, the Museum Advisory Group under the Consultative Committee of the WKCD proposed that M+ should be built into a museum of visual culture. This visual culture museum should develop from a Hong Kong perspective with a global vision, adopting an inside out development approach and focusing on the 20th and 21st century visual culture.

Members may not have a clear idea of what a visual culture museum is. It represents the development trend formulated with the concerted effort from the cultural sector, experts, the Bureau and the Legislative Council in 2006. In fact, visual culture includes four main areas of focus, namely visual art, design, moving image and popular culture. However, we notice from the recent papers issued by M+ that this trend has been changed unnoticeably. From the four areas mentioned above, popular culture has been erased, and the four areas of focus have now been changed to art, design, images and architecture. Why have they unnoticeably changed the direction laid down in 2006 without any consultation? Why has popular culture been erased and replaced by architecture? Members in the cultural sector are extremely anxious now, wondering whether M+ will still be a visual culture museum.

They fear that with the removal of popular culture, the local features of Hong Kong will fade greatly. If popular culture is replaced by architecture, the future development of M+ as a whole will be downgraded, thus reducing it from a

visual culture museum to a mere visual art museum. Regarding these two terms, some people can differentiate between them but others cannot. But a mere visual art museum will definitely be a deviation from the concept we formulated in 2006.

President, we are debating whether the WKCD has led to any wastage of money. Honestly, the one thing that will cause the greatest wastage of money is in fact our own unawareness of what we are doing, or even our own loss of focus in the process. Some time ago, for example, we spent some \$100 million on purchasing some works of art. Obviously, such a practice will eventually transform the acquisition policy of M+ into In the future, this museum will be reduced to a common contemporary art museum with a collection of works from Hong Kong, Asia and various masters. In that case, the museum will be stripped of any Hong Kong popular culture elements and local features. This will deviate from the initial objective of investing several dozen billions in establishing a museum truly reflecting Hong Kong's features.

President, I think what requires our greatest attention should be the matter of overall development direction. President, what is popular culture? What we are referring to are all those cultural assets which Hong Kong has accumulated over the years, including mass media information, toys, comics, clothes and ornaments, fashion, games, and so on, which are all cultural phenomena reflecting the lifestyle of Hong Kong people. However, speaking of these things, I think that all those in the WKCD who are responsible for acquisition policies and the development of M+ are unable to grasp the popular culture of Hong Kong. This will result in a gradual digression from the planned direction, as we have recently observed.

President, for this reason, I think the most important thing is that while WKCD must enhance its management transparency and increase its dialogues with the cultural sector, local popular culture workers must also be included (*The buzzer sounded*)

PRESIDENT (in Cantonese): Dr WONG, your speaking time is up.

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

MR LEUNG KWOK-HUNG (in Cantonese): President, I have always rejected the idea of building the West Kowloon Cultural District (WKCD), because I am of the view that in a place with an acute shortage of land resource, it is simply unthinkable for us to look for a large piece of reclaimed land and devote it to the avowed purpose of enabling cultural development to take root. All will just be a complete waste of time. This cultural district simply seems like a tool designed to enable us to boast of ourselves and tell the whole world what achievements we have made since the reunification. Members should remember that the WKCD was a product made by Uncle TUNG before he got his "sore legs".

By now, everything is confirmed and irreversible. Have Members ever seen the film *Aliens*? Since the legislature failed to stop the project at the beginning, it is only natural that the WKCD has become an alien. Back then, the proposal of constructing a canopy stirred up quite a row in town. Later, the single-developer approach aroused suspicions that the cultural district was actually meant to be a real estate project. Ten years ago, the coincidental combination of different circumstances and factors led 500 000 people to take to the streets on 1 July, thus reversing the perspectives of Hong Kong people. But we failed to grasp this opportunity.

President, I am a soccer fan. I do not know whether you are aware that people in different Brazilian cities are now expressing a reluctance to host the World Cup Tournament, saying that they are poor and would rather use the money for other purposes. I naturally agree that Brazil and us are two different cases because we still have quite some money in our pocket after all. Yet our Government is rather tight-fisted. Whenever requests for improving the livelihood of the grassroots or investments in manpower development are put forward, the Government will forever be rather tight-fisted. Well, some people may say that it is only about \$20-odd billion, not a large amount. However, Members must remember that the last time when I initiated the filibuster, I was only urging the Government to allocate \$50 billion for the provision of universal retirement protection.

The WKCD project involves over \$20 billion, which does not even cover the costs of advance and post-completion works. Moreover, due to the presence of the WKCD, an Express Rail Link (XRL) station has to be built next to it for connection with other places. Due to our opposition, the district has been prevented from becoming a luxurious property development site, but the authorities still insist on building a XRL terminal there for no good reasons, determined to link up the entire WKCD no matter what.

President, the Government has been telling a very attractive story, claiming that with some \$20 billion, it will make everything in the WKCD more than satisfactory. But all we see now is just a complete mess, because they have never done any good thinking, or they simply think that money can buy culture. I have actually asked this same question many times: even if the Government does not want to use this \$20-odd billion for helping the elderly, can it use the money for cultivating the cultural and artistic qualities of children in Hong Kong?

The Hong Kong Book Fair is now an annual event in Hong Kong, and every year, I will go there to distribute leaflets. Well, I think the greatest contribution of the book fair is only this: there, young people take leaflets from me very quickly. Members can thus imagine that the book fair has now been reduced to a sales promotion venue. The whole place is so crowded that one can hardly buy a book. The scene is really very saddening. Therefore, if we really must spend this \$20-odd billion, we can simply use the money for encouraging deep reading, sowing the seeds of culture, fertilizing culture, and improving the book fair. That way, all will be fine. Why must we establish such a cultural district? LU Xun advocated his principle of critically and selectively absorbing foreign cultures. Honestly, the cultural district will only be a place full of purchased items. This is exactly the kind of "purchase-everything mentality" I often talk about. Everything there is purchased from overseas and there is no mentioning of our own culture. This is the first point.

Second, the WKCD is equipped with many restaurants commanding unobstructed sea view, where customers may enjoy some music while they eat. As I said in the past, poor people will feel inferior when they visit the WKCD in the future. The first reason is its remote location. The second reason is that even the price of a coke in the cultural district may be \$5 higher than the price elsewhere. What can they do? Therefore, I have always opposed the construction of the WKCD. I am against using such a vast site to set up the WKCD and then purchase culture from overseas with the "purchase-everything mentality". What we now see is exactly something like this, right?

Dr Helena WONG talked about the need for including local popular culture earlier on. President, to be honest, I was not really listening to her speech. I simply decided to drop in to say a few words while walking past, because I have all along opposed the concept of the WKCD and considered it a foolish idea. Culture should be something amassed organically and naturally in different communities over time. What is culture? It is about clothing, food, housing

and transportation, it is about joy, anger, sadness and happiness, and it is also about the feelings and sensibilities of people. Nowadays, all film producers wanting to make profit must take account of the North, that is, the Mainland market. As a result, they lose all their uniqueness. There is now this "gigantic magnet" that draws everything to it. This magnet is the Mainland. The Chief Executive often talks about "homeland relationship". What is "homeland relationship"? We are supposed to sell our uniqueness to others. Let me cite a simple example. If a Japanese tourist comes to Hong Kong and finds that things here are similar to what can be seen in Kyoto, what is the point for him to come to Hong Kong? It will be better for him to travel to Kyoto in that case. What is the point of building another Kyoto in Hong Kong?

Therefore, the WKCD is simply a hodgepodge. It started with an avarice for grand achievements. Later, it was turned into a project for dishing out reward, thus ending up in a complete mess. And now, we must clean up the mess. I often warn Members that once they find anything wrong, they must speak up to stop it because as discussions go on, the wrongdoing can often be stopped. Once after the hodgepodge comes into being, it will be a complete waste of time to ever mourn and cry. Well, I am only a passer-by who just drops in to say a few words.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): Mr Christopher CHUNG, you may now speak on the amendments. The speaking time limit is five minutes.

MR CHRISTOPHER CHUNG (in Cantonese): President, a total of 10 Members have proposed amendments today and most of these amendments have enriched the contents of the original motion. I wish to thank them.

When I spoke on my own motion earlier on, I did use some acrid expressions, but I never hurled any invectives. Over the past one year, I have got in touch with and visited 30 to 40 arts groups and individual artists, listening to their views on the West Kowloon Cultural District (WKCD) project. Having

collated these views, I put them all into my speech earlier on. Therefore, I have only been presenting the facts and engaging in reasoning here.

There was a television documentary feature on the costs overrun of the WKCD project last Sunday. This documentary feature revealed all the facts about the extravagance of the WKCD project, thus proving that my criticisms about the West Kowloon Cultural District Authority (WKCDA) are not groundless. Some colleagues were actually wearing "politically tinted glasses" when they criticized me. I will not waste any of my time on responding to them, because I do not think that I am anti-foreign. Will Mr Michael LYNCH continue to serve as the Chief Executive Officer (CEO) of the WKCDA? I think that it is alright to have the post of CEO filled by another foreigner after him. The biggest problem is

PRESIDENT (in Cantonese): Mr CHUNG, in these five minutes, you are supposed to comment on the 10 amendments.

MR CHRISTOPHER CHUNG (in Cantonese): I am making a consolidated response.

PRESIDENT (in Cantonese): You should speak on the amendments only.

MR CHRISTOPHER CHUNG (in Cantonese): Some Members criticized me for being xenophobic, and I am now clarifying that I am not. The most important question is whether he can liaise with the arts circles, liaise with our arts communities and understand the needs of the people. He must not adopt an isolation approach. The arts circles are making many complaints. President, all this time, he has only approached one arts group

PRESIDENT (in Cantonese): Mr CHUNG, please speak on the amendments.

MR CHRISTOPHER CHUNG (in Cantonese): Alright. Concerning consultancy fees, some colleagues have talked about 16%

PRESIDENT (in Cantonese): Mr CHUNG, these five minutes is for you to comment on the amendments.

MR CHRISTOPHER CHUNG (in Cantonese): I am now speaking on the amendments. Ms Cyd HO talked about consultancy fees yesterday. I think the 16% consultancy fees were not only for the Architectural Services Department, as there were many other consultants. The Government told us in its reply that there were totally 47 consultants. Did anyone give any account to the Secretary when these consultants were hired? Was the Board of Directors consulted on the commissioning of every consultant paid over \$1 million? Did the Board of Directors give its consent? Members will be able to find out the answers later.

Ms Cyd HO said yesterday that the opera lyrics written by TONG Tik-sang were very marvellous. Very marvellous indeed. But I think these opera lyrics can be sung not only in the Xiqu Centre, but also in Sunbeam Theatre, or even under the Banyan tree in Yau Ma Tei. People will like the opera lyrics wherever they are sung. However, I wish to tell Members that these lyrics were actually not TONG's own creation. He just borrowed them for his own use. For example, the Purple Hairpin was copied from a novel entitled "The Story of HUO Xiaoyu" written during the Tang and Sung periods.

Honourable Members, please do not worry yourselves unnecessarily, and please do not think that there are any political motives behind my speech. I hope Members can discard the albatross around their necks and join hands with me to monitor the WKCD project in all aspects, so as to build a genuinely international WKCD.

President, we cannot support every amendment moved today. We will not support the amendments of Ms Cyd HO and Mr Charles Peter MOK because they only focus on increasing funding and monitoring the Xiqu Centre, rather than dealing specifically with the problem with the WKCD — its management problem, that is. Regarding the amendments of Mr MA Fung-kiwok and Ms Claudia MO, the DAB will abstain from voting. We will support the rest of the

amendments. I hope that Members will support my original motion. Thank you.

SECRETARY FOR HOME AFFAIRS (in Cantonese): President, I am grateful to Members who have spoken earlier and expressed their views on the financial matters of the West Kowloon Cultural District (WKCD) project from different perspectives. I would like to give my response as follows.

Members are concerned about the hardware construction costs of the WKCD project. As Mr SIN Chung-kai has said, the need to examine the financial position of the entire WKCD project stems not only from rising construction costs but also from the consideration that when compared with the recommendations made by the Consultative Committee on the Core Arts and Cultural Facilities of the WKCD established in 2006, the WKCD project has been significantly revised in both scale and contents on the basis of public aspirations. One example is the building of a large basement complex with facilities for vehicular transport, loading and unloading of goods, as well as passenger pick-up and alighting. The aim is to improve the environment for at-grade pedestrians. Another example is the addition of space for arts education in various venues such as the Xiqu Centre. These changes are not found in the original budget. The specific designs of these facilities and other related factors will naturally affect construction costs.

Both the Government and the West Kowloon Cultural District Authority (WKCDA) have the responsibility to ensure tight control of costs. Mr Tony TSE has expressed concern about whether enough weighting was given to the cost-effectiveness of the various entries in the Xiqu Centre Design Competition. In the design abstract of the competition, the WKCDA already included the estimates on the design and construction costs of the Xiqu Centre as compiled at the time of funding application. Shortlisted design teams were also reminded of the financial constraints of the WKCD project. At the same time, the WKCDA also required each design team to submit its cost estimates with the assistance of its cost consultant. And, the consultant Quantity Surveyor of the WKCDA also compiled a report on the cost-effectiveness of each design proposal for reference by the Jury Panel. Members of the Jury Panel are of the view that the winning design they recommended is the one with the highest cost-effectiveness among all the entries. The WKCDA has taken a look at various design competitions held overseas, and it notices that as a general rule, international design competitions do not include the cost aspect as an independent assessment criterion. However,

owing to the need to exercise tight cost control, the WKCDA plans to increase the weighting for cost-effectiveness as suggested by Mr TSE in the competitions it may hold in the future.

Both Ir Dr LO Wai-kiok and Mr Frankie YICK hope that more local engineers and architects can take part in the WKCD project. The WKCDA will decide how a certain facility is to be taken forward based on its specific needs. Previously, the WKCDA held worldwide architectural design competitions for two iconic core cultural and arts facilities in the project, that is, the Xiqu Centre and M+. Architects from all over the world as well as local architects took part. The two winning architects in the Xiqu Centre Design Competition were both born in Hong Kong. When constructing other facilities, if the WKCDA is to hold design competitions, it will take into account the scale of the project concerned and consider enabling local small and medium architectural firms to take part, so that more local architects can display their talents.

On the question of nurturing talents, the WKCDA will conduct local recruitment as much as possible in the course of hiring new staff. In the case of M+, for example, local staff are employed in various positions, such as curatorial, education, collection management and administrative posts. In cases where it is not easy to identify suitable candidates to fill certain posts, M+ will need to expand the geographical scope of recruitment. The introduction of overseas experts can provide the skills necessary for promoting M+ projects and at the same time offer chances of knowledge transfer to local staff, hence upgrading the professionalism of local employees. Local talents in the M+ team are also given internship chances for learning from renowned overseas institutions. We believe that as the facilities commission one after another, and as local talents and overseas experts have more chances of jointly organizing various events, the pace of this transfer of knowledge in arts management will quicken as time goes by.

Mr Alan LEONG and Mr KWOK Wai-keung are concerned about how the Consultation Panel of the WKCDA can perform its functions. At present, the membership of the Consultation Panel includes representatives from the business sector, the academia, the arts and cultural sector and various professions. All their meetings are open to the public. We encourage the Consultation Panel to do yet a better job as the bridge between the WKCDA and the public. We also encourage it to promote the WKCD project with the aim of deepening people's understanding of this project, and to reflect any public expectations and views to the WKCDA. Also, the WKCDA will organize or co-host with relevant groups

seminars, workshops and public forums every year. The aim of all these is to canvass the views of stakeholders. For example, M+ held two public forums in April and November last year to enable members of the public to air their views and familiarize themselves with the latest developments of M+. Work in these aspects will continue.

Mr KWOK has also talked about collection acquisition of M+. The way in which a museum acquires collection is different from how Mr KWOK purchases his household necessities. We cannot erect the building first and then acquire collection later. The aim of M+ is to become a first-rate museum "from inside out". The architectural design of the M+ complex will hinge on the contents of the museum, including its collection. The two must complement each other.

Focusing on the 20th and 21st centuries, M+ strives to acquire a collection that cuts across art, design, architecture and moving images. It is indeed a complicated task and a long process to build up such a large collection from scratch. Therefore, M+ must begin acquisition in advance.

Dr Helena WONG has asked about the acquisition policy of the WKCDA. The WKCDA's acquisition policy is modelled after the acquisition policies adopted by well-known museums in the United States, Canada and Australia, and it has been vetted by the Independent Commission Against Corruption. Besides, the approval criteria are more stringent than those adopted by some world-famous museums. Such an acquisition policy has been uploaded to its official website.

The mission of M+ is to focus on collecting and exhibiting the visual culture of the twentieth and twenty-first centuries from a Hong Kong and contemporary perspective, coupled with a broad and global vision. It follows that the visual culture of Hong Kong is at the core of the collections in M+. M+ is striving to conduct studies on Hong Kong arts and acquire the best works of visual art in Hong Kong.

Dr Priscilla LEUNG is concerned about the construction of waterfront facilities and various ancillary transport facilities in the areas surrounding the WKCD. "Accessibility" is one of the principles governing the planning and design of the WKCD. The WKCD will be provided with convenient internal and external transport facilities, with a view to achieving its integration with nearby places, and connecting it to the transport networks of the other places of Hong Kong and beyond. To dovetail with the constructions in the new

development areas of West Kowloon, the Government and the WKCD have drawn up plans for improving various transport and pedestrian feeder systems. For instance, the Lin Cheung Road-Austin Road vehicular tunnel connecting to the West Kowloon terminal of the Express Rail Link will be built underground, thus separating vehicular and pedestrian traffic. Pedestrians may make use of the large at-grade plaza linking to the ground floors of the Express Rail Link terminal, the WKCD, the Kowloon Station and the Austin Station. Moreover, the authorities also plan to build a series of transport and pedestrian facilities to dovetail with the development of the WKCD. In order to enhance water access to the WKCD, the WKCDA is studying the feasibility of providing temporary berthing facilities for vessels.

The WKCD project is a strategic investment made by the SAR Government to dovetail with Hong Kong's long-term needs in respect of cultural and arts infrastructure as well as development. The public likewise hope that the project can commence as soon as possible. The Home Affairs Bureau will continue to monitor the works progress, procurement, tendering methods and works expenditure of the WKCDA. The Bureau will also remind the WKCDA that it must attain the goals set out in the West Kowloon Cultural District Authority Ordinance, while taking account of financial sustainability and the works quality of the various facilities.

The WKCDA will hold a Board meeting this week, during which the strategy of implementing the WKCD project will be examined. As I already reiterated when I spoke for the first time on this motion, the Government and the WKCDA have long since undertaken to give an account of the latest financial considerations relating to the WKCD project at the meeting of the Joint Subcommittee to Monitor the Implementation of the West Kowloon Cultural District Project of the Legislative Council to be held next Wednesday.

President, I so submit.

PRESIDENT (in Cantonese): The Chinese character "蒐" should be pronounced as "sau¹". Since yesterday, three officials have mispronounced this word.

PRESIDENT (in Cantonese): Mr Tony TSE, you may now move your amendment to the motion.

MR TONY TSE (in Cantonese): President, I move that Mr Christopher CHUNG's motion be amended.

Mr Tony TSE moved the following amendment: (Translation)

"To add ", which has been given a one-off upfront endowment of \$21.6 billion by the Government to take forward the West Kowloon Cultural District ('WKCD') project," after "('WKCDA)"; to delete "and given a one-off upfront endowment of \$21.6 billion by the Government to take forward the West Kowloon Cultural District ('WKCD') project; however, it has been confirmed that" after "established in 2008" and substitute with ";"; to add "(Phase 1)" after "the Xiqu Centre"; to delete "increases drastically from the estimated \$1.3 billion to \$2.7 billion, making people worry" after "completed in 2016," and substitute with "has soared by 100% from the \$1.3 billion estimated in 2006, and although WKCDA has indicated that it will strive to prudently contain the cost of the Xiqu Centre (Phase 1) within \$2.7 billion, people are still worried"; to add "at the same time, among the assessment criteria of the Xiqu Centre design competition, the 'cost aspect/value for money' factor only accounts for 10%, which is relatively low, making people question the degree of importance attached by WKCDA to the value-for-money aspect of the entire WKCD project;" after "'fiscal black hole';"; to add "which includes giving more consideration to value for money and pricing in respect of the design assessment, selection of works materials, tendering arrangements and scale of works, etc. of the WKCD project," after "cost control proposal,"; and to add "make proper use of public money," after "expenditure of the WKCD project,"."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mr Tony TSE to Mr Christopher CHUNG's motion, be passed.

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

(Members raised their hands)

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

(Members raised their hands)

Ms Cyd HO rose to claim a division.

PRESIDENT (in Cantonese): Ms Cyd HO has claimed a division. The division bell will ring for five minutes.

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

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

Functional Constituencies:

Mr James TO, Mr Tommy CHEUNG, Mr Frederick FUNG, Mr Andrew LEUNG, Ms Starry LEE, Dr LAM Tai-fai, Mr CHAN Kin-por, Mr CHEUNG Kwok-che, Mr IP Kwok-him, Mr NG Leung-sing, Mr Steven HO, Mr YIU Si-wing, Mr MA Fung-kwok, Miss CHAN Yuen-han, Mr KWOK Wai-keung, Mr Dennis KWOK, Mr Christopher CHEUNG, Mr Martin LIAO, Mr POON Siu-ping, Ir Dr LO Wai-kwok and Mr Tony TSE voted for the amendment.

Mr Charles Peter MOK voted against the amendment.

Geographical Constituencies:

Mr LEE Cheuk-yan, Mr CHAN Kam-lam, Mr LEUNG Yiu-chung, Ms Emily LAU, Mr TAM Yiu-chung, Mr WONG Kwok-hing, Mr Ronny TONG, Ms Cyd HO, Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr WONG Kwok-kin, Mr Paul TSE, Mr Alan LEONG, Ms Claudia MO, Mr James TIEN, Mr WU Chi-wai, Mr Gary FAN, Mr CHAN Han-pan, Dr Kenneth CHAN, Miss Alice MAK, Dr

Fernando CHEUNG, Mr SIN Chung-kai, Dr Helena WONG, Dr CHIANG Lai-wan and Mr Christopher CHUNG voted for the amendment.

Mr Albert CHAN, Mr WONG Yuk-man and Mr CHAN Chi-chuen voted against the amendment.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 22 were present, 21 were in favour of the amendment and one against it; while among the Members returned by geographical constituencies through direct elections, 29 were present, 25 were in favour of the amendment and three against it. Since the question was agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was passed.

PRESIDENT (in Cantonese): Members have already been informed, as Mr Tony TSE's amendment has been passed, Mr Albert CHAN has withdrawn his amendment.

MR ANDREW LEUNG (in Cantonese): President, I move that in the event of further divisions being claimed in respect of the motion on "Concern about the expenditure of the West Kowloon Cultural District project" or any amendments thereto, this Council do proceed to each of such divisions immediately after the division bell has been rung for one minute.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Mr Andrew LEUNG be passed.

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

(No Member indicated a wish to speak)

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

(Members raised their hands)

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

(No hands raised)

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

I order that in the event of further divisions being claimed in respect of the motion on "Concern about the expenditure of the West Kowloon Cultural District project" or any amendments thereto, this Council do proceed to each of such divisions immediately after the division bell has been rung for one minute.

PRESIDENT (in Cantonese): Miss CHAN Yuen-han, as the amendment of Mr Tony TSE has been passed, you may now move your revised amendment.

MISS CHAN YUEN-HAN (in Cantonese): President, I move that Mr Christopher CHUNG's motion as amended by Mr Tony TSE be further amended by my revised amendment.

Miss CHAN Yuen-han moved the following further amendment to the motion as amended by Mr Tony TSE: (Translation)

"To delete "enhance its reporting to this Council" after "use of public money, and" and substitute with "create a more open and fairer mechanism, enabling designers of local small and medium construction firms and cultural and arts management personnel, etc. to participate in the planning and management of the various works under the WKCD project, so as to expedite the transfer of arts administration and

management knowledge, save expenses on hiring experts from overseas, establish the WKCD project as the 'home' and base of Hong Kong arts workers and organizations, and promote the popularization and internationalization of Hong Kong arts; the Government should also ensure that the construction of all cultural and arts facilities under the WKCD project are fully implemented with the originally approved \$21.6 billion, and urge WKCDA to report monthly to this Council and the public"; and to add ", and failing to achieve the original intents of encouraging territory-wide participation and promoting local culture and arts despite spending a lot of public money" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Miss CHAN Yuen-han's amendment to Mr Christopher's motion as amended by Mr Tony TSE be passed.

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

(Members raised their hands)

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

(Members raised their hands)

Ms Emily LAU rose to claim a division.

PRESIDENT (in Cantonese): Ms Emily LAU has claimed a division. The division bell will ring for one minute.

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

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

Functional Constituencies:

Mr Tommy CHEUNG, Ms Starry LEE, Dr LAM Tai-fai, Mr IP Kwok-him, Mr Steven HO, Mr YIU Si-wing, Miss CHAN Yuen-han, Mr KWOK Wai-keung, Mr POON Siu-ping and Mr Tony TSE voted for the amendment.

Mr James TO, Mr Frederick FUNG, Mr CHEUNG Kwok-che, Mr Charles Peter MOK and Mr Dennis KWOK voted against the amendment.

Mr Andrew LEUNG, Mr NG Leung-sing, Mr MA Fung-kiwok, Mr Christopher CHEUNG, Mr Martin LIAO and Ir Dr LO Wai-kiwok abstained.

Geographical Constituencies:

Mr CHAN Kam-lam, Mr TAM Yiu-chung, Mr WONG Kwok-hing, Mr CHAN Hak-kan, Mr WONG Kwok-kin, Mr James TIEN, Mr CHAN Han-pan, Miss Alice MAK, Dr CHIANG Lai-wan and Mr Christopher CHUNG voted for the amendment.

Mr LEE Cheuk-yan, Mr LEUNG Yiu-chung, Ms Emily LAU, Mr Ronny TONG, Ms Cyd HO, Mr Alan LEONG, Mr Albert CHAN, Mr WONG Yuk-man, Ms Claudia MO, Mr WU Chi-wai, Mr Gary FAN, Mr CHAN Chi-chuen, Dr Kenneth CHAN, Dr Fernando CHEUNG, Mr SIN Chung-kai and Dr Helena WONG voted against the amendment.

Dr Priscilla LEUNG and Mr Paul TSE abstained.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 21 were present, 10 were in favour of the amendment, five against it and six abstained; while among the Members returned by geographical constituencies through direct elections, 29 were present, 10 were in favour of the amendment, 16 against it and two abstained. Since the question was not agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was negatived.

PRESIDENT (in Cantonese): Dr Priscilla LEUNG, as the amendment of Mr Tony TSE has been passed, you may now move your revised amendment.

DR PRISCILLA LEUNG (in Cantonese): President, I move that Mr Christopher CHUNG's motion as amended by Mr Tony TSE be further amended by my revised amendment.

Dr Priscilla LEUNG moved the following further amendment to the motion as amended by Mr Tony TSE: (Translation)

"To add "; while examining the expenditure of the WKCD project, the Government should ensure that the relevant works expenditure can bring employment opportunities to local professionals and workers, enabling Hong Kong's economy to directly benefit from the WKCD project; in addition, the relevant works expenditure should also drive the construction of waterfront facilities and various road transport ancillary facilities surrounding WKCD, expedite the pace of improving the harbour water quality, promote the development of Hong Kong's cultural software to nurture more culture and arts appreciators, and capitalize on Hong Kong's advantage of cultural diversity to provide ethnic minorities and local cultural workers with performance platforms, so as to realize the vision of 'People's WKCD'" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Dr Priscilla LEUNG's amendment to Mr Christopher CHUNG's motion as amended by Mr Tony TSE be passed.

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

(Members raised their hands)

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

(No hands raised)

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

PRESIDENT (in Cantonese): Ms Cyd HO, as the amendments of Mr Tony TSE and Dr Priscilla LEUNG have been passed, you may now move your revised amendment.

MS CYD HO (in Cantonese): President, I move that Mr Christopher CHUNG's motion as amended by Mr Tony TSE and Dr Priscilla LEUNG be further amended by my revised amendment.

President, I wish to explain that even if the amendments of Mr Tony TSE and Dr Priscilla LEUNG are further revised by my revised amendment I am merely talking about allocating more funding to the WKCDA for cultural software development; contrary to Mr Christopher CHUNG's saying, I am not talking about the use of such funding for meeting the 16% consultancy fee relating to the physical hardware. President, I have agonized over whether I should withdraw this amendment. The reason is neither cost nor "People's WKCD" as remarked by Dr Priscilla LEUNG and Mr Tony TSE, but the fact that what Mr Christopher CHUNG has said is totally different from the contents of his motion. Thus, I will vote against Mr Christopher CHUNG's motion in the end.

Thank you, President.

Ms Cyd HO moved the following further amendment to the motion as amended by Mr Tony TSE and Dr Priscilla LEUNG: (Translation)

"To add "; to promote the local cultural policy, this Council also urges the Government to increase the funding to WKCDA for software for cultural development, and ensure that WKCDA discharges its responsibility of protecting artists' freedom of creation and expression, while making good use of the funding" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Ms Cyd HO's amendment to Mr Christopher CHUNG's motion as amended by Mr Tony TSE and Dr Priscilla LEUNG be passed.

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

(Members raised their hands)

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

(Members raised their hands)

Mr IP Kwok-him rose to claim a division.

PRESIDENT (in Cantonese): Mr IP Kwok-him has claimed a division. The division bell will ring for one minute.

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

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

Functional Constituencies:

Mr James TO, Mr Tommy CHEUNG, Mr Frederick FUNG, Mr Jeffrey LAM, Mr Andrew LEUNG, Dr LAM Tai-fai, Mr CHAN Kin-por, Mr CHEUNG Kwok-che, Mr MA Fung-kwok, Mr Charles Peter MOK, Miss CHAN Yuen-han, Mr KWOK Wai-keung, Mr Dennis KWOK, Mr Christopher CHEUNG, Mr Martin LIAO, Mr POON Siu-ping, Ir Dr LO Wai-kwok and Mr Tony TSE voted for the amendment.

Ms Starry LEE, Mr IP Kwok-him and Mr Steven HO voted against the amendment.

Mr NG Leung-sing and Mr YIU Si-wing abstained.

Geographical Constituencies:

Mr LEE Cheuk-yan, Mr LEUNG Yiu-chung, Ms Emily LAU, Mr WONG Kwok-hing, Mr Ronny TONG, Ms Cyd HO, Dr Priscilla LEUNG, Mr WONG Kwok-kin, Mr Alan LEONG, Mr Albert CHAN, Ms Claudia MO, Mr James TIEN, Mr WU Chi-wai, Mr Gary FAN, Mr CHAN Chi-chuen, Dr Kenneth CHAN, Miss Alice MAK, Dr Fernando CHEUNG, Mr SIN Chung-kai and Dr Helena WONG voted for the amendment.

Mr CHAN Kam-lam, Mr TAM Yiu-chung, Mr CHAN Hak-kan, Mr WONG Yuk-man, Mr CHAN Han-pan, Dr CHIANG Lai-wan and Mr Christopher CHUNG voted against the amendment.

Mr Paul TSE abstained.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 23 were present, 18 were in favour of the amendment, three against it and two abstained; while among the Members returned by geographical constituencies through direct elections, 29 were present, 20 were in favour of the amendment, seven against it and one abstained. Since the question was agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was passed.

PRESIDENT (in Cantonese): Mr Charles Peter MOK, as the amendments of Mr Tony TSE, Dr Priscilla LEUNG and Ms Cyd HO have been passed, you may now move your revised amendment.

MR CHARLES PETER MOK (in Cantonese): President, I move that Mr Christopher CHUNG's motion as amended by Mr Tony TSE, Dr Priscilla LEUNG and Ms Cyd HO be further amended by my revised amendment.

Mr Charles Peter MOK moved the following further amendment to the motion as amended by Mr Tony TSE, Dr Priscilla LEUNG and Ms Cyd HO: (Translation)

"To add "; this Council also urges the Government to, on the premise of encouraging the freedom of cultural and creative pursuits, introduce reasonable funding principles in respect of the whole WKCD project" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Mr Charles Peter MOK's amendment to Mr Christopher CHUNG's motion as amended by Mr Tony TSE, Dr Priscilla LEUNG and Ms Cyd HO be passed.

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

(Members raised their hands)

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

(Members raised their hands)

Mr IP Kwok-him rose to claim a division.

PRESIDENT (in Cantonese): Mr IP Kwok-him has claimed a division. The division bell will ring for one minute.

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

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

Functional Constituencies:

Mr James TO, Mr Tommy CHEUNG, Mr Frederick FUNG, Mr Jeffrey LAM, Mr Andrew LEUNG, Dr LAM Tai-fai, Mr CHAN Kin-por, Mr CHEUNG Kwok-che, Mr YIU Si-wing, Mr MA Fung-kwok, Mr Charles Peter MOK, Mr Dennis KWOK, Mr Christopher CHEUNG, Mr Martin LIAO, Mr POON Siu-ping, Ir Dr LO Wai-kwok and Mr Tony TSE voted for the amendment.

Ms Starry LEE, Mr IP Kwok-him and Mr Steven HO voted against the amendment.

Mr NG Leung-sing, Miss CHAN Yuen-han and Mr KWOK Wai-keung abstained.

Geographical Constituencies:

Mr LEE Cheuk-yan, Mr LEUNG Yiu-chung, Ms Emily LAU, Mr Ronny TONG, Ms Cyd HO, Dr Priscilla LEUNG, Mr Paul TSE, Mr Alan LEONG, Mr Albert CHAN, Ms Claudia MO, Mr James TIEN, Mr WU Chi-wai, Mr Gary FAN, Mr

CHAN Chi-chuen, Dr Kenneth CHAN, Dr Fernando CHEUNG, Mr SIN Chung-kai and Dr Helena WONG voted for the amendment.

Mr CHAN Kam-lam, Mr TAM Yiu-chung, Mr CHAN Hak-kan, Mr WONG Yuk-man, Mr CHAN Han-pan, Dr CHIANG Lai-wan and Mr Christopher CHUNG voted against the amendment.

Mr WONG Kwok-hing, Mr WONG Kwok-kin and Miss Alice MAK abstained.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 23 were present, 17 were in favour of the amendment, three against it and three abstained; while among the Members returned by geographical constituencies through direct elections, 29 were present, 18 were in favour of the amendment, seven against it and three abstained. Since the question was agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was passed.

PRESIDENT (in Cantonese): Mr MA Fung-kwok, as the amendments of Mr Tony TSE, Dr Priscilla LEUNG, Ms Cyd HO and Mr Charles Peter MOK have been passed, you may now move your revised amendment.

MR MA FUNG-KWOK (in Cantonese): President, I move that Mr Christopher CHUNG's motion as amended by Mr Tony TSE, Dr Priscilla LEUNG, Ms Cyd HO and Mr Charles Peter MOK be further amended by my revised amendment. President, in my revised amendment, I have only retained the following wording, "on the premise of adopting the aforesaid various cost control measures, maintain with a pragmatic attitude the overall quality and progress of the WKCD project, and based on actual needs, appropriately increase financial resources to ensure that the WKCD project is implemented as originally planned and scheduled, so as to honour the undertakings to the industries and society".

Thank you, President.

Mr MA Fung-kwok moved the following further amendment to the motion as amended by Mr Tony TSE, Dr Priscilla LEUNG, Ms Cyd HO and Mr Charles Peter MOK: (Translation)

"To add "; this Council also urges the Government to, on the premise of adopting the aforesaid various cost control measures, maintain with a pragmatic attitude the overall quality and progress of the WKCD project, and based on actual needs, appropriately increase financial resources to ensure that the WKCD project is implemented as originally planned and scheduled, so as to honour the undertakings to the industries and society" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Mr MA Fung-kwok's amendment to Mr Christopher CHUNG's motion as amended by Mr Tony TSE, Dr Priscilla LEUNG, Ms Cyd HO and Mr Charles Peter MOK be passed.

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

(Members raised their hands)

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

(No hands raised)

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

PRESIDENT (in Cantonese): Mr Alan LEONG, as the amendments of Mr Tony TSE, Dr Priscilla LEUNG, Ms Cyd HO, Mr Charles Peter MOK and Mr MA Fung-kwok have been passed, you may now move your revised amendment.

MR ALAN LEONG (in Cantonese): President, I move that Mr Christopher CHUNG's motion as amended by Mr Tony TSE, Dr Priscilla LEUNG, Ms Cyd HO, Mr Charles Peter MOK and Mr MA Fung-kwok be further amended by my revised amendment.

Mr Alan LEONG moved the following further amendment to the motion as amended by Mr Tony TSE, Dr Priscilla LEUNG, Ms Cyd HO, Mr Charles Peter MOK and Mr MA Fung-kwok: (Translation)

"To add "; this Council also urges the Government to study the introduction of an arts accountability system to render the operation of cultural and arts facilities cost-effective; to ensure the proper use of public money, the Government should also strengthen the WKCDA Consultation Panel by including representatives of the business sector, the academia, the arts and cultural sector and professional sectors, strictly implement the provisions of section 20 of the West Kowloon Cultural District Authority Ordinance to open up meetings of the WKCDA Consultation Panel to the public (including stakeholders of the WKCD project) and, through holding public forums, to enable various sectors to express views on the WKCD project (including the relevant expenditure), so as to build a true 'West Kowloon for the People'" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Mr Alan LEONG's amendment to Mr Christopher CHUNG's motion as amended by Mr Tony TSE, Dr Priscilla LEUNG, Ms Cyd HO, Mr Charles Peter MOK and Mr MA Fung-kwok be passed.

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

(Members raised their hands)

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

(Members raised their hands)

Ir Dr LO Wai-kwok rose to claim a division.

PRESIDENT (in Cantonese): Ir Dr LO Wai-kwok has claimed a division. The division bell will ring for one minute.

(Mr Jeffrey LAM stood up when the division bell was ringing)

PRESIDENT (in Cantonese): Mr Jeffrey LAM, what is your point?

MR JEFFREY LAM (in Cantonese): President, I would like to declare that I am a member of the West Kowloon Cultural District Authority.

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

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

Functional Constituencies:

Mr James TO, Mr Tommy CHEUNG, Mr Frederick FUNG, Dr LAM Tai-fai, Mr CHAN Kin-por, Mr CHEUNG Kwok-che, Mr NG Leung-sing, Mr YIU Si-wing, Mr Charles Peter MOK, Miss CHAN Yuen-han, Mr KWOK Wai-keung, Mr Dennis KWOK, Mr Martin LIAO, Mr POON Siu-ping and Mr Tony TSE voted for the amendment.

Mr Jeffrey LAM, Mr Andrew LEUNG, Ms Starry LEE, Mr IP Kwok-him, Mr Steven HO, Mr MA Fung-kwok, Mr Christopher CHEUNG and Ir Dr LO Wai-kwok abstained.

Geographical Constituencies:

Mr LEE Cheuk-yan, Mr LEUNG Yiu-chung, Ms Emily LAU, Mr WONG Kwok-hing, Mr Ronny TONG, Ms Cyd HO, Dr Priscilla LEUNG, Mr WONG Kwok-kin, Mr Paul TSE, Mr Alan LEONG, Mr Albert CHAN, Ms Claudia MO, Mr James TIEN, Mr WU Chi-wai, Mr Gary FAN, Mr CHAN Chi-chuen, Dr

Kenneth CHAN, Miss Alice MAK, Dr Fernando CHEUNG, Mr SIN Chung-kai and Dr Helena WONG voted for the amendment.

Mr WONG Yuk-man voted against the amendment.

Mr CHAN Kam-lam, Mr TAM Yiu-chung, Mr CHAN Hak-kan, Mr CHAN Han-pan, Dr CHIANG Lai-wan and Mr Christopher CHUNG abstained.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 23 were present, 15 were in favour of the amendment and eight abstained; while among the Members returned by geographical constituencies through direct elections, 29 were present, 21 were in favour of the amendment, one against it and six abstained. Since the question was agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was passed.

PRESIDENT (in Cantonese): Ms Claudia MO, as the amendments of Mr Tony TSE, Dr Priscilla LEUNG, Ms Cyd HO, Mr Charles Peter MOK, Mr MA Fung-kwok and Mr Alan LEONG have been passed, you may now move your revised amendment.

MS CLAUDIA MO (in Cantonese): President, I move that Mr Christopher CHUNG's motion as amended by Mr Tony TSE, Dr Priscilla LEUNG, Ms Cyd HO, Mr Charles Peter MOK, Mr MA Fung-kwok and Mr Alan LEONG be further amended by my revised amendment.

Ms Claudia MO moved the following further amendment to the motion as amended by Mr Tony TSE, Dr Priscilla LEUNG, Ms Cyd HO, Mr Charles Peter MOK, Mr MA Fung-kwok and Mr Alan LEONG: (Translation)

"To add "; this Council also urges the Government to ensure that the endowment is used for promoting and conserving local culture" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Ms Claudia MO's amendment to Mr Christopher CHUNG's motion as amended by Mr Tony TSE, Dr Priscilla LEUNG, Ms Cyd HO, Mr Charles Peter MOK, Mr MA Fung-kwok and Mr Alan LEONG be passed.

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

(Members raised their hands)

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

(No hands raised)

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

PRESIDENT (in Cantonese): Ms Emily LAU, as the amendments of Mr Tony TSE, Dr Priscilla LEUNG, Ms Cyd HO, Mr Charles Peter MOK, Mr MA Fung-kwok, Mr Alan LEONG and Ms Claudia MO have been passed, you may now move your revised amendment.

MS EMILY LAU (in Cantonese): President, I move that Mr Christopher CHUNG's motion as amended by Mr Tony TSE, Dr Priscilla LEUNG, Ms Cyd HO, Mr Charles Peter MOK, Mr MA Fung-kwok, Mr Alan LEONG and Ms Claudia MO be further amended by my revised amendment.

President, as I stated in my speech earlier, even if this amendment is passed, I will in the end vote against the motion of Mr Christopher CHUNG Shui-kun (鍾瑞根) — oh, I have mispronounced his name because of anger — Mr Christopher CHUNG Shu-kun (鍾樹根).

Ms Emily LAU moved the following further amendment to the motion as amended by Mr Tony TSE, Dr Priscilla LEUNG, Ms Cyd HO, Mr Charles Peter MOK, Mr MA Fung-kwok, Mr Alan LEONG and Ms Claudia MO: (Translation)

"To add "; this Council also urges the Government to ensure that the various cultural and arts facilities can meet the principles of creative arts, user needs, environmental protection and energy conservation, while achieving cost-effectiveness" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That Ms Emily LAU's amendment to Mr Christopher CHUNG's motion as amended by Mr Tony TSE, Dr Priscilla LEUNG, Ms Cyd HO, Mr Charles Peter MOK, Mr MA Fung-kwok, Mr Alan LEONG and Ms Claudia MO be passed.

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

(Members raised their hands)

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

(No hands raised)

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

PRESIDENT (in Cantonese): Mr Christopher CHUNG, you may now reply and you have 38 seconds.

MR CHRISTOPHER CHUNG (in Cantonese): President, I wish to say that before I put forward this motion, I actually met with some 30 to 40 people in the

sector in the past one year or so, and these artists conveyed to me many opinions on the West Kowloon Cultural District. Therefore, the wording of my motion actually reflects their views, and I hope Members can disregard past disagreement and continue to support this motion.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Mr Christopher CHUNG as amended by Mr Tony TSE, Dr Priscilla LEUNG, Ms Cyd HO, Mr Charles Peter MOK, Mr MA Fung-kwok, Mr Alan LEONG, Ms Claudia MO and Ms Emily LAU be passed.

PRESIDENT (in Cantonese): Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raised their hands)

Mr Albert CHAN rose to claim a division.

PRESIDENT (in Cantonese): Mr Albert CHAN has claimed a division. The division bell will ring for one minute.

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

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

Functional Constituencies:

Mr Tommy CHEUNG, Mr Jeffrey LAM, Mr Andrew LEUNG, Ms Starry LEE, Dr LAM Tai-fai, Mr CHAN Kin-por, Mr IP Kwok-him, Mr NG Leung-sing, Mr

Steven HO, Mr YIU Si-wing, Mr MA Fung-kwok, Miss CHAN Yuen-han, Mr KWOK Wai-keung, Mr Christopher CHEUNG, Mr Martin LIAO, Mr POON Siu-ping, Ir Dr LO Wai-kwok and Mr Tony TSE voted for the motion as amended.

Mr James TO, Mr Frederick FUNG, Mr CHEUNG Kwok-che, Mr Charles Peter MOK and Mr Dennis KWOK voted against the motion as amended.

Geographical Constituencies:

Mr CHAN Kam-lam, Mr TAM Yiu-chung, Mr WONG Kwok-hing, Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr WONG Kwok-kin, Mr Paul TSE, Mr James TIEN, Mr CHAN Han-pan, Miss Alice MAK, Dr CHIANG Lai-wan and Mr Christopher CHUNG voted for the motion as amended.

Mr LEE Cheuk-yan, Mr LEUNG Yiu-chung, Ms Emily LAU, Mr Ronny TONG, Ms Cyd HO, Mr Alan LEONG, Mr Albert CHAN, Mr WONG Yuk-man, Ms Claudia MO, Mr WU Chi-wai, Mr Gary FAN, Mr CHAN Chi-chuen, Dr Kenneth CHAN, Dr Fernando CHEUNG, Mr SIN Chung-kai and Dr Helena WONG voted against the motion as amended.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 23 were present, 18 were in favour of the motion as amended and five against it; while among the Members returned by geographical constituencies through direct elections, 29 were present, 12 were in favour of the motion as amended and 16 against it. Since the question was not agreed by a majority of each of the two groups of Members present, he therefore declared that the motion as amended was negatived.

PRESIDENT (in Cantonese): Fourth Member's motion: Enhancing the quality and quantity of local tertiary education.

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

I now call upon Dr Kenneth CHAN to speak and move the motion.

(Some Members talked loudly)

PRESIDENT (in Cantonese): The meeting is in progress. Dr CHAN, please speak.

ENHANCING THE QUALITY AND QUANTITY OF LOCAL TERTIARY EDUCATION

DR KENNETH CHAN (in Cantonese): President, I move that the motion, as printed on the Agenda, be passed.

President, I believe many Hong Kong people and Members know that I am an Associate Professor in the Department of Government and International Studies of the Hong Kong Baptist University (HKBU). Actually, I have been working at the HKBU for 15 whole years, and will soon be qualified for "long service recognition". This is the first motion I move in the current session of the Legislative Council. I wish to take this opportunity to hold discussion with Members and urge the Government to take appropriate measures to increase local youngsters' opportunities of receiving subsidized tertiary education, enhance the quality of local tertiary education, and safeguard academic freedom.

President, sitting opposite us is Secretary Eddie NG, a professional with a background of human resource management. He should know that human resource development is very important to Hong Kong, or know how important it is. He should also understand the importance of post-secondary and university education to manpower training in the knowledge-based society of Hong Kong. However, intellectuals like us always talk about the difference between knowing something and putting it into practice. We are very often almighty as talkers but powerless as doers, or we are often powerless despite all our determination.

We certainly are not expecting any demigod from the education sector who can promptly respond to our call, and settle quickly into the role of Secretary for

Education to completely tackle the heaps of tertiary education problems, conflicts and challenges amassed over the years. That said, we do not wish to see a "jinx" either.

President, with respect to the measures and proposals mentioned in my motion, we can observe that one year after the Secretary was put in charge, our tertiary education has not seen any progress, and not only this, it has even been caught in various dangers. There have been numerous complaints from post-secondary students and teaching staff alike. Such examples abound and I can easily cite a few. There was, for instance, the over-admission of students by the Community College at the Lingnan University (LU). The original admission quota should be 1 900, but prompted by the "business prospects" of the double-cohort year and also the trend of education industrialization, the Community College boldly enrolled 5 300 students, which led to an over-admission rate of 180%.

In respect of admission to higher diploma programmes, two colleges of the LU also lowered the admission requirements, with the result that 123 out of the 748 freshmen were unable to meet the minimum entrance requirements. These students are in fact the very victims of the "great leap forward", rigid targets and erroneous policies resulting from the industrialization of tertiary education and the attempt to attain a 60% tertiary education admission rate for students at the right age. This incident has even become an international scandal.

Concerning the allocation of land for educational purposes, the site of the former Lee Wai Lee College campus next to my university is of course the subject of huge controversies, and such controversies have not yet drawn to a close. The problem is again attributable to the Secretary for Education. How does he play the gate-keeping role for our education policies? How does he seek maximum benefits for tertiary education?

Moreover, we have also seen many cases where the academic staff of institutions are oppressed, boycotted and warned due to their criticisms of their institutions' management culture. Over the years, the tertiary education sector has been reminding the authorities that the management of institutions will often flaunt university autonomy as a shield and an excuse. But I must of course add that the Government itself actually condones those institutions which adopt the new theories of private-sector management as a means of tackling, persecuting and fixing intellectuals. When our university colleagues notice problems and

courageously raise queries or offer advice, they are subjected to many unnecessary, unreasonable or even, I would say, ruthless treatments.

In the recent Budget, we can also notice some measures which will lead to new controversies, one example being the injection of \$480 million to set up scholarships for 20 students to take courses in overseas universities. This measure is obviously highly controversial. The measure has been rolled out, but the Secretary for Education cannot even tell us exactly which disciplines the scholarships will cover. There seems to be flexibility and options under this measure. When things are so unclear My point is that we need resources to properly develop the entire education system, from kindergartens to tertiary institutions. Instead of spending so much money on providing scholarships for students to study abroad, why don't we explore how to strengthen and develop education institutions in Hong Kong? Why don't we focus on those students who are thinking about receiving such training and seek to further strengthen their confidence in the local education system?

President, the Panel on Education has recently discussed the situation of students with special learning needs. Members are basically in unanimous agreement that when any of these students are eventually admitted by tertiary institutions after overcoming various obstacles, they should deserve scholarships that fully cover their educational expenses. But the Education Bureau is only prepared to offer a maximum of \$10,000 as a token of encouragement. President, on matters like this, we always see a huge discrepancy. On the one hand, we are very concerned about education, and Members who are concerned about education all wish to see substantial improvement to the quality and quantity of education. However, from what we have heard and from the messages we have received, we see that the Secretary for Education is hidebound and myopic, totally unable to appreciate our concern, agony and despair.

We have been saying to academics and tertiary students that they must not stop at merely monitoring the Government. If after today's motion debate, the Secretary for Education still does not reflect on his performance, change his stance and mindset, and listen closely to the thoughts and feelings of the education sector, I believe that on 1 July next week, many colleagues from the academic circles and tertiary students will take to the streets to denounce our poor education policies and the incompetent Secretary for Education.

President, over the years, we have been asking for more publicly-funded tertiary places. But after so many years As at 2012, 18 years after the

quota was contained at 14 500 in 1994-1995, there was only a mere increase of 500 places. Thousands of school-leavers who can satisfy university entrance requirements are still denied admission. During the Budget debate, we asked the Government for statistics, and we later came to realize that in the past few years, in the case of the last Hong Kong Advanced Level Examination, 7 219 school-leavers could not get a place in any publicly-funded bachelor degree programmes despite their fulfillment of university entrance requirements. And, in the case of the Hong Kong Diploma of Secondary Education, as many as 13 040 students were unable to get a subsidized place despite their fulfillment of university entrance requirements. Is a simple apology a proper reward for those who have studied very hard for 10 years? Is resource shortage the cause of all this? Or, is policy inadequacy the cause? Has the Government been trying, consciously or unconsciously, to create some sort of losers (who are in fact very successful in their studies)?

President, the double-cohort year is only just right behind us, but 20 000 students are already going after the authorities, saying that they owe them a university place. Can the Education Bureau face them with no qualms? We university teachers toil and sweat all the time, and our research colleagues likewise work very hard; our only hope is to pass the torch of knowledge to the next generation. But now, we are forced to turn them all away. What can we say to our own consciences?

Concerning the financial assistance and loan schemes for tertiary students, it is true that the Government abolished the risk rate under the non-means-tested loan scheme in response to public opinions, but I must say that this is only one of our many aspirations. And, after the risk rate was abolished, the Government suddenly realized that the interest rate for the means-tested loan scheme was even higher than that for the non-means-tested loan scheme, so it hastened to make rectification, lowering the interest rate for the means-tested loan scheme to 1%. As the interest rate is so low now, I think it is best to charge no interest at all. That way, after graduation, students will not need to repay the principals and the interests all at the same time. As a matter of fact, there are many cases where a student is still repaying the loan and the interest after working for several years. But at the same time, he has to consider whether to further his studies, because society expects him to do so. Therefore, in the end, he must repay his debt and save some money all at the same time. That means he must skimp on food and work long hours.

As regards the research grant system, I must once again strongly condemn SHIU Sin-por of the Central Policy Unit (CPU) for clawing back to the CPU the \$20 million originally allocated to the Research Grants Council as resources to encourage local public policy research. Concerning this, I have repeatedly explained that the original intent of the policy is to encourage local public policy research within the framework and system marked by a respect for academic freedom. This is very important and also the aspiration of the academic circles at the very beginning, something promised by Prof LAU Siu-kai when he was the head of the CPU. It is a pity that the Government did not listen, thus forcing many of my colleagues to sign a joint petition.

Therefore, I think that the authorities must make up for the resource shortage in this regard. That way, we can continue to promote local research and also a wider range of academic research under the principle of academic freedom, rather than laying all the emphasis on those research that are meant for "surpassing Britain and catching up with the United States" and for publication in world-class periodicals. Honestly speaking, after such articles are written, no one will read them, and many people will not understand them either. But such research can help the researchers concerned in getting promotion and pay rises. This is putting the cart before the horse, because resources are now allocated to people with the proviso of ignoring local problems but producing research findings for outsiders and the confined readership of international periodicals. What kind of system is this?

A moment ago, I talked about university managerialism, especially the kind of new managerialism that has emerged following the Government's request for delinking university structure and government establishment. The Secretary is of course very delighted, and he keeps talking about flexibility. However, I have already pointed out that this is no flexibility but only "job insecurity". With that kind of "flexibility", temporary posts have kept springing up in large numbers "on a permanent basis" in universities. Since people are only offered short-term contracts, university management culture has turned very unreasonable, as aptly summed up by the expression "do more with less is glorious". With very limited resources, people are required to do many tasks. Even when the tasks are outside their scopes of responsibilities, they must still work hard on them, so that they can continue to realize their dreams of contributing to university education. Is this something glorious or honourable? Or, should we instead say that this is a shame and an insult to the intelligentsia?

In this way, many complaints and disputes in universities are oppressed and suppressed all the way up the hierarchy. The "Six Heroes" incident occurred in the HKBU a few years ago, and in this incident, some staff members felt some sort of pressure from the change of employment terms because their agreements of substantive appointment might be terminated. The university management yielded at the last moment, but a tempest had already blown up.

As for the row involving the Hong Kong Institute of Education, the suppression by Arthur LI, the former Secretary for Education, and Fanny LAW, the former Permanent Secretary for Education, revealed that the tertiary education sector needs an independent mechanism for staff complaints and the protection of their rights to report irregularities, so that they can continue to work without any worries. This mechanism can also serve as a form of check, a comprehensive form of check, to deal with any poor management culture.

As regards the regulation of self-financing tertiary institutions, I have already mentioned the two colleges of the LU. But the sudden closure of the Sacred Heart Canossian College of Commerce after programme commencement likewise caused huge disputes. This also involves the commercialization of education. An arts school in Kowloon has disguised itself as a university but because it has added "Company Limited" to its name, the Government cannot do anything about it.

As regards land resources and the Lee Wai Lee incident, last week, Secretary Paul CHAN went so far as to publicly dismiss any opposition to government policies as populism and populist acts. I immediately corrected him but he was all the time evasive. "Scrambling for land" has become a salient feature of the Government. When such problems emerge, has Secretary Eddie NG ever sought to safeguard the education sector's basic wish of obtaining land for education purposes?

Finally, concerning exchange and internship opportunities, we have pointed out many times that while students may go to the Mainland for internship, we must not forget that Hong Kong is a society that respects the universal values upheld by the international community. Therefore, I must also request the Education Bureau to allocate resources to allow more students to have internship outside Hong Kong, in different places all over the world.

President, as we are forced to have one single consultation exercise for the policy address and the Budget, the problem we face this year is that when we ask

the Government for the allocation of any substantial resources, the Financial Secretary would say he has no money, probably because the policy address has swallowed a big chunk of the resources. As a result, we can only seek some minor adjustment and improvement. However, what we demand is drastic reform, and we do not want any administrative hegemony to leave us with insufficient financial resources (*The buzzer sounded*)

PRESIDENT (in Cantonese): Dr CHAN, your speaking time is up.

DR KENNETH CHAN (in Cantonese): for the development of the education system. I so submit.

Dr Kenneth CHAN to move the following motion: (Translation)

"That this Council urges the Administration to take appropriate measures to increase local youngsters' opportunities to receive subsidized tertiary education, enhance the quality of local tertiary education, and safeguard academic freedom; the specific measures should include:

- (1) to increase the number of places under subsidized undergraduate programmes for the enrolment of local students;
- (2) to immediately conduct a comprehensive review of the various existing financial assistance and loan schemes for tertiary students, so as to provide interest-free loans for qualified tertiary students;
- (3) to set up an independent body to handle complaints from the teaching staff of tertiary institutions and protect the rights of complainants;
- (4) to review the existing research grant system and allocate additional resources to promote diversified academic research;
- (5) to set up an independent statutory body to monitor the operation and quality of self-financing tertiary institutions;
- (6) to allocate additional land to support the development of the various tertiary institutions; and

- (7) to increase the exchange and internship opportunities for tertiary students in different countries and places."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Dr Kenneth CHAN be passed.

PRESIDENT (in Cantonese): Seven Members wish to move amendments to this motion. This Council will now proceed to a joint debate on the motion and the seven amendments.

I will first call upon Mr Gary FAN to speak, to be followed by Ms Starry LEE, Mr KWOK Wai-keung, Mr Michael TIEN, Dr Helena WONG, Mr CHAN Chi-chuen and Dr Fernando CHEUNG respectively; but they may not move amendments at this stage.

MR GARY FAN (in Cantonese): President, first of all, I want to make a declaration of interest. I am a member of The Council of The Chinese University of Hong Kong and also a part-time tutor at The Open University of Hong Kong.

President, the Neo Democrats has put forward nine minor amendments to Dr Kenneth CHAN's original motion with three main directions: first, to ensure local students' opportunity of receiving local tertiary education, to review the policies on offering self-financing taught master programmes and admitting students to such programmes, and to require various institutions in Hong Kong to put local education first; second, to encourage various institutions to give priority to employing local academics when their qualifications are on a par with those of foreign academics and to propose that the Government formulate measures to treat local academics fairly; and third, to maintain the diversity of Hong Kong's education and to study the enhancement of monitoring of fee charging by post-secondary colleges and private universities. President, the focus of my speech today is to express the concern that non-local students are nibbling up local tertiary education resources. Before me is a newspaper advertisement recently placed by a network group called "Opposing Local Universities' Indiscriminate Admission of Mainland Students". The theme is opposing the Mainlandization of local universities. The concerns expressed in the advertisement are similar to mine.

President, according to the information provided by the Government to the Legislative Council, the number of non-local students enrolling in publicly-funded tertiary education programmes has continued to rise in recent years. In the 2011-2012 academic year, 10 769 non-local students were enrolled in the tertiary education programmes funded by the University Grants Committee (UGC), with 8 936 of them, that is, 82.9%, having their place of origin in the Mainland. One of the problems facing the tertiary education sector at present is Mainlandization in the name of internationalization, and studying in Hong Kong has even become a short-cut for Mainland residents to migrate to Hong Kong.

President, in early June 2013, *Oriental Daily* and *the Sun* carried a news story on an undercover operation in which they found that some immigration intermediaries in Shenzhen offered the trick of "course attendance in name, child delivery in truth" to help "doubly non-permanent resident pregnant women" to give birth in Hong Kong. As disclosed by the report, such pregnant Mainland women only need to pay a service charge of about RMB 100,000 yuan, and they can enrol in self-financing taught master programmes with little government regulation offered by universities in Hong Kong. These intermediaries even guarantee that they can provide fake educational certificates, arrange pre-written theses and help them find a job after graduation, just to make sure such pregnant women can give birth in Hong Kong.

On the other hand, under the Immigration Arrangements for Non-local Graduates, non-local graduates who submit applications for working in Hong Kong to the Immigration Department within six months from their graduation dates can unconditionally stay in Hong Kong to work or look for a job. If they are employed by local companies and have lived in Hong Kong for seven years inclusive of the periods of studies, they can automatically become Hong Kong permanent residents. Besides, if non-local students are offered jobs by local employers, they can submit applications for returning to work in Hong Kong regardless of their dates of graduation, and they will automatically become Hong Kong permanent residents after living in Hong Kong for seven years. This explains why Hong Kong tertiary education programmes are especially popular among Mainland students.

President, the number of Mainland students with approval to study in Hong Kong has been on the rise in recent years. In 2003, the number was smaller than 1 600, but it rose drastically to some 16 000 last year (2012). There has been an increase of over 10 times in a decade, with a cumulative total of more than 70 000. The number of Mainland graduates with approval to stay and work in

Hong Kong has also risen from some 3 200 in 2009 to over 6 400 last year (2012), an increase of 100%. President, this is an alarming figure.

At present, the ceiling of non-local student enrolment in undergraduate programmes offered by publicly-funded institutions is 20% of the approved UGC-funded student number for such programmes, which comprises up to 4% within the UGC-funded number and up to 16% outside the UGC-funded number. However, there is no ceiling for self-financing programmes and research postgraduate programmes. What has happened as a result? The result is that last year, the rate of non-local student enrolment in research postgraduate programmes was as high as 72%, thus leading to a vicious cycle that sees fewer and fewer local students being able to enrol in research postgraduate programmes, and in turn hindering the nurturing of Hong Kong's local research talents.

Actually, non-UGC-funded places are another major channel for higher diploma or associate degree graduates to enter university. But as much as 16% of non-UGC-funded places are taken up by non-local students. Local students' pathway to further studies is therefore obstructed.

President, my amendment advises the Government to study the restoration of the ceiling of non-local student enrolment in the associate degree, degree and taught postgraduate programmes offered by UGC-funded institutions to the pre-2008 level of 10% of the approved UGC-funded student number for such programmes. What is the reason for that? I hope that local education resources can be spent on Hong Kong people, so as to ensure that the Chief Executive's principle of "putting Hong Kong people first" can be realized in local tertiary education.

President, I have to emphasize that the intent of UGC-funded places is to subsidize students' education with public money. This involves Hong Kong people's inalienable civil right to receive higher education in Hong Kong. In fact, both UGC-funded places and self-financing places must likewise use the hardware facilities of universities, such as lecture rooms, libraries and student hostels.

Honourable Members, I note that some people hold the view that since non-local students studying in Hong Kong must each pay a tuition fee of some \$100,000, which is more than those paid by local students, non-local students will not nibble up the tertiary education resources of Hong Kong. However, I must

stress that this argument is erroneous. The costs of local tertiary education places actually far exceed the revenue from tuition fees. As indicated by statistics, one arts student will incur an annual cost of roughly \$150,000 to \$170,000; in the case of an engineering or science student, the cost is \$300,000; and for a medical student, the cost is as high as \$600,000 a year, meaning that a five-year medical programme will cost a total of \$3 million. In other words, even though non-local students pay higher tuition fees, huge sums of public money belonging to Hong Kong taxpayers must still be used to subsidize their education. President, European and American universities usually charge foreign students full tuition fees. Their local governments will not spend any public money on subsidizing students from other countries or even other states or provinces. In contrast, Hong Kong is spending huge sums of public money on nurturing talents for other places.

President, rather than attending to their proper business, some local publicly-funded universities have been scrambling for opportunities to open branch campuses in the Mainland, a place with no academic freedom. I call upon the various education institutions in Hong Kong to put local education first, rather than selling their graduation certificates in exchange for research funding from the Mainland.

President, all countries and cities in the world should protect their own people's right to receive local tertiary education, and they must not arbitrarily infringe upon this right in the name of competition. Therefore, I once again hope that the Government will squarely address the unfair treatment accorded to local professors in such areas as academic ranks, titles, employment terms and conditions, remunerations, fringe benefits, and participation in the governance structure. President, I so submit.

MS STARRY LEE (in Cantonese): President, first of all, I declare that I am a member of the Council of The Hong Kong University of Science and Technology.

President, Hong Kong is a city deficient in resources. The one and only resource it possesses is a pool of talents with international outlook and competitiveness. That Hong Kong can have such an asset today is very much the result of its continuous investment in education over the years. The Hong Kong today is the result of such investment. However, challenges from all directions have never ceased to impact Hong Kong. The competition among the

Four Little Dragons in Asia in the past and the growth of the Mainland manpower market today can both show that Hong Kong people's language competence and competitiveness have been under constant challenge. Hence, the SAR Government's investment in education must not solely emphasize the enhancement of quantity; the enhancement of quality is equally important.

In respect of quantity, the number of publicly-funded university places has remained at 14 500 for many years. This target has been in place for nearly 20 years since it was set down in the 1994-1995 academic year, indicating how fossilized the policy is. Throughout this period of nearly two decades, many social and economic changes have occurred in society, thus necessitating a large demand for people with university education or above to facilitate the development of Hong Kong. I remember that the first motion I moved right after joining the last-term Legislative Council was on requesting the Government to increase the number of subsidized university places. After the efforts of various sectors to strive for this cause, the Government has only slightly increased the number.

The SAR Government slightly increased the number of university places to 15 000 last year, but this is still a drop in the bucket when viewed against the demand of students who aspire to upward mobility in society. Even if we include the twofold increase in senior year entry to 4 000 places in 2014 and also the 8 500 or so self-financing places, there will only be 27 500 publicly-funded and self-financing university places each year. Of the 80 000 or so students at the right age, only one third can gain admission to local degree programmes. Another one third will need to enrol in local associate degree programmes. As for the rest, most of them may have to end their school life and start working in society.

It is true that not all the 80 000 or so students at the right age are suitable for university education. But that again, can we guarantee that those who fulfil university entrance requirements can all enter university? Let us look the 2012 academic year as an example. That very year, totally more than 26 000 students fulfilled the minimum university entrance requirements. Although there will be 15 000 university places in the coming academic year, the net number of places will just be 12 000 after deducting the 3 000 places, or 20%, reserved for Non-Joint University Programmes Admissions System entry. From this, we can deduce that about 14 000 students will be unable to get publicly-funded university places despite their fulfillment of university entrance requirements.

Therefore, the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB) suggests that the Administration should raise the proportion of education investment in the GDP, and spend the resultant increase in education resources on raising the number of publicly-funded university places, so as to further boost the university admission rate of the relevant cohort.

In respect of quality, we also need to undertake many reforms before we can enhance the quality of tertiary education. This Council has repeatedly urged the Government to play a proper gate-keeping role regarding the quality of tertiary education, so as to ensure that both the operation and quality of self-financing tertiary institutions can be effectively monitored. However, from time to time we can observe that private universities or tertiary institutions are still very keen on boosting student intake to make profit, with the result that certain affiliated community colleges have indiscriminately offered various programmes, and there is also the problem of serious over-admission. Student intakes are blindly sought regardless of such realities as the shortage of campus facilities and hostel places. In the end, education institutions are turned into profiteering organizations and students into exploited customers.

In fact, as pointed out by the University Grants Committee (UGC) in its report on higher education published in 2010, the tertiary education system is complex and fragmented; various institutions have an unco-ordinated plurality of initiatives, and they lack a clear regulatory framework. Self-financing programmes are provided by community colleges affiliated to publicly-funded institutions, independent privately-run institutions and also private universities. With all these different categories of self-financing degree programme providers, it is hard for the public to get the whole picture. Therefore, we think that the Government must immediately reform the current regulatory regime of the higher education system, especially the regulation of self-financing programmes.

I know that the Government has established the Committee on Self-financing Post-secondary Education. We also note that the Committee has indicated that there are certain difficulties in establishing a regulatory regime, so it has switched its focus to exploring the formulation of a set of reference benchmarks applicable to the administration and governance framework of the eight self-financing institutions. I think that the formulation of reference benchmarks alone cannot possibly ensure quality. The DAB therefore fears that such benchmarks will be of no help to enhancing the monitoring of self-financing institutions or upgrading quality, that is, the quality and quantity of programmes. Hence, we advise the Secretary to exercise prudence before making any decision.

In society, there is the polarization between the rich and the poor, and this is also the case with education subsidies. Many young people whose academic results are good or who had a more advantageous starting point are allocated subsidized university places. While enjoying free education, they can also live a full university life, get a hostel place and engage in extra-curricular activities. In contrast, many students can only enrol in self-financing programmes despite their fulfillment of university entrance requirements, because their results are not as good as others' and there is a shortage of university places. Hence, they are deprived of a full university life. This is extremely unfair to them. The authorities must eliminate such polarization in education subsidies.

We have repeatedly advised the authorities to consider the provision of tuition fee subsidies to self-financing programme students through different channels, such as giving thoughts to establishing a post-secondary education fund or issuing education vouchers. The authorities should also provide more lands, especially lands for education purposes, so that universities can have sufficient space for hostel construction. That way, we can ensure that local and non-local students can both satisfy their demand for hostel places and enjoy a richer campus life.

President, in respect of enhancing the quality of tertiary education, we believe that the means to achieve this end should be the provision of more university places to nurture more talents, and the reform of the present regulatory framework for tertiary education to ensure the effective monitoring of the operation and quality of the various self-financing institutions. Another way to bring forth "quality" is to ensure the organic integration of academic programmes and the manpower market. Why do students go to university? Of course, they do so in the hope of upgrading themselves. But in more realistic terms, they wish to climb up the social ladder. They also hope that after completing their studies, their education qualifications will be recognized in the employment market. If programme contents are completely out of tune with the demand of the employment market, or if there is an over-emphasis on certain types of programmes such as business management due to costs consideration or student preferences, then disillusioned and frustrated youths are very likely to increase in number, and we will probably fail to rectify the existing manpower mismatch in our society through the provision of academic programmes.

I know that all along, no one has been playing the gate-keeping role in the self-financing sector. Euphemistically, one may say this is the blossoming of a hundred flowers. But honestly, the situation is completely out of control.

There is no division of labour among different institutions in respect of programme provision, nor is there any organic integration of academic programmes and the job market. Consequently, there are huge variations in students' career prospects and qualifications recognition. This is exactly the problem that the Government and the Secretary must urgently tackle.

President, let me now speak on the original motion and Members' amendments. We have reservations about Dr CHAN's proposal on setting up an independent body to handle complaints from the academic staff of all tertiary institutions in the original motion. Our reason is that the eight UGC-funded institutions have already taken aboard the guidelines of best practices in teaching staff redress mechanisms formulated by the UGC. And, apart from this, I also know that these guidelines actually require the institutions to be more transparent, fair and objective in handling complaints. Also, as indicated by the UGC's studies, even in foreign countries, there are no such independent mechanisms for handling complaints from staff of all institutions. Hence, we do not support the establishment of such an independent body.

Honestly speaking, I remember that the Legislative Council has actually invited stakeholders to come and express their views on this topic on many occasions. I understand that many complaints were about grievances stemming from personnel and promotion arrangements. As the Chinese saying goes, "Not even good officials can settle family troubles". How can we make sure that such an independent body can really settle the disputes over these arrangements? I am not yet convinced. Consequently, we oppose the original motion and all the amendments that contain this proposal.

As regards Mr Michael TIEN's proposal on introducing a compulsory exit English test, we think that from the perspective of enhancing local students' language proficiency and responding to the employers' doubt about local graduates' language proficiency, this proposal on requiring students to undergo an exit English examination is worth pursuing. However, people worry that it may be unfair to graduates of non-language-related disciplines if they are required to have the same English level as that of the graduates of language-related disciplines. As such, I think if the Administration really considers introducing this examination, it has to carefully consider whether it is necessary to require different levels of achievements, so that graduates of language-related and non-language-related disciplines will feel that they are treated fairly.

President, I so submit.

MR KWOK WAI-KEUNG (in Cantonese): President, the concept of "no class distinction in education" advocated by Confucius, the Model Teacher of a Myriad Ages, has always been regarded as a proper attitude or principle that the education sector should adopt. However, following the last-term Government's positioning of education as an economic endeavour set for industrialization, that is, as one of the pillar industries, the principle of "no class distinction in education" seems to have begun to fade out in Hong Kong. A comprehensive and satisfactory education policy must cater for the needs of students from different social strata. But it is a pity that the development of the various tertiary institutions in recent years all seems to be following the directions of industrialization and marketization. The tuition fees of certain self-financing programmes, for example, have been rising incessantly. There is also an over-emphasis on developing overseas and Mainland markets, and the sole aim of admitting overseas students is to increase revenue.

The SAR Government has made vigorous efforts to develop tertiary education, but support facilities are inadequate and regulation is not strong enough. Very often, the needs of local students, especially indigent students, are neglected, thus giving rise to the difficulties encountered by children of grass-roots families in education, employment and shaking off poverty. The Hong Kong Federation of Trade Unions has all along been very concerned about young people's development and prospects. In my amendment to Dr Kenneth CHAN's original motion today, I have included some proposals on enhancing the quality and quantity of local tertiary education, with a view to urging the Government to squarely address young people's right to education equality and perfect the existing tertiary education system. The following are my views on several problems.

The first problem is "putting money first" and no regulation. Since tertiary institutions embarked on industrialization some years ago, they have been placing sole emphasis on profits, and students have only been accorded secondary importance, but there is not too much the Government can do to exercise control. In this way, education loses its original function and significance, thus sacrificing the prospects of our children. Education is no commodity. It is never like going to the supermarket, where we can just pick whatever we want. Or, it is never like selling a commodity, where everything ends when the transaction is over. Education produces impacts on the future of our society, which is why we must impose proper monitoring and build a sound system for our children.

We may look at the over-admission by the Lingnan University (LU) as an example. In October last year, the Community College at Lingnan University and the Lingnan Institute of Further Education were found to have admitted more students than they should have. Their intakes far exceeded the originally planned levels. One-seventh of the students admitted to their higher diploma programmes, that is, 123 out of 748, failed to obtain the required results in the Hong Kong Diploma of Secondary Education Examination. This constituted a violation of the Education Bureau's rule that no more than 5% of any single intake should fall below the required minimum standard. In other words, they did not follow the law. In its subsequent report, the investigation committee disclosed that their total intakes stood at 6 909, which far exceeded the originally planned 3 330. As a result, they had to recruit additional part-time teaching staff, thus boosting the number of such staff to 136. The number of full-time teaching staff was only some 120, meaning that there were more part-time teaching staff than full-time ones. The students were only informed of the places and times of their classes at the very last moment via text messages on the telephone. The venues of the lessons were scattered all over Hong Kong Island and Kowloon. It is therefore easy to imagine the myriad of problems that emerged. The classrooms, for example, were not even equipped with Wi-Fi services, something that young people nowadays cannot do without.

This example can aptly illustrate that if we are to enhance the quality of tertiary education, we must not brush aside the established procedures and admit students indiscriminately. The worst thing about this incident is that the colleges simply disregarded the rule laid down by the Education Bureau. As education institutions, they themselves disregarded the admission requirements and only cared about admitting more students. In the end, quality was bound to suffer. Honestly, education institutions may try to brush up the standards of those students who cannot reach the minimum requirements, but they must not disregard the relevant admission requirements.

Moreover, as a result of the 100% over-admission, the software and hardware facilities of the LU both failed to cope. There were insufficient classrooms and computer equipment, and as a result, students were given the relevant information only one day before their classes. To cope with the 100% increase in student intake, the two colleges were forced to recruit temporary part-time teaching staff. Such part-time teachers of course possess recognized qualifications, but we cannot help thinking that maybe, they will not stay behind after class, or seldom stay behind after class, to answer students' questions. This will also affect education quality.

Similar incidents have occurred from time to time in recent years. The main reason is that in recent years, the various tertiary institutions in Hong Kong have been offering many different kinds of self-financing post-secondary programmes for reasons of huge profits. All in all, we must blame the Government for inadequate regulation. Because of this, the quality of such self-financing programmes has come under doubt, and the students admitted to them are victimized. Therefore, the Government must step up regulation and review the present education system.

The second problem is the lack of support for indigent students. Hong Kong has been faced with the wealth gap problem for a very long time. Its Gini Coefficient has long remained at 0.5. The impact of this has been felt not only in people's daily life but also in the field of education. Simply put, a less advantageous starting point is an apt description of indigent students' situation in Hong Kong. This less advantageous starting point is observed as early as the stage of secondary school or at an even earlier time. And, it is most obvious at the stage of tertiary education. In recent years, more and more prestigious subsidized secondary schools have switched to the Direct Subsidy Scheme (DSS), and the high tuition fees they charge have directly raised the threshold of admission. Poor families must scrimp and scrape before they can afford such fees, so no matter how well their children have done in school, their chance of entering these schools is slim. No doubt, there are financing schemes for indigent students, but just how many of them can really receive subsidies?

At the same time, precisely because many schools have switched to the DSS, the number of non-fee charging public schools and places has decreased, and understandably, indigent students will have fewer options in the course of school selection as a result. It is true that the low ranking of a school does not necessarily mean that it can never nurture outstanding students, but as Members will understand, we should be talking about the question of probability here. As Members will understand, the probability of nurturing outstanding students is invariably higher in the case of prestigious schools. The university admission rates of schools can serve as an example. In the case of some secondary schools, the rate is 100%, but in others, the rate is simply zero.

In fact, secondary education is the stepping stone for tertiary education. If a student cannot receive quality secondary education, his chance of entering a tertiary institution will be lessened. Of course, this may not always be the case, but the impact is very significant. Even if an indigent student attains the admission requirements of a tertiary institution, what can he do anyway? Owing

to exorbitant tuition fees and their annual increases, some students may still be unable to enrol in tertiary institutions despite their fulfillment of the entrance requirements. The annual tuition fees of the self-financing master's degree programmes offered by one institution have increased from \$60,000 in 2008 to \$100,000 at present, in a matter of less than five years. This is effectively beyond the means of an average family, so if indigent students want to enrol in any self-financing programmes, they must borrow money from the Government. But there is one example which can show us that if a student enrolls in an associate degree programme after completing a Yi Jin programme, he will amass a debt of \$180,000. In other words, even before he starts working, he will have a debt of \$180,000. If he is just a young man who earns merely some \$10,000 a month, when can he pay off his debt?

President, in order to rectify the problem of a less advantageous starting point, I believe that besides increasing the number of university places, the Government must also, as advised by other Members, raise the rate of associate degree holders enrolling in degree programmes and accord admission priority to local students, so as to increase social mobility.

Thank you, President.

MR MICHAEL TIEN (in Cantonese): President, on 27 June a decade ago, the Standing Committee on Language Education and Research under my chairmanship issued the final report of its language education review entitled "Action Plan to Raise Language Standards in Hong Kong". One of the recommendations therein is the adoption of the IELTS test as a means of assessing the English proficiency of university graduates and working adults. One major reason for this is that the business sector and employers were generally supportive of specifying language competence.

It takes 10 years to grow a tree. The proposal on requiring university graduates to take this "exit test" and even attain a specified standard as a prerequisite for graduation understandably aroused strong reaction. In the end, this proposal was reduced to voluntary participation, because no one in this world welcomes any pressure, right? Even now, voluntary participation is still adopted, and those students who have no confidence in their English competence or whose English proficiency is low can continue to shun the test. On the basis of students' IELTS test results, the Government has kept boasting that the English standard of our university students is high. In essence, this is just a

generalization about the standard of all graduates based on the results achieved by the 60% of students who sit the test. All along, the University Grants Committee (UGC) and the various education institutions have never had the courage to introduce a common exit test. If they keep resorting to the excuse that in the past, 60% of all university graduates sat the IELTS test every academic year, people would think that they are just trying to dodge the issue.

Ten years on, employers are still dissatisfied with the English standard of university graduates. The purpose of my amendment is to induce Members to renew discussions on this issue and consider whether all tertiary students (including associate degree students) should attend an internationally-recognized English test before graduation, so that society can judge the English competence of all tertiary students based on a set of uniform and credible standards.

Hong Kong society, employers and parents still very much hope that tertiary students can attain a high standard of English. I have been an employer for over three decades and I would of course consider the English standard of job-seekers. As far as I can observe, young people in Hong Kong are generally becoming less and less confident in using English for listening, oral, reading and writing purposes. Young people and students who are still at school may not appreciate the importance of English competence to their future career, so we must solemnly and seriously bring home to all students the importance of English. At present, many universities require students to take English language courses, but university students generally regard such courses as unimportant despite their credit-bearing status. Some institutions only require students to take English language courses in two or three semesters during the several years of university education, rather than the entire duration of the four-year university programme. At present, university programmes are unable to make students realize and cherish the importance of English. But sadly, this Chamber is unlikely to be the very place where any changes to university curriculums can be made.

I now propose to introduce this compulsory exit English test as a standardized system of assessment to induce tertiary students to learn English with a more seriously attitude. The reason for introducing this compulsory English test for all tertiary students is to make them realize the requirement of society on the English language, and also to let employers know that they can ask job interviewees to present their results in this English test. With a standardized frame of reference, competition and comparison will emerge among students themselves, and they will not dare to slacken their efforts to learn English. This

pre-graduation English language assessment will not affect students' overall academic results regardless of the marks scored by them. However, the results of assessment must be stated in students' graduation certificates, so that employers can have a clear idea of their English proficiency.

In response to Ms Starry LEE's remarks just now, I can tell her that we are not talking about the setting of any benchmark or target standard, so there does not exist any question of doing unfairness to graduates of non-language related disciplines. We only want to enhance the transparency of the English standard of each graduate, so the DAB does not need to have any worry. However, it seems that none of its party members is present now, so I hope Ms Starry LEE can relay this message to them on my behalf. In fact, it is actually quite impossible to establish a benchmark for students of different disciplines or students of different programme levels.

A decade ago, Mr Eddie NG, who is now the Secretary for Education, answered media enquiries in his capacity as the External Affairs Director of the Hong Kong Institute of Human Resource Management, saying that most employers were not satisfied with the existing English and Chinese language assessment examinations and considered their assessments inaccurate. I wonder if the Secretary still holds this view now, and whether he will thus take immediate actions to improve the criteria for assessing the English standards of tertiary graduates. The amendment I propose is not meant to demean the tertiary students of today or to intimidate them in any way, still less is it intended to advocate the dominance of the English language. My only intention is to enhance the recognition of tertiary graduates.

As tertiary education places, especially associate degree places, increase drastically in number, university places and other tertiary qualifications are facing the risk of devaluation. Society also expresses frequent concern about the inadequate recognition of associate degrees. If the English standards of tertiary graduates can be assessed under a formally recognized and standardized system, it will be possible to enhance the recognition of different types of tertiary qualifications, and this is also very important to enhancing our education quality and Hong Kong's long-term competitiveness. President, the reason for the drastic devaluation of associate degrees is their low admission thresholds. Even students with zero admission score can still be admitted to such programmes after graduating from pre-associate degree programmes or Project Yi Jin. And, the only form of assessment before graduation is internal evaluation. To put it

bluntly, everybody simply does not dare to face the reality. The English standard of associate degree holders may well be generally low, but we are afraid to face the problem, and we simply go on deceiving ourselves and others, deceiving parents and students. That way, when students need to use English, they will realize their own inadequacy. But by then, all will be too late.

Another point I wish to discuss is the handling of complaints from the teaching staff of tertiary institutions. At present, the various education institutions all follow their established mechanisms for handling complaints from their teaching staff, and these mechanisms all take into consideration different circumstances and the avoidance of conflicts of interests. Appeal mechanisms are also in place to allow outsiders to examine the appeal process. There are also provisions against revenge. All this can show that the designs of such mechanisms are quite comprehensive and satisfactory, able to fully protect the rights of teaching staff. The conduct of internal investigations can actually ensure that the investigation team will understand the situations of the institutions concerned and make decisions in line with their corporate cultures. Each education institution is marked by its unique history, tradition and characteristics, so an independent cross-institution body may be unable to understand the characteristics of the various institutions. The UGC confers autonomy on education institutions and the power to handle appeals is conferred on their councils. Establishing a framework above all education institutions will impair the authority of university councils and infringe upon the autonomy of institutions. An independent body is a superfluous framework which will bring more disadvantages than advantages. For this reason, I cannot support point (3) of the original motion. However, I support the idea of reviewing the implementation of the various complaint mechanisms, and I also agree that if it is found that any education institutions have not fully implemented the relevant mechanisms, rectification must be made.

In conclusion, in the discussion on ways to boost the quality and the quantity of tertiary education, I have specifically put forward the view on strengthening English language education. I know that under the system of separate voting, my amendment may not be passed. But still, I want to arouse Members' concern, so that they will face up to the problem and seek to enhance the quality of university education.

President, I so submit.

DR HELENA WONG (in Cantonese): President, I wish to thank Dr Kenneth CHAN for moving the motion on "Enhancing the quality and quantity of local tertiary education". I must also declare that I am a lecturer at The Hong Kong Polytechnic University. I have been a university lecturer for more than a decade. Like Dr Kenneth CHAN, I am very concerned about the development of tertiary education in Hong Kong.

The amendment I propose today is divided into two parts. The first part is about the channels for associate degree graduates to gain admission to publicly-funded universities. I hope that the authorities can consider the relevant proposals seriously. Although roughly 25 000 students every year can satisfy university entrance requirements, only 15 000 students are admitted to the undergraduate programmes of the eight publicly-funded universities. The remaining 10 000 students and other students who fail to meet university entrance requirements have to find a place in self-financing associate degree programmes.

Should we offer more opportunities to those students who cannot gain university admission due to their accidental slip in examinations, and those who still fail to gain university admission despite their fulfillment of university entrance requirements? Although they can still enrol in self-financing associate degree programmes, we nonetheless fear that after completing their studies two years later, they may have to search far and wide helplessly for channels of articulation to first degree programmes.

Those who are lucky enough may get a place in publicly-funded top-up programmes and proceed to first degree studies. However, there are only around 2 000 top-up programme places at present, and this is only about 6% to 7% of all associate degree graduates. As a result, those who cannot get a place in top-up programmes will feel very helpless, and must enrol in some "connecting" programmes offered by self-financing tertiary institutions in order to complete the remaining one or two years of first degree studies.

For that reason, I hope that the Government can increase the number of senior year undergraduate places for associate degree graduates. The Government currently provides 2 000 such places, and we also know that the number of such places will be increased to 4 000 in 2014, but this will still be unable to meet the demand of associate degree graduates for further studies. The Democratic Party suggests that the Bureau should consider increasing the number of senior year undergraduate places to a level around 30% of all associate

degree graduates. Of course we know that some students may not possess the qualities and abilities necessary for further studies. Nevertheless, we consider that drawing the line at roughly 30% of all students will be helpful to associate degree graduates. At the same time, we also hope that the Government can increase the proportion of admission to publicly-funded degree programmes under the Joint University Programmes Admissions System.

President, the next thing I wish to talk about is the second part of my amendment, that is, postgraduate students. On this issue, when Mrs Regina IP moved a motion on the industrialization of education in Hong Kong earlier on, we already proposed related amendments and held some discussions. As shown by government statistics, the proportion of local students in our postgraduate student population is really frightening. I am mainly referring to research postgraduate programmes, including master of philosophy and doctor of philosophy programmes.

The enrolment situation of these programmes over the past decade has been extremely worrying. We can observe that the number of local students enrolling in research postgraduate programmes has been shrinking drastically, accounting for less than a quarter of all research postgraduate students. The current percentage is merely 24% or so. Under the mega trend of "internationalization" (which is in fact Mainlandization), most of the students enrolled in research postgraduate programmes are from the Mainland, with only a handful of them coming from other countries.

As an education worker, I do welcome the admission of local, foreign and Mainland students by our universities and even graduate schools. As a teacher, I also welcome a mix of students from different places, because this can create the kind of competition that induces local students to strive for progress and also enable them to learn how to communicate with students from other countries. All this will produce positive impact on the entire learning process.

For that reason, we do not think that graduate schools of universities should drive away all foreign and Mainland students in the future and only admit local students. This is not what we want to see. However, what we hate to see even more is a dwindling number of local postgraduate students which turns students from other countries into the majority and local students the minority. This leads to two questions. First, who should be the intended targets of our postgraduate education? If all students are outsiders, we must ask: how many of them will stay behind and work in Hong Kong after graduation? Another

extremely serious problem is that all postgraduate students are offered the full subsidy of some \$10,000 a month regardless of where they come from — Hong Kong, the Mainland or foreign countries. Since universities are publicly-funded education institutions, we really wonder whether this is a proper way of spending our resources. President, I have raised this question with the Education Bureau many times. Its written reply explains that foreign universities also admit international students. Nevertheless, the authorities have not told us whether foreign countries are as generous as Hong Kong, which offers the full subsidy of some \$10,000 to students from any countries. This is not the case in foreign countries.

Let us look at nearby Taiwan as an example. In Taiwan, foreign students are not entitled to any forms of subsidy or allowance. As for Singapore, its National University of Singapore (NUS) is above Hong Kong in the ranking of Asian universities, second only to Japan. The University of Hong Kong only occupies the third position. Does the top university in Singapore, the NUS, admit any postgraduate students? Of course, it does. We have recently conducted a survey on its graduate school admission, and we notice that in 2013-2014, the subsidies offered to students of its postgraduate arts and social sciences programmes are not as generous as those offered in Hong Kong. In Hong Kong, all postgraduate students receive a subsidy of over \$10,000 a month regardless of whether they are in need. In Singapore, however, students are divided into three different categories for the purpose of charging tuition fees. The first category comprises students who are Singapore citizens; the second category comprises students who are Singapore permanent residents; and the third category includes international students from other countries. In the case of the arts and social sciences research postgraduate programmes of the NUS, the tuition fee for Singapore citizens is HK\$39,680; that for Singapore permanent residents is HK\$55,490, about HK\$10,000 more than that for Singapore citizens; and, international students have to pay as much as HK\$138,450. The apportioning of places aside, in terms of subsidy mode, the tuition fees for non-local students are several times higher than the tuition fees for Singapore citizens. In view of this, should Hong Kong review the subsidy mode and place apportioning of its graduate schools?

President, I think that in order to spend our public money responsibly, the authorities should give priority to local students as far as possible when it comes to the use of education resources. *(The buzzer sounded)* President, thank you.

MR CHAN CHI-CHUEN (in Cantonese): The theme of this motion proposed by Dr Kenneth CHAN today is "Enhancing the quality and quantity of local tertiary education". The tertiary education system in Hong Kong is tattered and diseased. The quality of university students is declining, inducing many to comment that the university students nowadays do not compare with their counterparts in the past. But fortunately, in Hong Kong, there is still such a group of very lovable and respectable tertiary students who have independent thinking. Hence, I must salute these students before I speak today.

Today, LEUNG Chun-ying officiated at the congregation of Hong Kong Academy for Performing Arts (the Academy) in his capacity as Chancellor of the Academy. Some graduates rose from their seats, holding high a placard which read, "I want genuine universal suffrage". This won the applause of the house. Some graduates, when receiving their degrees on the stage, did not bow to LEUNG Chun-ying according to convention but simply walked straight across the stage and down. Some graduates turned their backs to LEUNG Chun-ying and bowed to the audience instead. Some graduates even bowed three times to LEUNG Chun-ying, while some others crossed their arms above their heads before him. I salute these graduates of the Academy.

My amendment today is actually quite like the respective amendments of Mr Gary FAN and Dr Helena WONG in direction. I place the focus on the student enrolment of postgraduate programmes and research areas. As many Members said, when it comes to tertiary education and academic research, we should "let a hundred flowers blossom and a hundred schools of thoughts contend", instead of ostracizing foreigners or Mainland students. However, at present, there is indeed a huge disparity between local students and Mainland students. I am talking about the disparity in number rather than abilities.

Any issues involving the Mainland will definitely have implications for local interests. However, when discussing the enrolment of local students and Mainland students in postgraduate programmes, we must not equate it with problems like Mainland people snapping up baby milk powder in Hong Kong or "doubly non-permanent resident pregnant women" because whether you endorse Mainland students' ideas or values, or whether you like their ideas or values at all, you must still admit that theoretically, they are highly educated intellectuals who are fully qualified and competent to pursue further studies in Hong Kong. The question is actually all about whether there is any problem with proportion and quantity. Will the admission of too many non-local postgraduate students,

especially postgraduate students from the Mainland, undermine the opportunities and benefits of local postgraduate students?

Today, I would like to analyse the problem by talking about two stones. The first one is the stumbling stone for local students, and the other one is the stepping stone for Mainland students. In July last year, 15 out of the 17 best performers in the last Hong Kong Advanced Level Examination selected programmes related to business and finance in university. One student selected law, and another selected mathematics. None selected the humanities and social sciences. Besides, according to a media survey on the entry salary points of undergraduates in 2012, the entry points for graduates of arts, the humanities and social sciences were the lowest. The figures are also frightening because the entry points for graduates of arts and social sciences in 2012 were even lower than the corresponding statistics in 1997 by nearly 5%. Such statistics imply that local students are very pragmatic and "smart". Thus, thinking that their salaries may still be lower than those of business management graduates despite their enrolment in postgraduate programmes, many students simply drop the idea of pursuing postgraduate studies. Such mentality can also explain the under-utilization of postgraduate places in certain disciplines in the eight tertiary institutions — meaning that there are places but no students.

Students' values aside, the deteriorating academic atmosphere in universities is also one reason for the aforesaid phenomenon. The proportion of Mainland students enrolled in subsidized postgraduate programmes increased from 67% in the year before last to 72% last year. Some academics have pointed out that this phenomenon is related to a tacit strategy of university administration. Maybe, the universities now think that student quality is no longer an issue. Since the standards of both local postgraduate students and postgraduate students from the Mainland are dropping at the same time, the indiscriminate admission of Mainland students is bound to occur sooner or later because first, universities can thus reap greater profits and beautify their accounts and books; and second, Mainland students are more diligent and willing to bear hardship without complaining. The universities may think that even though they cannot nurture any great thinkers or scholars, they can at least train up a batch of willing workers. The indiscriminate admission of Mainland students will not only affect Hong Kong's interests but will also do unfairness to Mainland students. Mainland students are stereotyped as people muddling around for a degree. The universities may consequently relax the requirements regarding these students, simply muddle along, and refrain from deploying the best teachers

to teach them, because it is thought that they are just people muddling around for a university degree.

In my amendment, I stress the need to "set a quota of places under postgraduate programmes for priority enrolment of local students", formulate a reasonable priority quota for local students, and admit local students as far as the quota permits, with a view to assisting local students' progress on the one hand, and making them less negative and fearful towards competition and pressure on the other, so that they can consider enrolment in postgraduate programmes without any worries. Besides, certain academic disciplines are honestly marked by very low enrolment of local students. In such cases, the surplus places can be allocated to the various categories of non-local students, thus eliminating the possible plummeting of the overall postgraduate student population after capping the enrolment of Mainland students.

In addition, I also raise another important point in my amendment, and it is about the universities' The culture of over-emphasizing publications in foreign academic periodicals as a means of assessing the performance of academic staff has impeded research on different local issues. Thus, I propose that apart from the factor of research diversity, the research grant system must also cater for research on local issues in different academic disciplines, so as to encourage the enrichment of such academic research. I have been talking about what I refer to as the stumbling stone for local students, and my aim is to eliminate or reduce this stone as far as possible.

Next, let me turn to the stepping stone for Mainland students. By "stepping stone", I mean that our university programmes are in a way used as a tool for helping Mainland students obtain the right of abode in Hong Kong or further their studies abroad. As soon as our tertiary institutions started the "gold rush" and began to offer programmes indiscriminately, many Mainland students of wealthy parentage have been quick to grasp the opportunity. They will first enrol in associate degree programmes with lower admission thresholds. Then, they will seek admission to first degree programmes and later master degree programmes. All this happens as a "one-stop" process at the end of which they will have amassed seven years of residency. At this point, they may choose to live in Hong Kong. Alternatively, they may consider furthering their studies abroad, and return to the Mainland afterwards as a "home-comer from the seas". I do not know what they will do after all this. Will they go back home or stay in Hong Kong to make money? Anyway, our institutions have become the stepping stone for Mainland students to meet their three objectives of getting a

degree, obtaining the right of abode in Hong Kong and furthering their studies abroad. Thus, I have proposed my amendment, in the hope that a quota of places for priority enrolment of local students can be set.

Finally, President, you also know education. Let me share with you a viewpoint of Prof KING Yeo-chi. Regarding university autonomy, he thinks that proper efforts must be made in three aspects: the selection of staff and students; quality control for curriculums and academic pursuits; and the acceptance of research funding. At the same time, universities must uphold academic ethics, meaning that conscious attempts must be made to eliminate any factors that may spoil a healthy academic ecology, including efforts to ward off any possible intervention arising from political and social problems and safeguard academic autonomy. According to Prof KING Yeo-chi, it is only in an open and democratic society with the rule of law that academic freedom can see any chance of real development.

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

Last year, many secondary students and parents took to the streets to join the march on 1 July with the purpose of opposing national education. This year, I hope that like the graduates of the Academy, tertiary students can come forth to fight for genuine democracy and freedom in Hong Kong, both for themselves and for the future. I hope that if people have any views and aspirations on education, they can all join the march on 1 July, so as to let the Government know and fight for the introduction of universal suffrage based on genuinely democratic principles.

DR FERNANDO CHEUNG (in Cantonese): Deputy President, I thank Dr Kenneth CHAN for proposing the motion concerning the quantity and quality of tertiary education. I must likewise declare that I am a lecturer at The Hong Kong Polytechnic University (PolyU). There are frankly not any conflicts of interests as such, but I still want to make it clear that in my speech, I am going to narrate many of my experiences as a university teacher.

One cannot help sighing when looking at tertiary education in Hong Kong nowadays. The resources we have invested in tertiary education are by no means insignificant. And, I must agree that with social progress, it is only

proper for us to give our young people more opportunities of going to university as part of their basic education. University education should now be perceived as part of basic education because in advanced societies, all young people should be given chances to read for a degree. As I have heard, in foreign countries, the rates of young people in the relevant cohort who hold a degree range from 40% to 60%. But in Hong Kong, over the past two decades or so, the rate of young people in the relevant cohort who can get publicly-funded places in degree programmes has remained at 18%. This is really disappointing. I cannot quite understand why our society should still be so reluctant to give young people more chances despite all its affluence.

There is always such a blind faith in market liberalization among us, but we must bear in mind that education is never meant to be operated commercially. Sadly, however, the market is now liberalized; a "great leap forward" approach is now adopted for the operation of associate degree programmes; there is no funding except for the money in people's own pockets; this type of tertiary education is even provided under the existing mechanism, and the existing mechanism is heavily biased towards the interests of the eight tertiary institutions. Amidst such circumstances, universities will naturally go for commercialization rather than attending to their proper business. Why has such a situation resulted?

A university is not supposed to serve the market, nor is it meant to be operated under market principles. A university should serve as a mirror of society. It is a place for generating and imparting knowledge, and for reflecting the various phenomena or problems in society. A university should function in an environment of relative independence before it can serve as a mirror that reflects problems in society. If a university itself also focuses solely on commercial benefits and making profit, it will be unable to fulfil its functions, nor will it be able to contribute to society and generate any new knowledge from objective academic and scientific perspectives.

At present, the internal administration of universities is honestly very chaotic. A lack of transparency is found not only in university governance, but also in the operation of the University Grants Committee (UGC). The lack of transparency in the latter case is such that even top university management now say that they cannot grasp how computations are done under the UGC's funding formula. Such computations are simply like a mystery. How the UGC does its computations, how it allocates funding, and how the top management of

universities make their decisions are all like things inside a black hole in space. They all operate in a clandestine manner. On the other hand, front-line staff and academic staff unions are often subjected to oppression.

If university teachers are to enjoy relative independence, they should be entitled to life tenure. Life tenure is very common and regarded as very important in other countries. But nowadays, life tenure in university appointment in Hong Kong has basically ceased to exist except in name. I have been teaching in the PolyU for 15 to 16 years, but for 14 years during this period, I was employed on agreement terms. This means that my employment agreement must be renewed every two years. Some postgraduate students wanted me to be their research supervisor. However, it usually takes three to four years to finish a doctoral programme. Even a master's degree programme requiring a thesis also takes at least two to three years. In case of part-time programmes, the time will even be longer. I was therefore afraid that my students might be affected because if my agreement was not renewed upon expiry, there would be problems. Therefore, very honestly, why have our universities ended up in such a mess?

University academic staff should be encouraged to conduct more studies on local issues. They should be encouraged to write more articles on local issues and participate more extensively in social activities. Participation in such activities will not necessarily create any bias because society is pluralistic, and through our participation, exploration and searches, we can bring out the problems concerned. But this is only theoretically true. In the course of counting research efforts, only publications in international periodicals and participation in academic activities of an international nature are counted. Participation in local activities is accorded secondary importance only, and it is never counted. Even though a member of staff has published many articles in local newspapers and periodicals not considered strictly academic, even though such articles have aroused extensive discussions, even though his views have contributed greatly to his field of research, and even though he has made great contributions to local (local, I must stress) development, his efforts will never be counted. Not only this, in case his views contradict those of university management, he will even be subjected to oppression, and his chance of participation will be reduced.

In my own case, for example, I teach on the one hand and engage in politics on the other. The policy of the PolyU in fact encourages its academic staff to take up public office. It is stated in black and white that academic staff

who take up any public office, such as membership of the Legislative Council or a District Council, will be permitted by university management to retain their full-time staff status. But since their workload will decrease, their remunerations will be correspondingly reduced. This is fair enough. However, do you know how the PolyU treated me after I had been elected a Legislative Council Member? They simply abolished the abovementioned provision and turned me into a part-time employee. Why did they do so? Because I was also an elected member of the University Council at that time, and university management did not want me to stay in the University Council to raise too many views, views that might not be the same as those held by the management. As a result, they simply amended the regulations in order to suppress me. Where is the quality of management in this very case? There was neither any transparency nor any respect for staff unions, and no union representative was allowed to take part in discussions.

The selection of university presidents is also a complete mess. The mass media have disclosed that years ago before KUO Way was elected President of the City University of Hong Kong, some members of the selection committee even went overseas to dissuade other candidates from competing, so that KUO could be elected uncontested. The media also reported on the use of forged documents in connection with the election. Earlier, the President of The Open University of Hong Kong was dubbed a "LEUNG fan". More recently, the process of electing Mr Leonard CHENG as President of the Lingnan University was also dismissed as being clandestine. Many people describe this as the election of another "LEUNG fan". On one occasion, CHENG even said all of a sudden, "LOCPG is not my boss. Bernard CHAN is my boss."

How can a university president say anything like this? Why should a university president ever describe the council chairman as his boss? A university president should be a person of eminent standing, commanding the respect of people. He should be the leader of his university in the quest for advanced academic achievements, and in creating an environment wherein young people can learn the correct conduct in life and nurture a noble character. During the process, students can of course acquire various skills and knowledge, becoming professionals in the end. How can a man with such behaviour be a teacher and set an example for his students?

Therefore, I think that an independent complaints mechanism should be established. Apart from academic issues, university management should also be included in the portfolios of the Office of The Ombudsman. The UGC should

enhance its transparency and conduct regular consultation with students, teachers and the public on any relevant policies. Tertiary institutions should recognize the status of staff unions, and have open and frequent communications with them. It is only when everything is placed under the sun that our university and tertiary education can achieve any further progress. Thank you, Deputy President.

SECRETARY FOR EDUCATION (in Cantonese): Deputy President, I thank Dr Kenneth CHAN for proposing today's motion and the seven Members for proposing their amendments to the motion.

The 21st century is an era of globalization and the knowledge-based economy. The development of tertiary education is of utmost importance to the cultivation of talents, promotion of social mobility, and also the driving of socio-economic development. We need a diversified tertiary education system with emphasis on both quality and quantity, whose different segments can perform their respective functions of nurturing a wide variety of talents in the fields of arts, sciences and commerce necessary for the development of different trades and industries, thereby improving the quality of our population and preserving our competitiveness.

The tertiary education system of Hong Kong has experienced rapid development over the past three decades. Even today, the Government is still committed to investing substantial resources under the two-pronged strategy of promoting the complementary development of publicly-funded and self-financing tertiary institutions. In a nutshell, the development of our tertiary education system is marked by the following focuses.

First, by enhancing the complementary development of the publicly-funded and self-financing education sectors, the Government seeks to provide flexible and diversified study pathways with multiple entries and exits for young people, with a view to encouraging lifelong learning and enabling students to well equip themselves and manifest their full potentials. Meanwhile, we have also optimized the financial assistance schemes for students to ensure that no student will be denied access to further education due to financial hardship.

Just now, a Member mentioned one point, and this point has actually aroused many discussions recently. This point concerns whether it is really true that 18% of the students in the relevant cohort in Hong Kong can gain admission to publicly-funded degree programmes. I remember that at the last meeting of

the Panel on Education, I already provided an update in this regard. There are around 15 000 University Grants Committee-funded places. And, as some Members mentioned just now, we also provide 4 000 senior year undergraduate places to enable students with good results in associate degree programmes to proceed directly to the senior years of undergraduate studies in university. Therefore, 4 000 places and the original 15 000 places together make a total of 19 000.

What is worth noting is the change to Hong Kong's student population. As mentioned just now, there used to be 80 000-odd students, and there are about 70 000 to 71 000 students this year. The number of students will continue to decline up to the 2012-2013 academic year. Let me do some computations based on the number of students this year — 70 000 students divided by 19 000 places is about 27%. In addition, there are around 5 000 to 6 000 self-financing top-up degree places. Thus, more than 30% of the students will have the opportunity to enter university. Some people have said that some students do not have the means to receive university education. Let me therefore emphasize once again that we will ensure, as our primary objective, that no student will be deprived of further education due to financial difficulties.

Secondly, we attach a great deal of importance to the quality of tertiary education and have thus been enhancing our quality assurance mechanisms and providing the required support. I will give a detailed account on this point later on. Thirdly, we respect institutional autonomy and are dedicated to defending academic freedom. Meanwhile, we also encourage institutions to further improve their governance to ensure that they can live up to the expectations of society. Fourthly, as Asia's world city, Hong Kong must strive to nurture local talents with international perspectives and attract the inflow of foreign elites, so that they can all contribute to the development of Hong Kong, the country and even the whole world. In addition, concerning how local students and non-local students can co-operate with and learn from one another, I think the key is to strike a proper balance.

Deputy President, I am most grateful to Members for their concern about how best we should upgrade the quality of tertiary education. I will give a consolidated and in-depth response after listening to Members' valuable views.

Thank you, Deputy President.

IR DR LO WAI-KWOK (in Cantonese): Deputy President, to be fair, the resources currently invested by the SAR Government in education are by no means insignificant. In 2013-2014, the recurrent expenditure on education amounts to \$63 billion, accounting for more than one fifth of the Government's recurrent expenditure. The share of resources for higher education is likewise very large already. The overall expenditure on education is now the biggest expenditure item amongst all policy areas. Thus, if we still drastically increase our investment in education (particularly tertiary education), the expenditure budgets of other policy areas may be affected, and such investment may itself be unsustainable. Therefore, as a more desirable approach, we should first examine whether the existing resources have been properly utilized and focus on discussing the topic of upgrading the quality of tertiary education in Hong Kong.

There are certain personal reasons for my concern about the development of local tertiary education. For many years, as a form of repayment to the academic community and society, I have served as an honorary adviser to a number of tertiary institutions, and I have also been giving lectures in these institutions from time to time. As a professional engineer, I am also concerned about the development of engineering education in Hong Kong. I hereby declare that I was a member of the Council of the City University of Hong Kong. And, currently, I hold the positions of Adjunct Professor of the City University of Hong Kong, Honorary Fellow of The Hong Kong University of Science and Technology, Honorary Fellow and Visiting Professor of Vocational Training Council (VTC) as well as the Chairman of the Advisory Committee on Engineering of VTC. When discussing the development of local tertiary education, the public invariably focus on undergraduate and postgraduate education, and overlook other aspects of tertiary education development, such as the various vocational education programmes of VTC, including the role and function of higher diploma programmes.

VTC can be described as the largest provider of vocational education and training in Hong Kong. Every year, it provides a full range of pre-employment and in-service programmes in various disciplines to some 250 000 students of different ages and levels, and awards different recognized qualifications. It also provides a diversified range of practical programmes for Secondary Six students, including first degree programmes and higher diploma programmes covering the seven disciplines of engineering, information technology, applied science, design, business administration, child education and community services, hotel service and tourism studies. VTC has also shortened the duration of its higher diploma

programmes from three years to two years, so as to tie in with the 3-3-4 new academic structure, and enable graduates to enter the relevant sectors at an earlier time for gaining practical experience or to attain higher academic qualifications by enrolling in relevant programmes offered by local or overseas universities through articulation arrangements.

Deputy President, from the standpoint of personal professional development, vocational qualifications and academic qualifications are of equal importance. Launched in 2008 by the SAR Government, the Qualifications Framework (QF) is a cross-sectoral hierarchy covering qualifications in the academic, vocational and continuing education sectors with the objective of establishing a ladder of multiple-entry and multiple-exit for studying and vocational development. Under the QF, various industries correspondingly formulate their specifications of competency standards. Well-defined standards of qualifications and articulation ladders can also help practitioners attain quality-assured qualifications on the strength of their working experience and continuing education results. However, it seems that working people in general do not know too much about the QF, so the authorities should step up publicity efforts in this regard.

As a staunch supporter of the QF, VTC has assisted in formulating the specifications of competency standards for various industries, and has designed relevant programme structures and curricula based on the specifications. At present, many VTC courses are already included in the Qualifications Register. I am of the view that progression pathways must be both clear and flexible, so that students of different levels can draw up their own qualifications ladders and move up their ladders step by step.

Moreover, VTC should also strengthen its co-operation with professional bodies such as the Hong Kong Institution of Engineers for the purpose of incorporating a greater number of its courses as the basic requirements of professional membership at different levels. The SAR Government should step up its publicity efforts to promote VTC's mode of professional training, and encourage continuing education and lifelong learning. I have some kind of contacts with Mainland education institutions. As far as my understanding goes, they all think very highly of the mode adopted by VTC in Hong Kong, and they are especially keen to know the role of such professional education in the training of technical personnel in society.

Deputy President, Hong Kong is developing into a knowledge-based economy. Upgrading the knowledge and skill-sets of local employees will not only help enhance their competitiveness in the labour market, but will also facilitate their upward mobility along the social ladder. Thus, the SAR Government should strive to maintain the diversity of education in Hong Kong, promote co-operation among various tertiary institutions, provide more appropriate training courses and ancillary facilities, and develop articulation arrangements for various programmes, such as improving the articulation between VTC's higher diploma programmes and degree programmes of local universities, with a view to complementing the implementation of the QF.

Meanwhile, local universities should preserve their unique openness and liberalism. While providing training to local talents, they should also proactively attract the enrolment of outstanding students from all over the world, base programme admission on objective academic results, and join hands to enhance the quality and international recognition of higher education in Hong Kong.

Deputy President, I so submit.

MR RONNY TONG (in Cantonese): Deputy President, someone says that the future of a society hinges on the amount of investment it puts into the education of the next generation. If this criterion is right, I am afraid there is not much future for Hong Kong.

Last week, I read an article of Prof TSANG Wing-kwong released in "Letter to Hong Kong", a Radio Television Hong Kong programme. What I read aroused a lot of feelings and thoughts in me. He lamented that an irreversible trend seemed to be plaguing Hong Kong — many of the quality subsidized schools had converted themselves to Direct Subsidy Scheme (DSS) schools. In 2012, 12 subsidized schools had their conversion. Social mobility in Hong Kong seems to have come to a halt. I am particularly saddened by this because it was precisely due to such upward social mobility in the 1960s that I managed to climb up the social ladder step by step, moving from a cubicle apartment in Wan Chai to a prime office in Central. Sadly, according to a survey conducted a year ago, Hong Kong has already become a "downward moving society", meaning that there is not only the absence of any upward mobility but also a trend of downward mobility. Why has a society with a

reserve of some \$2 trillion ended up like this? Nowadays, those who were fortunate enough to overcome various obstacles in their secondary education may find themselves encountering yet even greater difficulties after entering university.

In our universities, the proportion of students coming from non-local school networks is becoming higher and higher. This is because the universities are not provided with the subsidies they need and they can only turn to non-local students for funding. What is the result of this? Poor students are unable to enter university. Even well-off families are unable to resolve the problem and can only send their children abroad for university education. This is the reality faced by many middle-class people, including me. However, is sending children abroad for further studies a solution to the problem? In fact, it is not.

Although no one has ever done any statistical surveys, we can still realize from our discussions with friends and relatives on this problem that a large proportion of such students will not return to Hong Kong. They may find a good job overseas, or even start a family there after marrying their beloved ones. The money we have invested in these students will thus go down the drain. This is a business that will certainly incur losses.

Some students may still be fortunate enough to gain university admission, but we must still ask: how many publicly-funded university places are there in Hong Kong? The Secretary mentioned many figures just now. I absolutely refuse to accept them. The statistics we have tell us that only 20% of the students in the relevant cohort can get a publicly-funded place in local universities. The Civic Party has kept asking the SAR Government over the past few years to increase the proportion from 20% to 25%. The additional investment involved is only \$4.2 billion, an amount which the Government can absolutely afford. But will the Government do so? It will not.

Deputy President, just the day before yesterday, LEUNG Chun-ying issued his boastful work report in which he listed his 10 major achievements. Before that, I did not think that he would dare to mention the issue of education. Surprisingly, he mentioned the issue all the same. Of course, he did not say a word on national education. But all that he mentioned are just some piecemeal remedies, totally unable to address the roots of the problems. In regard to the major problems faced by tertiary education nowadays, such as how we should cater for the needs of students and society in the future, he did not say a word.

In fact, apart from increasing the number of publicly-funded university places One of the most obvious solutions must be increasing the number of university places, and even the number of tertiary institutions.

Deputy President, you may probably remember the plan for developing the river loop area put forward during the time of Donald TSANG. His objective at that time was to implement the industrialization of education services to get money from Shenzhen people. This is of course a totally erroneous idea. Nevertheless, speaking of the river loop area, we must admit that it is indeed possible to build at least one to two universities over there to address the shortage of university places in Hong Kong. But we have not heard anything about the progress of this project over the past few years. We do not know whether or not this project has already ended up like the policy of "85 000" in the TUNG Chee-hwa era — the lack of any mentioning means its disappearance. However, the river loop area is still there. The area can be used to build universities. I would like to ask the Secretary — he will have the opportunity to respond later — to explain why the Administration has not done so.

Deputy President, we once paid a visit to Guangzhou, and you also went with us. Within a span of three years, 10 universities were completed in the University City in Guangzhou. But we cannot complete one university even within a span of 10 years. What future do we still have? Thus, I hope that the Secretary can offer his response. Do you also think that the river loop area should be developed expeditiously with a view to building one or two more universities for our local students? Can you advise Chief Executive LEUNG Chun-ying that if he succeeds in doing so, he can rightly justify a permanent place in history for himself without having to issue his boastful work report? Thank you, Deputy President.

MR WONG YUK-MAN (in Cantonese): Deputy President, "tertiary education with not a single trace of humanism". Tertiary education in Hong Kong should have been based on the pursuit of knowledge and the cultivation of the human personality, with the objective of edifying students with knowledge and ruling the world and the country with learning. Sadly, the tertiary education sector nowadays has degenerated into a vanity fair where utilitarianism reigns, where insults to decency abound. University bureaucrats are not ashamed to seek fame and profit, and students are not ashamed to follow suit. Over the short span of a mere decade, TUNG Chee-hwa's "great leap forward in education" and Donald

TSANG's unwavering "education industrialization" have already turned the tertiary education sector into a filthy mess rotten to the very core. Those who genuinely aspire to learning and academic pursuit can hardly find a footing in the education sector. Coupled with all this are the blatant attempts of the Hong Kong Communists to "redden" the education sector. The Central Policy Unit has taken back the authority of approving research grant. CHEUNG Chi-kong from the Executive Council has been appointed to the University Grants Committee. In brief, there have been an avalanche of efforts to stifle academic freedom. The entire education sector has thus gone totally astray. Years ago, in the Hong Kong College of Medicine for Chinese, the predecessor of the University of Hong Kong (HKU), Dr SUN Yat-sen was first inspired by the ideas of democracy and liberalism. QIAN Mu, a master of Chinese culture, founded New Asia College in Hong Kong to promote "humanism" and propagate Chinese culture. But in 2011, at its centenary, the HKU pledged loyalty to a Chinese Communist ringleader called LI Keqiang, totally oblivious of its dignity as a university. How shameless!

Over the years, many Members have proposed motions on today's topic. This is one of the "mothers are women" topics that will certainly go unopposed. On "enhancing the quality and quantity of local tertiary education", I will not discuss local tertiary education from the perspective of its functions; instead, I will criticize the tertiary education sector of Hong Kong from the perspectives of its structure, principles, and spirit.

Half a year ago, I started a new online radio programme called "History is Laughing". The first module of the programme was devoted to a discussion on three Peking University Presidents. The first was CAI Yuanpei, followed by HU Shi, and JIANG Menglin. The ethos of Peking University was then summed up in the following motto of CAI Yuanpei: "embracing classics and literatures; pooling various doctrines and disciplines; valuing freedom of thought; adopting the ideology of inclusiveness". Higher education in China owes its origin to the founding of Peking University. Today, these words all sound like footsteps in an empty glen, like distant dreams and dense mist that are ever so intangible and unreachable. This is because the present-day Peking University has changed beyond any recognition.

Let us take a look at the universities in Hong Kong. We can try asking those university administrators if they know of CAI Yuanpei, if they know of the ethos of Peking University summed up in these words: "embracing classics and

literatures; pooling various doctrines and disciplines; valuing freedom of thought; adopting the ideology of inclusiveness". They certainly do, only that they are unable to put them into practice. What is the use of enhancing the quality of education from the functional perspective, developing more facilities, constructing nice-looking school buildings, and increasing the number of student hostels? All these can be done easily given money and better allocation of resources. The Panel on Education often holds discussion on this. However, what should be the spirit of tertiary education? What should be its objective? And, what has happened to tertiary education nowadays?

Long ago, during the War of Resistance and the years of displacement, people still managed to found a university called the National Southwestern Associated University, which subsequently nurtured numerous outstanding men and women, one example being YANG Chen-ning. Well, you must revise your history lessons if you do not know this. Do the humanities and social sciences still have a place in Hong Kong's tertiary education today? What we have in Hong Kong is an executive-led and authoritarian system, and wealth is concentrated in the real estate sector and the financial sector. The humanities and social sciences have understandably long since withered. In places like Europe, the United States and even Taiwan, there are always many different channels and platforms for erudite men and women to partake in politics and put their convictions into practice. Tony BLAIR, the former British Prime Minister; TSAI Ing-wen, the Party Chair of the Democratic Progressive Party of Taiwan; MA Ying-jeou, the current President of the Republic of China, and his one-time election rival James SOONG — all of them are Ph.Ds of top universities in the United States, majoring in political science, law or social sciences.

In contrast, the political arena in Hong Kong is just like a pool of stagnant water. The people in power — I mean Donald TSANG — stupidly referred to "the Third Way", and the capitulators put up the sophistry of "path dependence". But these people have managed to muddle around and stand intact for several decades. This is really baffling. In this morbid society of Hong Kong, the education sector is likewise morbid. So, how can we expect the education sector to attach any importance to the humanities and social sciences such as literature, history, philosophy, political science, economics, and sociology? Utilitarianism simply reigns everywhere. Money always comes first.

In the Legislative Council, motions on improving tertiary education are proposed by Members every year. The contents of the proposals are invariably

about increasing subsidies, reviewing the criteria of admission, granting land, and so on. These are all non-controversial proposals. However, what we must reflect on and review is that education should be student-based. Students are the ultimate subjects of education. But what kind of students can we bring up now? Given such an atmosphere of university education and such a policy on tertiary education, what kind of students have we brought up?

Given the macro environment at present, our children even face the problem of mere survival. It is therefore small wonder that the secondary students belonging to Scholarism can become the idols of so many people. In contrast, those democrats in their 50s and 60s Why don't they just exit, just to avoid ridicule? They have been around for several decades, but what have they achieved? Although I have fulfilled my responsibility as a Member of the Council and drafted a seven-minute speech for this motion debate, I cannot help but stray away from the subject while I speak on and on.

Thank you, Deputy President.

MR TOMMY CHEUNG (in Cantonese): Deputy President, it is no easy task to speak after Mr WONG Yuk-man. But it does not matter. He has his own views and I have mine. I do not mind if colleagues fall asleep after having their meals. His speech was indeed very "pleasant" to the ears.

It is an indisputable fact that Hong Kong's competitiveness is dwindling. The Liberal Party and I have always maintained that Hong Kong does not have enough talents to compete with others, so we have been asking the authorities to squarely address the problem. However, will increasing the number of university places resolve the problem? Frankly speaking, if we look at the 1960s and 1970s as a contrast, we will notice that at that time, probably only 1% of the relevant cohort could enter university, but all of them were the finest talents in Hong Kong and were often able to rise to positions of respect after graduation. After more than four decades, today, the university admission rate has already risen to 18%; both university places and university graduates have increased in number, and universities have turned much more academic research-oriented than before, so people no longer think that university graduates are really so rare and outstanding.

In retrospect, I think highly of the predecessor of The Hong Kong Polytechnic University — the Hong Kong Polytechnic. In the 1960s and 1970s, it already managed to stay on a par with other tertiary institutions and even the two universities at that time, mainly due to its clear positioning of combining theory and practice and the consequent ability to nurture many outstanding talents for the commercial and industrial sectors. What saddens me is that there has been a relative decline in this kind of career-oriented university places in recent years.

I do not oppose increasing university places. Nor am I opposed to universities' engagement in more academic research projects. But I also think that it is necessary to strike a balance and dovetail with the needs of Hong Kong's economic developments. As observed by the Liberal Party and me, insufficient manpower training and a mismatch of jobs and talents have turned into a major constriction in the economic development of Hong Kong. The commercial and industrial sectors hope that the Government can increase the number of university places that can help students determine their career paths, with a view to facilitating Hong Kong's development towards a knowledge-based economy.

I do not think that Hong Kong is lagging behind other countries in respect of university education provision. As a matter of fact, Hong Kong is different from foreign countries in this respect. In some overseas countries, the rate of university admission for the relevant cohort is as high as 40% to 60%. Let me refer to the United States, with which I am familiar, as an example. The case with the universities over there is "easy admission, difficult graduation". To put it more bluntly, one would say that Tom, Dick or Harry can all be admitted. But not many students can eventually graduate. In contrast, the case in Hong Kong has all along been "difficult admission, easy graduation", meaning that once a student is admitted, he will certainly be able to graduate. The chance of university admission in Hong Kong is smaller when compared with foreign countries, but our students will be able to graduate and become university graduates once they are admitted.

I think that rather than allocating resources to boost the university admission rate, the authorities should provide subsidies to associate degree programmes. Actually, apart from the 18% of students, many young people are at present unable to enter university. As a result, they must either start working or continue to look for avenues of pursuing their studies. Thus, I think that the

authorities should provide subsidies to associate degree students. Some students may have been denied university admission, and others may be working but wish to further their studies; regardless of which is the case, we should still offer subsidies to associate degree programmes, particularly evening programmes, so that such young people may seek admission.

We hope that associate degree programmes can dovetail with the needs of the commercial sector. In this connection, I think that the Government should increase the number of third-year and fourth-year university places, and dedicate such places to associate degree students, so that after they have obtained an associate degree, or when the need arises — not necessarily immediately after graduation — they can enter university and read for a degree a few years later. That way, they will have chances of upward mobility. I think it will be more worthwhile for the Government to invest resources in this way, and this is also more in line with the actual needs of Hong Kong at present.

Deputy President, I want to point out that the Liberal Party supports the development of Chinese medicine and agrees that a hospital is needed for the training of Chinese medicine practitioners in Hong Kong. Thus, we support the proposal of asking the Government to allocate land for supporting university education.

With respect to Mr Gary FAN's amendment proposal on avoiding the lopsided development of university education towards the market and the industrial and commercial sectors, I am totally against this proposal, as I already pointed out just now.

Dr Fernando CHEUNG's amendment proposes that students should be allowed to participate in the selection of university heads. I am also opposed to this proposal. I think that student representation on university councils already suffices. And, I do not think that students can have sufficient knowledge and ability to select university heads who are capable of dovetailing with the development of their universities. The proposal will only result in greater chaos in university management.

As for Dr Helena WONG's proposal of capping the number of places for non-local students enrolling in research postgraduate programmes, I also have some opinions to express. My observation is that in foreign countries, the general practice is for local students to stay home for undergraduate studies,

while foreign students are welcome and encouraged to seek admission to their postgraduate schools. If we want to encourage local students to pursue postgraduate studies, we in Hong Kong should offer subsidies to university graduates for pursuing postgraduate studies overseas. In this way, they can turn more global in vision, and at the same time organize some sort of international social networks for Hong Kong. There are actually two sides here. On the one hand, overseas students come to Hong Kong and organize their networks. On the other, Hong Kong students also go to overseas countries and organize their networks. Thus, we will not support Dr Helena WONG's amendment.

We have all along opposed any light imposition of restrictions. If we want to give local students more education opportunities, I suppose the proposal I have mentioned should be the best option.

As for Mr Michael TIEN's amendment, I also have some strong views. Being able to graduate is already quite a recognition of university students' ability. But he still proposes the revelation of students' English standards on their graduation certificates. I cannot see any point in doing so apart from ridiculing those graduates whose English is poor. However, in view of Hong Kong's status as an international city, the Liberal Party holds that we should all have a good standard of English. In this very sense, his proposal is very much in agreement with our Party's advocacy, so we will not oppose it.

In fact, not only is the English language important, Putonghua and the Chinese language are just as important. Thus, it is indeed necessary for us to enhance our level of biliteracy and trilingualism, so as to maintain the competitiveness of Hong Kong. Otherwise, I am afraid that if Mainland students surpass us in English proficiency, we will certainly be pushed to the sideline.

I so submit.

DR LAM TAI-FAI (in Cantonese): Deputy President, speaking of Dr Kenneth CHAN's motion today, I know he teaches at a university in Hong Kong. My understanding is that maybe, he thinks that the existing tertiary education in Hong Kong is poor in quality, so he has decided to propose this motion. The topic of the motion certainly falls within his professional discipline.

However, I find his speech sprinkled with innuendos aimed at satirizing the Secretary. Simply put, he actually wanted to describe the Secretary as an incompetent and sub-standard hanger-on. And, towards the end of his innuendo, he even described him as a "jinx". I think Dr Kenneth CHAN's criticisms today are very unreasonable, and I do not agree to his accusation either.

Since he teaches at a tertiary institution and the topic falls within his professional discipline, he should know only too well that our tertiary education has long since been marked by problems with both quality and quantity. The Secretary has assumed office for merely one year. The problems are not created by him, and he is not their creator. Having heard how Dr CHAN satirized and chided the Secretary today, I think I must speak a few words of justice for him.

Dr CHAN's remarks are not entirely incorrect, though. When referring to the former campus site of Lee Wai Lee College under the Hong Kong Institute of Vocational Education, he criticized the Secretary for Education for giving the site away to the Secretary for Development for the purpose of building luxurious flats, rather than using it for the educational purpose of enhancing the teaching quality of the Hong Kong Baptist University and Chinese medicine in Hong Kong. I must admit that in this case, his criticism hits right at the heart of the matter and is exactly to the point. What I mean to say is that criticisms must be based on cogent reasons. My comment is based on the attitude of "calling a spade a spade".

Any judgment on whether the Secretary is incompetent, dedicated or simply a "jinx" must hinge on whether he can put forward any ground-breaking and revolutionary ideas to resolve the myriad of problems plaguing the various post-secondary and tertiary institutions. Furthermore, all must also depend on whether the policies he devises to upgrade education quality are marked by inertia, complacency and conservatism, unwillingness to heed opinions, failure to distinguish right from wrong and refusal to accept the views of the sector. If the answer is "yes", the Secretary must be the kind of "jinx" mentioned by Dr CHAN. If the answer is "no", then he will be the Saviour of the tertiary education sector. As the saying goes, "distance tests the strength of a horse, and strong winds test the strength of the grass". I am prepared to give the Secretary one more year to prove that he is capable of improving and enhancing the quality of post-secondary or tertiary education in Hong Kong.

Deputy President, as we all know, Hong Kong is a small but densely populated city devoid of any natural resources. Talents are of critical importance to the development and success of Hong Kong, and our education quality has a direct bearing on Hong Kong's talents in the future. Recently, the report issued by the Institute for Management Development in Lausanne, Switzerland and also the China Urban Competitiveness Report have both pointed out that the competitiveness of Hong Kong is steadily declining. Such a conclusion tells us that the precise reasons for Hong Kong's dwindling competitiveness are insufficient talents, the declining quality of its talents, a mismatch of talents, and a narrow range of talents. Dr CHAN does not specify any qualitative indicators in his motion. How can we achieve quality enhancement in the absence of any indicators? I am really baffled. His ideas of enhancing education quality sound altogether empty.

Let me talk about my views. In the broad sense, what does education quality mean? Education quality is about the ways in which the Hong Kong education system nurtures sufficient quality talents to dovetail with and support Hong Kong's overall development and meet the needs of different trades and industries. The point here is to enable graduates to give full play to their abilities in our society or country. For instance, even if Hong Kong devotes every effort to nurturing more industrial talents, even if the quality of these graduates is outstanding, they will still be unable to give full play to their talents because Hong Kong does not attach any importance to industries. What they can only do after graduation is perhaps to work as estate agents. Thus, education quality must be judged in the wider context of whether our talents can give full play to their abilities, and whether they can dovetail with the development of Hong Kong's overall industrial structure.

Moreover, no matter how many first-rate aerospace talents Hong Kong can nurture, they will not have any opportunities to display their abilities. Will our country invite them to accompany YANG Li-wei in a space mission? No, of course. Thus, the cultivation of talents must dovetail with Hong Kong's overall development. It is only on this premise that it is possible to work out any improvement options.

In the narrow sense, education quality relates to what Members have been discussing today, including teachers' education qualifications, curriculum contents, student quality, subsidy models, and how to increase the number of

places in tertiary institutions. All these are education quality in the narrow sense. However, Dr CHAN has not mentioned any relevant indicators. That is why I cannot understand how quality can be enhanced in that case.

Let me come back to what I said just now. Why do I think that all these problems have long since existed and we should not blame Secretary Eddie NG? After assuming office, former Chief Executive Mr TUNG advocated the idea of enabling more than 60% of Hong Kong senior secondary students to have opportunities to receive post-secondary education within a span of 10 years. However, he knew very well that university places were insufficient, so he came up with the plan of offering associate degrees.

But from the very start, there has been a shortage of ancillary facilities for the introduction of associate degree programmes, and support has also been inadequate. The programmes offered by tertiary institutions are self-financing in nature, meaning that they must be responsible for all profits and losses. Knowing that many students are unable to enter universities every year and they will be forced to enrol in associate degree programmes, tertiary institutions are driven by a desire for profits to admit students indiscriminately or even madly. However, they are unable to provide adequate ancillary facilities, with the result that students must go outside their home districts to attend classes held in commercial buildings, having to hurry around like displaced refugees. How can it be possible to ensure the quality of education for students in that case? When teachers must hurry from one venue to another for lectures, how can it be possible to ensure teaching quality? How can it be possible to safeguard the rights and interests of students?

The series of problems mentioned above are not created by Secretary Eddie NG. Nevertheless, as Secretary for Education, he should make every effort to resolve them. We all expect the Secretary to resolve all these problems, and he should not simply inherit the assets passed down by the previous Government and watch all problems with folded arms. If the job is that easy, anyone will be capable of taking up the position of Secretary for Education.

I think that since the Government possesses such enormous reserves, it should formulate a timetable and blueprint for increasing university places as one of its urgent tasks. Since the Government possesses such enormous reserves, it should formulate a timetable, specifying the ways of increasing university places,

and the arrangements needed for articulating associate degree programmes with the relevant university degree programmes.

Deputy President, I so submit.

MR POON SIU-PING (in Cantonese): Deputy President, Mrs Regina IP moved a motion on "Reviving the quality of local education and stopping the blind industrialization of education" in December last year. At that time, I already talked about my basic views on education in Hong Kong, particularly tertiary education. I maintain that once the Government embarks on developing certain services closely related to Hong Kong people's life, such as healthcare and education services, as commercial industries, the relevant services will be left to market decisions. This will alter not only the contents but also the very nature of the services concerned. Our discussion on the quality of tertiary education today is motivated, to a large extent, by the thinking that we must first reduce market intervention in education before all the problems can be rectified. Education should always be an endeavour aimed at cultivating individual virtues and nurturing talents for society, rather than any production industry or vocational training plant.

The latest Hong Kong Diploma of Secondary Education Examination is just over. Over 71 000 day school candidates throughout the territory sat for the Examination to compete for roughly 15 000 publicly-funded university places, meaning that less than 20% of secondary school graduates can be admitted to publicly-funded first-degree programmes. In the 2011-2012 academic year, some 16 000 students were admitted to publicly-funded university degree programmes. But at the same time, some 45 000 students satisfied the entrance requirements of local first-degree programmes. Close to 30 000 students who satisfied the entrance requirements were therefore denied university entrance. It is an indisputable fact that publicly-funded university places are far unable to meet student demand.

Are tertiary institutions in Hong Kong really unable to provide more places to local students? This is definitely not the case in reality. As pointed out in Mr Gary FAN's amendment, the proportion of non-local student enrolment in research postgraduate programmes in the 2011-2012 academic year was as high as 72%. As indicated by the information submitted by the Government to this Council, enrolments to the associate degree programmes offered by various tertiary institutions have also been rising continuously despite the unclear

prospects they offer. In the case of the HKU SPACE Community College, the number of students admitted to its associate degree programmes in the 2011-2012 academic year was around 2 300. The estimated intake for the 2012-2013 academic year is 4 000 students. As for the Hong Kong Baptist University and its School of Continuing Education, their combined intake in the 2011-2012 academic year was 2 300 students. The estimated intake in the 2012-2013 academic year is more than 3 000 students. In the case of other universities, enrolments to their associate degree programmes are also on the rise. On the one hand, tertiary institutions are capable of providing research postgraduate programmes to non-local students, and offering an increasing number of associate degree programmes with uncertain prospects. But on the other hand, they do not have the resources and capabilities to offer a greater number of publicly-funded first-degree programmes to local students who satisfy the entrance requirements of first-degree programmes. This is a very ridiculous mismatch of resources.

Resources have always been a major factor that influences the development of education. Tertiary education in Hong Kong faces the problem of resources, but policies are of critical importance. I hope that the Government can expeditiously review the policy on associate degrees and stop the blind expansion of enrolment to associate degree programmes, so as to avoid wasting young people's prime learning years.

I hope that universities can review their policies on offering subsidized research postgraduate programmes. Such programmes should be offered only when a specified number of local students are enrolled, with a view to ensuring that local students can enjoy priority in using our precious education resources — including intake quotas and teaching facilities.

Deputy President, increasing the number of publicly-funded university places is an issue the Government must not evade. Meanwhile, we should increase the number of places in vocational training institutions and encourage students who fail to satisfy university entrance requirements to enrol, so as to enable students to acquire a skill, establish a footing in society, dovetail with Hong Kong's economic development, and inject new impetus into sectors with succession problems. This should exactly be the way forward for education in Hong Kong.

I so submit.

MR MARTIN LIAO (in Cantonese): Deputy President, first of all, I would like to declare that I am the Chairman of the Hong Kong Council for Accreditation of Academic and Vocational Qualifications (HKCAAVQ), a member of the Council of the University of Hong Kong (HKU) and the Court of HKU.

Deputy President, young people are the future pillars of our society. Knowledge is a spring that enriches life and enhances the quality of society. Thus, education should be a lifelong endeavour, and tertiary education is even the very ladder that can assist young people in fulfilling their aspirations and realizing their dreams. About a decade ago, the SAR Government put forth the vision of universal education, and set the target of enabling 60% of our young people to receive higher education. This has led to the endless expansion of associate degree programmes.

For years, the number of publicly-funded university places has remained at 15 000 a year; the rate of university admission is all the time about 21%, and many candidates who can satisfy minimum university entrance requirements are thus denied admission. But as indicated by the latest estimate of the Education Bureau, all students who satisfy minimum university entrance requirements will be able to enrol in tertiary programmes in 2016. By that time, more than one third of our students (about 20 000 persons) will be able to enrol in first-degree programmes. When associate degree places are also counted, close to 70% of the candidates in the Hong Kong Diploma of Secondary Education (HKDSE) Examination will be able to pursue studies in tertiary programmes. From 2017 onwards, there will be a place for every candidate in the HKDSE Examination irrespective of results. With the decline of the student population, the number of Secondary Six students will drop in the next 10 years, from some 71 000 at present to some 46 000 in 2023. By that time, the first-degree admission rate for students in the relevant cohort will increase substantially.

It is ironical that the hope of achieving the target of universal education does not come from any rapid progress in the teaching mechanism and teaching standards, but from population decline and the endless expansion of associate degree programmes. In the 2012-2013 academic year, the supply of associate degree places is already as high as some 39 000 places. Excessive supply has already emerged, and the education sector is thus worried that qualifications depreciation and a drastic decline in student quality may ensue.

(THE PRESIDENT resumed the Chair)

President, "education comes first in building a country and governing people", and "we must think of learning from beginning to end". I have reiterated many times that in a knowledge-based economy, talents hold the key that determines the economic lifeline and well-being of society. I am not worried about any qualifications depreciation because Hong Kong's university admission rate is still on the low side when compared with the rates in other countries, such as the rate of 70% in the United States and Korea. Since there is now the hope of overcoming the problem of quantity, we should now place more emphasis on quality, and seek to achieve "easy admission, difficult graduation" by upgrading the quality of tertiary education and programme supervision, so as to ensure that the process of receiving post-secondary education can offer young people the greatest enlightenment in the pursuit of knowledge.

President, the greatest criticisms against associate degree programmes are varying programme quality, insufficient articulation pathways, and the lack of a unified and independent quality assurance mechanism for monitoring programme quality. At present, the validation of all programmes offered by self-financing tertiary institutions is undertaken by the HKCAAVQ. Self-financing tertiary institutions may also ask other statutory review committees to conduct reviews on the decisions made by the HKCAAVQ. Since 1 March this year, the HKCAAVQ has been issuing report summaries concerning its programme validation, so as to enhance transparency. On the other hand, self-financing programmes offered by publicly-funded institutions (that is, universities) are reviewed by the Joint Quality Review Committee appointed by the vice-chancellors of the eight universities. The lack of independent and external monitoring has given rise to public concerns about the impartiality of such reviews. There have also been cases of over-enrolment in the self-financing institutions of universities. Other tertiary institutions likewise consider such practices unfair.

President, what is so peculiar is that the publicly-funded programmes offered by universities must be subject to random quality audits conducted by the Quality Assurance Council under the University Grants Committee (UGC). Since publicly-funded programmes are also subject to external quality audits, it is indeed difficult for the authorities to justify why self-financing programmes offered by universities can be exempt from external audits, given the emphasis on public accountability nowadays. The Government has indicated that it will

accept the recommendation of UGC and explore the feasibility of establishing a single quality assurance body. I think this is the right direction, because it will thus be possible to formulate a set of standardized and integrated quality assurance criteria and mechanism. That way, self-financing programmes can be monitored in a more independent and equitable manner, thus avoiding any quality variation of self-financing programmes.

With respect to articulation, the Government should increase the number of publicly-funded university places and articulation places, put in place an articulation framework and a credit transfer system, and ensure that tertiary institutions will admit a specified percentage of associate degree holders. I also advise the Government to consider providing subsidies to associate degree holders enrolled in self-financing bachelor's degree programmes in the form of academic vouchers or a matching grant.

President, the Government should allocate additional resources to support tertiary institutions in various areas, including ancillary facilities, land policies, research subsidies and expansion of matching funds. It should also conduct reviews on the whole tertiary education system as well as all tertiary education programmes, and develop a more diversified range of tertiary education programmes that meet the needs of economic restructuring in Hong Kong and enhance the overall quality of society, so as to upgrade the overall competitiveness of Hong Kong.

President, I so submit.

MR WU CHI-WAI (in Cantonese): President, Hong Kong is a knowledge-based economy and a city without any natural resources. We provide training to enable our talents to dovetail with the needs of the various sectors and give full play to their abilities. In fact, this overall objective is one of the results that our education policy has all along aimed to achieve.

However, unfortunately, a very peculiar phenomenon has emerged over the past decade or so: the number of university places has increased, but in the meantime, we all seem to have the obsession that entering university in Hong Kong must be the ultimate objective of the entire education process. Is this notion most desirable to society as a whole? Is limiting students to only one

choice or avenue, that is, the choice of university education, the most desirable option? I frankly have many doubts about this, because when it comes to one's process and path of growing up, different possibilities of development may arise at any time as one's experience in life changes.

However, at present, society as a whole does not think that way. Parents of very small children already start to tell them that they must study hard in order to obtain a university "admission ticket", otherwise they will find it very difficult to compete in society. What is the result of this? The result is that since their infancy, all students have been confined to one route — to achieve good results in the present HKDSE Examination or the previous A-Level Examination, and then proceed to university. Following university entrance At university, students are supposed to enjoy a lot of freedom to choose the courses they like, but society simply advises the otherwise, with all the people saying that students must choose degree programmes which are relevant to the needs of society as much as possible, and that they must choose a career-oriented pathway. What happens at the end is that since we are no seers, we simply do not know whether the chosen degree programmes will still be the best choices after three to five years. In this way, a lot of talents have been sacrificed in this process, and many students have chosen their future careers pre-maturely.

The Secretary should really ponder on whether this overall policy is conducive to enhancing the overall education quality in Hong Kong. In the past, many different ladders were available in Hong Kong. Young people who had completed Secondary Three but who did not wish to further their studies could choose to enrol in certificate courses in prevocational schools or the Vocational Training Council (VTC) in the past. Secondary Five graduates who did not like to further their studies or were not able to do so could choose to enrol in diploma courses. Back then, students had a variety of options. How about the situation in society now? Today, options are severely limited. We naturally know that some options are still available in society. Options such as VTC are still available. However, the atmosphere in society seems to tell students not to go for such options. I remember my nephew having said this to me: "Uncle, VTC has admitted me to a computer course. But I am still considering whether I should enrol in Project Yi Jin instead." Why did he want to enrol in Project Yi Jin? He said he wanted to attain the proof of having graduated from Secondary Five. The problem is that society is all the time telling students and parents that they must choose this path, the only proper and sensible path. I think this warrants the Secretary's reflection. This is the first point.

The second point is about what Mr Martin LIAO talked about just now. When we want to develop degree programmes, we have two alternatives. The first alternative is to allocate more funding on top of the existing education resources for the purpose of providing more tertiary education places. However, we must at the same time face up to another problem. The overall demographic structure of Hong Kong may undergo changes in four or five years' time. What are we going to do then? Should we decide not to increase the number of publicly-funded degree places due to such demographic changes, due to the resultant decline in the secondary student population? Or, should we, in the face of this problem, go for some innovative initiatives, such as giving subsidies to well-equipped and qualified students for furthering their studies abroad? Is this a feasible option? If we can free our minds still more, and if tertiary institutions and postgraduate schools also adopt a similar line of thinking, then our students will be able to develop a much broader international vision. This can be a win-win option. It is at least better than labouring helplessly at how to meet the demand at this present stage. In the face of the huge demand from students, we do not know what to do, but we know at the same time that the student population is going to decline in the future. As a result, we simply do nothing at all and let the issue drag on. On the part of students, if they are given more avenues for selection, they will certainly know how to make their choices.

Finally, I would like to put forth my views on the issues related to associate degrees. I myself was once an associate degree student. When associate degree programmes were first introduced in the United States and Canada, they were not meant so much as a mechanism of further studies for students. Instead, the objective was just to provide students who had left school for four to five years with a simple avenue called associate degree programmes, through which they could make an attempt to live a learning life again and see if they could withstand the pressure of a more demanding university life. Thus, the mechanism is marked by easy entry and exit, and it is meant to prepare students for articulation to university programmes. But how is our associate degree system like? Our associate degree system has become a mechanism providing post-secondary education to 70% of the students in the relevant cohort in Hong Kong. This is putting the cart before the horse, and many young people who enrol in associate degree programmes simply do not know the usefulness of this qualification. When they make further investment and enrol in associate degree programmes, they only hope that they can eventually obtain a university degree through a top-up programme. This has served to worsen the mismatch of social resources.

Thus, if we really want to learn from foreign countries, we must model our associate degree system entirely after their systems. If we do not do so, we must provide more support and ancillary facilities at the third-year and fourth-year levels of university degree programmes, so as to enable associate degree students to complete the learning process without any interruption (*The buzzer sounded*) Thank you, President.

MR ANDREW LEUNG (in Cantonese): President, first of all, I have to declare that I was once the Chairman of the Vocational Training Council (VTC) and am now the Chairman of the Design Institute Advisory Board and Chairman of the Steering Committee of the International Cuisine College, VTC.

With the exception of Ir Dr LO Wai-kwok, Mr POON Siu-ping and Mr WU Chi-wai, Members who have spoken today, or even our Secretary, have not said anything about vocational education. Vocational education is a major component of our tertiary education, and the total number of full-time VTC students is comparable to the number of students in all the eight publicly-funded institutions. How come Members of this Council, and even the Secretary, have not said anything about vocational education? I am really very disappointed at this. Enhancing the quality and quantity of tertiary education is the wish of everybody, but most people simply overlook vocational education in their discussions.

Vocational education is given very extensive treatment in the "National 12th Five-Year Plan" of the Mainland; last year, OBAMA, President of the United States, mentioned in a high profile that Americans would be provided with millions of employment-linked technical training opportunities; Germany's ability to jack up the entire European economy in the European debt crisis is largely attributable to its long-established and excellent systems of vocational education and apprenticeship. Vocational education and training is never of secondary importance; rather, it is a valuable option which provides young people with value-adding and training opportunities, an indispensable part of the education system. Our vocational education and training offers education opportunities to hundreds and thousands of young people every year and provides various trades and industries in Hong Kong with professionally trained personnel. For this reason, we in the industrial and commercial sectors have always attached a great deal of importance to the quality of Hong Kong's tertiary education, because this is directly linked to the quality of the staff we can hire.

As our ageing population and economic development bring forth changes to our manpower demands, it has become increasingly important for us to provide appropriate vocational education and training to ensure that our manpower resources can dovetail with the needs of development in Hong Kong. For this reason, when I was the Chairman of VTC, I and my VTC colleagues both made very great efforts to enhance the standards of programmes offered by its colleges.

All programme areas and courses of VTC have been subject to accreditation by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications since eight years ago. Although VTC is entitled to self-accreditation and can award any qualifications under the law, third-party evaluation is still desirable as this can further upgrade the recognition of our qualifications. Our incessant review of programme contents for linking them to the Qualifications Framework has achieved evident results. The employment rate of our graduates all the time exceeds 90%, and many employers have even approached VTC to commend the performance of our graduates. Unfortunately, however, public awareness of the value of vocational education and training is still inadequate. I urge the Government to formulate specific measures on promoting vocational education and training, so as to enable the various sectors to better understand the importance of such education and training, and how it can provide young people with appropriate education opportunities that can better equip them for career development. The Government should also consider the provision of subsidies to the career-oriented degree programmes offered by VTC, so as to induce more young people to choose such programmes.

In today's discussion on enhancing the quality and quantity of local tertiary education, we also wish to hear in this Chamber the Secretary's clear undertaking that he will not ignore local vocational education and training, and that he will cater for the needs of the institutions concerned. In recent years, new vocational education programmes have been introduced on a continuous basis to cope with the needs arising from social and economic development. For instance, the contents of programmes related to service industries such as tourism and catering are constantly updated to enable students to keep abreast of labour market demands. VTC has also made articulation arrangements for students' pursuit of further education. Students can choose to enrol in the degree courses run by the Technological and Higher Education Institute of Hong Kong (THEi) under VTC, or enrol in our top-up programmes, or continue their studies at overseas

universities. In fact, more than 30% of our higher diploma graduates choose to further their studies through such avenues. But in many cases, hardware support is required.

I know the Secretary has just led a delegation of 300 VTC students in a visit to the Institute of Technical Education (ITE) in Singapore. So, he should know the resource allocation in respect of vocational education and training in Singapore. Built more than 30 years ago, many of our existing campus premises are already ageing. Rising maintenance costs aside, the old architectural designs of these buildings also limit our development and improvement and fail to meet the needs of today. I hope that the Secretary can carry out in Hong Kong what he has seen and heard in Singapore.

President, the provision of vocational education today emphasizes holistic development and learning outside the classroom. For this reason, our institutions need more outdoor space and must create a campus environment conducive to student interaction outside the classroom. Besides allocating more land, the Government should also consider the provision of funding to tertiary institutions for the redevelopment or restructuring of old campus buildings, so as to meet the teaching needs in the campuses of today. Singapore was already aware of this more than 10 years ago, and with government investments, the campus of the ITE was restructured and refitted to provide sufficient space and attain world-class standards. This is an example we should learn from.

We often talk about the need for broadening the horizons of our students. In this regard, I am of the view that while providing local students with opportunities of overseas exchanges and internships, the Government should also offer more opportunities for foreign students from all over the world to attend tertiary education programmes in Hong Kong, so as to increase Hong Kong students' contacts with different cultures in the world and broaden their horizons. Unfortunately, however, unless foreign students choose to enrol in local bachelor's degree programmes, they are subject to various restrictions when applying for admission to higher diploma programmes. In the case of higher diploma programmes, for example, foreign students are not permitted to come to Hong Kong as exchange students. As a result of this restriction, local institutions are unable to make any arrangements for exchange programmes between local and foreign students. I hope that the Government can offer more

support in this regard, and I also hope that it can learn more from the Singapore Government and step up its publicity efforts to promote our vocational education.

President, I so submit.

MR NG LEUNG-SING (in Cantonese): President, as a matter of fact, over the past 20 years, government investment in local tertiary education has been on incessant increase, the reason being that in the 1990s of the previous century, the last days of the British Hong Kong administration, the numbers of universities and university places both increased. The number of publicly-funded universities increased from two to six over a very short span of time. After the reunification, Lingnan College and Shue Yan College were upgraded to university status, and the Hong Kong Institute of Education is presently applying for university title. In the year 2012-2013, the number of first-year degree programme places funded by the University Grants Committee (UGC) increased to 15 000, and it is expected that the number of undergraduate places in publicly-funded institutions will see a substantial increase of about 40% in 2016. At the same time, the number of self-financing institutions with degree-awarding status has also increased to eight, double the corresponding number in 2009. It is anticipated that before 2015, more than one third of the young people in the relevant cohort will be able to enrol in degree programmes. I think that having gone through the period of development mentioned above, we must now seriously recap our experience and look at the development of our tertiary education in the future.

To begin with, I think we should keep the number of universities at a reasonable level, rather than taking the view that more is better. For example, following a period of rapid expansion, the number of universities in Britain has increased to more than 100. These universities are of mixed standards, with the result that in the process of recruitment, employers now tend to pick graduates from prestigious universities with a longer history (that is, Russell Group universities and red brick universities). The development of universities in Taiwan is likewise astounding. As a place with a mere population of some 23 million, it already had 171 tertiary institutions in 2008. Of these, 62 are publicly-funded and 109 privately-funded. The excessive supply of university places has led to under-enrolment, and universities are forced to go for mergers. Admittedly, Hong Kong has not yet come to such a state, but we should still learn a lesson from these examples.

Tertiary education must be linked to the economic and industrial development of Hong Kong. Education resources are very precious, and so is the time of students. If there is a mismatch of academic programmes and social demand, and if students are thus rendered unable to apply the knowledge they have acquired, public resources will be wasted and graduates will also feel very great frustrations and even a sense of failure. In advanced countries, there are many examples of students failing to apply the knowledge they have acquired. Looking back, we can see that some tertiary institutions in Hong Kong were once able to offer programmes that catered for the needs of our industries. For example, the Hong Kong Polytechnic (now The Hong Kong Polytechnic University after upgrading) linked its programmes to various industries such as property surveying, design and textile manufacturing, and managed to nurture a group of talents who could cater for the needs of economic development in Hong Kong at the time. In contrast, present-day university programmes lay more emphasis on general skills, and this greatly reduces their practical functions. The functioning of Hong Kong's economy and society requires the participation of talents with many different kinds of specialized knowledge, and there is only a very small demand for managerial talents with general knowledge. Our tertiary education should keep abreast of the developments in the entire commercial world, and the UGC should also aim accurately at this target when allocating education resources.

President, students go to school for the main aim of acquiring knowledge. The amount of government subsidy for every place in a publicly-funded university is as large as nearly 80% of the costs involved. In the case of certain disciplines, such as medicine and engineering, the levels of subsidies are even higher. It is definitely a great waste of social resources if students do not devote themselves fully and properly to their studies. In recent years, some tertiary students in Hong Kong have been actively involved in student and social movements. They participate in almost every movement, and this has nearly become their sole occupation. Prof YAU Shing-tung, an internationally renowned mathematician, lamented earlier this year that those university student activists who only focused on fighting for their rights and ignored their intrinsic duties of learning and doing research were simply putting the cart before the horse. If university students in Hong Kong continue to see protests as their primary missions, they will not do any good to our social progress, and the quality of Hong Kong's talents will only decline gradually, thus eventually reducing Hong Kong to a second-class city.

Speaking of university students' fight for the right to elect university heads, Prof YAU said: "The academic standards of students will not be high enough, to be very sure. They will be unable to even follow the candidates' research areas, so how can they participate in the election of university heads?". He also referred to Stanford University and Harvard University, where he once taught, as examples. He said that the selection of university heads was a matter for university councils to exercise their authority, and that students and teachers of these well-known universities also had no say in the selection process. Prof YAU's insight is highly enlightening, and will have far-reaching impacts on Hong Kong's future development, the education sector and even the tertiary education sector.

President, I so submit.

MR ALBERT CHAN (in Cantonese): President, I initially did not intend to speak so soon. However, after listening to Mr NG Leung-sing's distorted and misleading argument a moment ago, I must speak to correct him.

According to him, university heads are selected by university councils. This is true and also the case with most universities in Europe and the United States. However, in the case of many universities, representatives of student councils are appointed as members of the university councils. Last time in this Chamber, I already talked about my own experience. In 1979, I was the vice-chairman of the student council of the University of Manitoba, and there was also the chairman. More than 40 years ago, the chairman of the student council was already an ex-officio member of the university council and therefore had the power to represent students on the university council regarding any university policies which concerned the student council; and if the chairman of the student council found it necessary to consult students, then it was the independent act, role and decision of the student council. When Mr NG Leung-sing cited the views of that Mr YAU earlier on, he did not tell the whole truth.

What I am talking about is the functioning of some overseas universities in the West 40 years ago, and at that time, these universities already enjoyed much greater openness and democracy than their counterparts in Hong Kong today. Therefore, it is really shameless of Mr NG Leung-sing to refer to them as examples to support his view on university councils in Hong Kong. I must therefore correct him and disprove such obscurantist arguments he has presented

to Hong Kong people. This may be a traditional Chinese Communist practice or the usual practice of the Hong Kong Communist regime. Throughout its 60 years of rule in China, the Communist Party of China has always depended on controlling the mass media and telling falsehood. MAO Zedong was best at stirring up campaigns such as "The Three-anti Campaign" and the "Five-anti Campaign". Then, there was the Cultural Revolution. And recently, those traditional communists Some Members will always leave whenever the Communist Party is mentioned.

President, I request a headcount.

PRESIDENT (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)

PRESIDENT (in Cantonese): Mr Albert CHAN, please continue.

MR ALBERT CHAN (in Cantonese): Many thanks to Mr LEUNG Che-cheung for entering the Chamber to listen to my speech. President, I must first offer an open and solemn commendation to a group of Hong Kong Academy for Performing Arts (HKAPA) graduates who know how to conduct themselves correctly in life, and who know that learning is not only about acquiring book knowledge, but also about grasping the correct ways to conduct oneself in life and showing moral courage. In their recent graduation ceremony, some of them bowed to "689" three times; some crossed their arms above their heads; and some chanted slogans calling for universal suffrage. The behaviour of these students can show that they possess the courage of true intellectuals, and they have not spent their time on studying "bullshit". Several Members in this Chamber hold a doctoral degree, and there is a "bullshit" law teacher who forever obeys the Liaison Office of the Central People's Government in Hong Kong (LOCPG), and who is therefore a real lackey. No matter how much "bullshit" they have studied and how many doctoral degrees they hold, they are after all lackeys, right? Therefore, I must commend the students of the HKAPA most highly, calling them the pride of Hong Kong people. At the sight of these young people, I really

think that it is worthwhile for us to approve funding requests related to their education.

President, by moving its amendment to the motion today, People Power aims to ask our tertiary education institutions to reserve a specified proportion of programme places for local students. We welcome the internationalization of Hong Kong and our education system, but the existing education system of Hong Kong is instead entirely "mainlandized", not only in respect of students but also in respect of professors. The top management of institutions have increasingly come under the control of Mainland scholars. It is evident that the political climate and political environment of our universities have gradually come under the control of the LOCPG. The Andrew LO incident in the past is a good example which exposes fully the the political intervention — the intervention of the Chief Executive Office — faced by those engaged in academic research in university. It is an open secret that the evil clutches of the LOCPG have already penetrated student organizations and started to interfere with the political activities of students. The "hired guns" of the LOCPG have taken control over the student councils of Hong Kong's tertiary institutions, and such politicization has brought shame to them.

President, the number of Mainland students studying in Hong Kong is very alarming. Let me give everybody some figures. In fact, I have raised this issue for more than a year, and more and more people have become concerned about it. That being the case, we should force the Government and the universities to formulate a policy that is fair to the young students in Hong Kong. In the year 1997-1998, there were only five Mainland students in Hong Kong, but in the year 2011-2012, the number rose to 4 583, an increase of 900 times. As for postgraduate students, the number increased from 882 back then to 4 290 in the year 2011-2012, an increase of nearly five times. Since the reunification, the number of Mainland students studying at our postgraduate schools has continued to rise sharply. As at last year, the number of Mainland students already accounted for 66.5% of all postgraduate students. In the case of some graduate schools, Mainland students even accounted for 100% of the student population.

For all these reasons, People Power requests that all graduate schools should each reserve at least half of the places for local students. If they do not do so, it will be impossible for Hong Kong students to enrol in postgraduate programmes. The funding we approve should never be used for supporting Mainland students at the expense of Hong Kong students' opportunities to receive

higher education. This situation must be rectified and we should do justice to the people of Hong Kong and let our young students have an opportunity to develop their talents. Therefore, I urge Members to support Mr CHAN Chi-chuen's amendment.

Thank you.

DR KWOK KA-KI (in Cantonese): President, I want to thank Dr Kenneth CHAN for moving this motion and giving us an opportunity to discuss the quality of tertiary education in Hong Kong.

The Report on Manpower Projection to 2018 clearly points out that by 2018, there will be a manpower shortage of 22 000 workers at upper secondary, craft, technician and associate degree levels, and it is projected that by 2018, of the local manpower supply aged 40 or below, only 38% will hold a first degree level qualification or above, 10.8% will have an associate degree level qualification, and 44.2% will hold an upper secondary level qualification or below. Fifteen years ago, TUNG Chee-hwa raised the idea of enabling 60% of the people in the relevant cohort to receive higher education. The present projection covers five more years in excess of his original timeframe, at the end of which it will be some 20 years into the reunification, but it will still be impossible to attain his target by then.

In the year 1994-1995, there were 14 500 publicly-funded university places in Hong Kong, and in the year 2010-2011, the number only increased by 80 to 14 580, meaning that there was almost complete stagnancy. During the six years in between, our Government kept saying that more young people would be provided with opportunities to receive tertiary education and enrol in programmes at degree level or above. But all this has turned out to be mere empty talks. What have we got in addition so far? Only large numbers of associate degree places. While such associate degree places are certainly part of the Government's "image project" characterized by "untruth, falsehood and lip-service", they are at the same time seen by self-financing institutions as a golden opportunity to seek profits.

Two days ago, on the 26th of this month, the press reported that some self-financing institutions had amassed totally \$22.4 million in enrolment

deposits. The money paid as enrolment deposits is soaked with "tears and blood" because most students who need to enrol in self-financing associate degree programmes are from relatively poor families. Secretary, your children and your colleagues' children do not have such a need, because in the case of most children from rich families, their parents can still have the money to send them to countries like Britain or United States for further studies, even if they are not admitted to any universities in Hong Kong. Those who are forced to stay behind in Hong Kong are definitely the most miserable ones. They have no alternative but to let institutions collect enrolment deposits from them and amass some \$20 million. They do not have any alternatives because if they do not pay the required enrolment deposits, they will lose their chances of receiving education.

In fact, we have already discussed the issue of associate degrees many times and I believe that everyone are already tired of this subject. Associate degrees are definitely a short-piling scandal in the academic sector. To begin with, there are insufficient top-up programmes. Second, suppose the Government truly wants to help associate degree students, can it tell us why there are subsidies for degree places but not any for most associate degree places? Though one of the proposals today is the provision of loan assistance to associate degree students, we must still say that this is not fair enough, because the present interest rates are too high, and many of the loan recovery methods are also rather unfair. After all, the most important point is that if students are not made to bear such an unreasonably heavy burden in the very first place, they will not need to borrow any money to make ends meet.

President, what I am going to relate was my personal experience. I once visited a student hostel of a local tertiary institution. Upon arrival with the warden, he pointed out to me that those students who were working hard at their desks were all Mainland students. I then asked him jokingly where all the Hong Kong students had gone. He told me that all the local students were working part-time outside because they did not have money. Secretary, at present, of all the non-local students who accounted for 20% of the student population in our universities, most are in receipt of scholarships because many universities in search of profits have been trying to induce Mainland students to study in Hong Kong by offering them as many scholarships as possible. This is actually not a bad thing, but is very unfair, because students from the Mainland are given almost full subsidies. The scholarships they receive are substantial enough to meet their tuition fees, daily expenses and hostel fees. Besides, the institutions

concerned also try every possible means to help them find a hostel place. We do not think that this is bad at all, but we must say that local students cannot receive any similar treatment and are forced to take up several jobs in order to earn money. This is actually very ironic.

Furthermore, as we can observe, the financial assistance for postgraduate programmes at master level or above has mostly been given to Mainland students. This is actually not so much a problem because there should be academic freedom. But I must say that we are just doing a thankless job and sewing a dress for others. As we all know, such Mainland students have already made it very clear that a postgraduate degree from Hong Kong is only a stepping stone for them, and most of them will not return to work or earn a living in Hong Kong.

One member of my staff has this painful experience. He wanted to enrol in a master degree programme. The university asked him for his GPA, telling him that he would not be admitted if his GPA was below 4, and he should save the trouble of filling out an application form in that case. I asked him what kind of people the university would admit. He said they were all Mainland people, most of whom would leave after completing their studies. A young person who longs for pursuing further studies in Hong Kong and making contributions to it afterwards is not given an opportunity, but Mainland students who see Hong Kong as a stepping stone have loads of opportunities. Why? This education system must have gone insane.

Most universities boast of their internationalization in their annual reports. But their "internationalization" is just a joke. What is internationalization? Theirs is just mainlandization and emptiness. Please do not grumble that there are no talents in Hong Kong. All is just because our university system is subject to no regulation. The various institutions have simply put together huge arrays of figures to disguise their morbid "internationalization", and many poor students in Hong Kong are denied admission to publicly-funded degree programmes as a result. And, the situation remains as bad at the level of postgraduate programmes. I hope that the Secretary can wake up and realize that this system must be changed.

I so submit. Thank you, President.

MR IP KIN-YUEN (in Cantonese): President, first of all, I declare that I am a part-time lecturer at the University of Hong Kong (HKU) and The Hong Kong Institute of Education, and also a Court member of the HKU.

I believe that regarding the topic today, I do not need to say anything further on the importance of higher education, because many Members have already discussed it today. However, what is the importance of higher education? I wish to say a few words on this. Generally speaking, higher education must accomplish two missions. The first mission is research, which involves efforts to open up new academic horizons and the generation of new knowledge for the purpose of contributing to society as a whole. The second mission, an equally important mission, is teaching. Teaching is about the passing down and inheritance of knowledge, and it is a process whereby our next generation inherits and makes use of the knowledge handed down to them. Apart from this, there is still a third mission which must likewise be emphasized: higher education needs to set an example for the entire society. Many ordinary people will be looking at how people in our higher education sector conduct themselves. The heads and professors of higher education institutions will be looked upon as role models in many respects.

Speaking of the achievements of higher education in Hong Kong, I would think, in all fairness, that its achievements should be given due recognition. After years of development, the number of local higher education institutions is still not very large, but their international rankings are nonetheless quite high. For example, on the two ranking lists respectively for Asia and the whole world recently announced by Britain, our institutions, though very small in number, are still able to occupy very high positions. Therefore, due recognition should be given to Hong Kong's higher education and higher education institutions.

However, high rankings cannot possibly cover up the various problems faced by our higher education institutions and higher education. Such problems must be squarely addressed. One very serious problem which several Members have mentioned today is that quantity-wise, the university education and higher education we now provide is unable to meet the requirements of a knowledge-based society.

The Secretary has told us today that the number of first degree places provided by our higher education sector is already able to look after 18% of the

young people in the relevant cohort, and together with 4 000 articulation places, the rate will go up to 27%. This should be good news, but there is one major problem with the good news: articulation places. Since we all know that these 4 000 students will eventually return to mainstream universities, may I ask why they must still read for associate degrees as a transition? And, why must they pay such exorbitant tuition fees? I suppose such institutions cannot possibly compare with mainstream universities in terms of quality, but students attending such institutions must still wait one or two years before they can return to mainstream universities to continue their studies. What is the reason for this? What is the basis of this need? Why can't they be directly admitted to universities? I think that such arrangements have produced the effect of forcing youngsters to face two different environments within a very short period of time, and such a change is actually totally unnecessary. The quantity of higher education will actually subject Hong Kong to a very formidable challenge and crisis when our society enters the stage of population ageing. In the future, our dependency ratio will keep rising, and the number of elderly persons supported by one young person will keep increasing correspondingly. But young people's abilities are not upgraded any substantially. Therefore, quantity-wise, improvements must be made to our higher education.

The second problem is commercialization, and the emergence of sub-degree programmes is the most obvious example. At present, a *laissez-faire* policy is adopted for the operation of sub-degree programmes, meaning that individual institutions can offer whatever programmes they want in the free market. As a result, the choices they offer will naturally be biased towards programmes incurring lower costs, such as arts or business studies. In this way, young people are not offered a comprehensive range of education choices, and they must at the same time bear exorbitant tuition fees. As some people have said, young people are even made to bear the construction costs of campus premises. Consequently, they are already heavily indebted even before graduation. So, shouldn't we take some major actions to rectify the phenomenon of commercialization?

The third problem is the neglect of Hong Kong itself. Several Members have talked about this problem today and I would also like to raise this issue. The neglect of Hong Kong itself is manifested in two respects. First, in regard to research contents, we tend to neglect Hong Kong itself, probably because the overall purpose of doing any research is to publish papers in the academic

journals of the United States or Britain at the end of the day. Therefore, the entire research direction must be geared to the preferences of the Americans and the British. Research on Hong Kong issues is unlikely to attract any recognition and attention of the United States. And, they may also need us to do research on conditions in Mainland China and then publish the findings in the United States. In this way, our academic research has turned less and less localized, thus lagging far behind Taiwan and Mainland China in terms of contributions to the local knowledge-based society.

On the other hand, Members have also talked about a high degree of "mainlandization" in postgraduate education. I do not see any problem with Mainland students coming to Hong Kong for education, and I myself also know many Mainland students who want to pursue postgraduate studies in Hong Kong. But the problem is that the rate of local students on postgraduate programmes has been shrinking incessantly, and the rate is especially low in the case of research postgraduate programmes. And, the rate of international students is likewise low. I hope that the authorities and the University Grants Committee can seriously explore how best to provide scholarships and part-time tutorship to local postgraduate students, so as to help our students overcome the problem of funding, enable more local students to join the ranks of postgraduate students, and turn Hong Kong into a truly knowledge-based society.

Another very important point is the appointment of university heads. We agree that university heads very often need to have very good management skills and high academic status. But more importantly, as I have said earlier, higher education institutions are supposed to set role models. It is very important that university heads must be able to preserve institutional independence and academic freedom. Without this, our higher education will simply be soulless.

President, I so submit.

DR PRISCILLA LEUNG (in Cantonese): President, first of all, I want to declare that I have taught law at the City University of Hong Kong for more than 20 years. My academic department is one of the departments that admits a comparatively large number of non-local students to its undergraduate, postgraduate or even doctoral programmes. Many Mainland students will also read for a professional degree in my department after going through formal assessments in Hong Kong. With my long years of teaching experience, I would

like to express some views in this motion debate moved by Dr Kenneth CHAN today.

First of all, I am very grateful to him for moving this motion. I believe that Members with university teaching experience, in particular local scholars, will share some common feelings. I remember that when we were at university, we had many chances to communicate with our professors. Apart from the imparting of knowledge, there were also many exchanges between teachers and students involving life impacting life. I think that the atmosphere back then was very good.

However, since we joined the teaching profession, especially over the past 10 to 15 years, we have noticed that many academics only focus on applying for research grant and writing papers. We humorously describe this as "paper making", incessant "paper making" and more and more "paper making". As academics are forever filling out application forms in accordance with administrative requirements, they simply do not have any time for students who knock at their doors and drop in to see them, because they are forever filling out administrative reports and research grant applications.

I believe that almost all academics who really want to teach and influence students would be very unhappy with the current situation. I have expressed such views to the Chairman — different Chairmen — of the UGC.

The existing mode of university funding allocation, especially the research grant system, cannot cater for the different standards of the social sciences and physical sciences. Physical scientists can easily collect loads of data on chemical theories and laboratory facilities, and they can easily publish a paper. They may be able to publish a paper based on one single formula, and they can thus publish several dozen papers a year.

However, sociologists or law scholars may need a long time to think up ideas. Furthermore, they may not necessarily need a lot of research funds because a lot of our research materials can easily be found on the Internet. Therefore, there should be different assessment standards for the two disciplines. This is the first point, a point I have been making year after year. The UGC Chairman this year seems more willing to listen. He says that he is beginning to understand my point, and I have replied that I hope he can really see what I mean.

Second, why do many local academics think that they are not given enough respect? Why must local research, local law research Such research will not receive any due respect unless they are about the Mainland or foreign countries. In this regard, I think that it is necessary for us to review the overall direction of Hong Kong's education.

I believe that everyone shares the same views on this aspect. Why? Recently, I have been asking myself what kind of students we really want to nurture. The research of our academics must focus on Hong Kong's social needs and meet the expectations of the Hong Kong community. We have spent so much money on studying public policies and law reform, but can such studies dovetail with the needs of the Hong Kong community? At present, all assessment criteria relating to both promotion and agreement renewal, for example, do not seem to attach any importance to this. Relevance to local needs is never the most important consideration. The most important consideration is international ranking, such as the international rankings of universities.

Sometimes, I really think that the development and research directions of our universities have gone astray. For the sake of international ranking, our universities often ignore their intrinsic responsibilities in university education, especially in respect of cultivating the quality and personality of students. I think that both time-wise and focus-wise, our universities have paid less attention to all these needs. This is the first point.

The second point I want to discuss is I very much agree to a number of points in Mr Gary FAN's amendment. At the same time, however, I do not buy some of his views. Judging from the remarks of several Members just now, I have the feeling that they are strongly dissatisfied with Mainland students, thinking that they are here to rob Hong Kong students of their opportunities. Their speeches were marked by strong resentment and antagonism. I hope that Members will not think that way. I think all should be based on actual ability. Honestly, many Mainland students must overcome many difficulties before they can perform so well, and they must first work very hard to brush up their English before they can eventually attain the required standards. So, I hope that we can adopt a more open attitude.

I certainly understand that given the large numbers of Mainland students at present, people will understandably question whether local students will be affected. In this connection, I would leave it to the Government to give us an

explanation. In fact, my experience tells me that many Mainland students are very fine students, and they have come to Hong Kong with scholarships for their freshman years. Other Mainland students have come to study in Hong Kong at their own expenses, meaning that they will not adversely affect the benefits of local students. Mainland students who attend JD courses, in particular, have to be responsible for their own expenses, and they often want to bid for scholarships. I hope that Members can understand that everyone has their own problems. I believe that the relationship should not be mutually exclusive, and both sides should learn from each other instead.

And, my strongest support goes to point (15) of Mr Gary FAN's amendment, in which he proposes the setting up of an arbitration mechanism. Since 1998, I have been explaining that many of the disputes among university academic staff, between university management and staff, and even between students and university management, simply should not be brought to court or the mass media for settlement. My academic department once had a similar experience, and the dispute concerned had to be brought to the Legislative Council for settlement. In the end, all three sides became losers. The university's reputation, teachers and students all suffered.

Therefore, if we can set up a more effective and credible mechanism and let these Intellectuals are actually very simple, and everything will be alright as long as you can convince them. I therefore hope that we can seriously consider the establishment of an arbitration mechanism, so that universities can spend less on hiring attorneys for handling disputes, and colleagues can be saved the embarrassment of having to criticize one another in front of the public.

President, I so submit.

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

MR CHARLES PETER MOK (in Cantonese): President, the amendments of several Members all mention the enrolment of Mainland students in postgraduate programmes in Hong Kong. Since we Hong Kong people already face a shortage of degree places, we understandably feel the pressure of having to compete for degree places. Consequently, as in the case of land shortage, we consider it necessary to introduce measures similar to BSD and DSD.

However, as I can recall, the graduate school in the United States which I went to for my master studies likewise admitted more international students than local American students. In fact, my university was not a private one, but a government-funded state university. It can even be said that the higher the ranking of a university is, the more pronounced such a phenomenon is. I believe many Hong Kong students studying overseas can also see such a phenomenon.

Of course, you can say that Hong Kong and a vast country like the United States are two different cases. However, this issue is similar in nature to the land problem, both being attributable to inadequate supply. However, if there is a problem, it must be dealt with and must not be ignored. We must admit that this is a problem. According to the figures of the University Grants Committee, in 2012-2013, of all the full-time and part-time publicly-funded degree programmes, non-local students accounted for 15%. Of this 15%, Mainland students accounted for almost 12%, numbering more than 10 000, whereas students from other foreign countries and regions accounted for merely 3%. Is this internationalization or "mainlandization"?

However, if we look at the number of overseas students in the tertiary education sector of the United States, we will see that the total number of international students accounts for 3.5% of the total. Nevertheless, Members please do not think that this figure is very low because in fact, the higher the ranking of a university is, the larger the number of international students will be. I have looked at the state university I went to and found that international students account for 21.8% this year, and I am not going to mention the numbers of international students in private colleges. I have looked at some prestigious universities such as the University of California, Berkeley, and can see that 13.6% of its students are international students. However, only some 20% of all the international students in the United States are from China. And, China is already the leading country in this respect, followed by India, which accounts for 14.4%, and students from many other countries. However, in Hong Kong, in the case of publicly-funded degree places alone, Mainland students already account for 80%. This is surely not the internationalization that we want.

The universities in Hong Kong are generally of high standards, and their international rankings are higher than those of many universities in the Mainland or Asia, so they naturally are quite appealing to Mainland students. The population on the Mainland is large, and pursuing further studies in Hong Kong may be easier than going abroad directly, so it is understandable that the number

of Mainland students in Hong Kong is larger. However, why are the universities in Hong Kong so lazy? They only adopt the approach of "the more, the merrier" and keep launching promotions on the Mainland rather than looking for ways to raise the number of students from other countries. I think universities have to assume some responsibility in achieving internationalization.

Have Mainland students deprived Hong Kong students of their opportunities? I believe such a situation does exist. However, we must also ask if students from the Mainland have in fact served as a kind of stimulation to Hong Kong students, thus helping to raise the overall academic standard. I believe this is also a fact. I often deliver speeches and have discussions in various universities, and what saddens me most is that unless a speech or seminar is credit-bearing or counts towards the attendance rate, most of the students who turn up, sit on the front rows and ask questions are Mainland or overseas students. People from the localism camp may criticize me for these remarks, but I think this is really the truth.

Mr CHAN Chi-chuen's amendment proposes that "a quota of places under postgraduate programmes for priority enrolment of local students" should be set. But the point is that there is actually the problem of under-enrolment of local students in many programmes. I once had a chat with some undergraduates, and found that nine out of 10 local students said that they would not enrol in any postgraduate programmes. The point is that local students who are willing to enrol in postgraduate programmes are already given some degree of priority. And, the most important prerequisite is that they must meet the required academic standards.

In the last motion debate, a Member — and me too — criticized other Members for their xenophobic thinking. But I can also see some ostracism. I really do not know how to describe my ideas right now in Chinese. What I want to say is: "Hong Kong deserves better than that".

President, I also wish to take this opportunity to talk about the progress, or the lack of it, in establishing private universities in Hong Kong. In December last year, I moved an amendment which proposed the expeditious implementation of the recommendation put forward in the 2011-2012 Policy Address on putting up the Queen's Hill site for qualified sponsoring bodies to apply for the establishment of non-profit-making private tertiary institutions. At that time, many Members abstained from voting and of course, the amendment was not

passed. Maybe, the reason was that at that time, it was rumoured that LEUNG Chun-ying wanted to resume the land for the provision of housing. Since many Members were not certain about the situation, and also seeing that the Chief Executive had not yet taken any action, they chose to abstain from voting for the time being. Now, more than half a year has passed, and how is the present situation like? Students are waiting for places; some well-established non-profit making organizations which want to establish private universities are likewise waiting. Therefore, I ask the Government to honour its promise by making available the site at Queen's Hill as soon as possible for the establishment of non-profit making private tertiary institutions. I hope the Secretary can fight for this site on behalf of the education sector, rather than giving it away to the Development Bureau for other purposes. Today, there are press reports that the Government plans to resume half of the site, so I am afraid it would be very difficult for private universities to realize their dream of increasing the number of places.

Lastly, what I want to say and what I must mention is an education issue of great concern to the information technology (IT) sector. Recently, there are many press reports that there is an acute shortage of talents in the IT sector, that salaries in the sector are not only increasing but also increasing substantially, but that the number of local students enrolling in programmes of IT is insufficient. Meanwhile, under the new academic structure, the number of students taking the subject of information and communication technology has also decreased drastically by over 50%, and as a result, the number of students taking this subject in tertiary institutions in the future may also decrease drastically. After the transformation of the university structure from three years to four years, university students do not need to decide on their majors in the first year; as a result, many colleagues in IT departments feel very great uncertainty. Therefore, I believe that while the Government and the various institutions seek to increase the number of degree places relating to IT to meet market demand, they must at the same time strive to cultivate students' interest in these new industries, so as to encourage more students to enrol in IT engineering programmes. Recently, computer and cyber security has suddenly become a matter of great concern in Hong Kong. Is the IT sector important? Members themselves should know the answer only too well.

President, I so submit. Thank you, President.

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

MR LEUNG KWOK-HUNG (in Cantonese): Mr Charles Peter MOK said something in English, but then he said that he did not know how to translate it. Hong Kong is really pitiable, very pitiable. This is not how it should be like. Just a literal translation will suffice, right?

Mid-Autumn Festival is coming. When I was small, I heard a folk rhyme that goes like this, "Wealthy people eat moon cakes, while poor people must eat taro." This is exactly the case with education. Some people say that we should not ostracize students from other places. They are right in saying so because education should be for everyone, irrespective of their backgrounds. However, the problem is that at present, when the education institutions in Hong Kong admit students from the Mainland, their only purpose is making money. The reason is very simple. Would any poor Mainland students from the mountainous regions come to Hong Kong on foot to study here? Such miserable cases are not unheard of, though. I have heard of a very touching story about a poor student who studied in Peking University. His mother made 50 catties of pickled radish for him; so every day, he ate nothing but pickled radish while studying in Peking University. And, he eventually became a useful person. However, when our tertiary institutions enrol Mainland students so very desperately, they do not actually aim to groom talents, nor do they really welcome Mainland students. Rather, they just want to make money out of Mainland students, because the tuition fees and other fees paid by them while studying in Hong Kong are higher than those paid by their local counterparts.

Such a situation is not unique to Hong Kong. Britain is doing the same thing, because overseas students must pay higher tuition fees. As a result, overseas students are allowed to study there. However, should the Government give universities a free rein to do so? I believe it should not because there is no reason to ask our students to search far afield and neglect what lies close at hand. Are we supposed to ask Hong Kong students to study in the Mainland and thus pay more in tuition fees? Therefore, the problem is all about the turning of education into a commodity. Once the Government refuses to make any greater commitment, once it refuses to treat youngsters' receipt of university education or its equivalent as a right, and once it decides to treat the receipt of tertiary education as a welfare benefit, tertiary education will surely develop serious problems. This is where the crux of the problem lies.

There is one more point. Why do I say "wealthy people eat moon cakes, while poor people must eat taro"? Because wealthy people simply disdain to send their children to school in Hong Kong. I have said many times that wealthier people may even send their children overseas for studies at the stage of secondary school because admission to better universities will be easier if one goes overseas to receive secondary education first. This is exactly "wealthy people eat moon cakes, while poor people must eat taro", isn't it? The difference between wealthy parentage and poor parentage is most clearly manifested in the education that one receives.

President, at present, only 19% of the senior secondary students in the relevant cohort can enter publicly-funded tertiary institutions, and the proportion is far too low. At present, the Government has a great deal of money, but it is not doing anything. Back then, Uncle TUNG copied the example of Singapore, saying that since its rate was 60%, we also wanted to achieve a rate of 60%. But what does his "60%" mean? It has turned out that he only used fake banknotes — even TUNG Chee-hwa was capable of double-talk. When he talked about 60% of students, he only meant that 60% of students would be enabled to reach the doorways of universities. And worse still, at present, for-profit education institutions can be found everywhere. Every day when I take the MTR to work, I can see a for-profit education institution at Telford Garden, known as the SPACE of the University of Hong Kong. The Government gave it land but it went so far as to recover the cost of building its premises from tuition fees. Have you ever heard of anyone with such immoral business ethics? Frankly speaking, it is very, very ignoble. President, have you ever seen any shop owner asking his customers to give him money for building his shop?

Under the very eyes of Eddie NG and his predecessors, children of poor families have been denied enrolment in formal university programmes, and they are subjected to exploitation. What kind of system is this? The whole problem actually stems from the turning of education into a commodity. The Government has so much money that it now offers the iBond with an interest rate of 5% as an investment channel to those people who claim they have no channels of investment. We have so much money that we want to build an Express Rail Link costing over \$60 billion, so that we can save 10 minutes in connecting to other people's express railways. At present, there are problems with the express railways throughout the country. If the United States exits from the market, we just would not know what to do.

This is how the Government is like. It is very rich and wants to build another Admiralty in Kowloon East, the district where I live, so as to receive Mainland capital. It has also built a cruise terminal. All these are preparations for doing business. They say that Hong Kong people are good for nothing Antony LEUNG was most detestable. He turned education into a commodity, saying that education is not expenditure but investment. Since he said that education was investment, the cost had to be recovered. Since the cost had to be recovered, of course, education had to be turned into a commodity. What does Secretary NG think now? Does he also support the turning of education into a commodity? With Hong Kong's financial strength nowadays, do we need to do so? Even if we want to realize Uncle TUNG's last wish of achieving a 60% tertiary institution admission rate, do we need to create such a tortuous route called associate degree programmes? How can we achieve this goal anyway? LEUNG Chun-ying has not said anything. I really do not understand.

At present, Secretary Eddie NG only wants to introduce 15 years of free education. But tertiary education is the apex of all education Even if he wants to do something about basic education, I am afraid he would not be able to do anything. During the Budget debate, I already asked him to apply for funding as soon as possible, saying that he surely could not succeed. The reason is that without quality teachers, how can he get the job done properly? In fact, the whole problem is that the Government does not perceive education as the best means of facilitating social mobility, nor does it think that knowledge is power. When it talks, it often talks as though it were invincible. If knowledge is power and knowledge is our basic power, why are poor people not given this power? If poor people are not given this power, how can they improve their living? Education is bound to be marked by class distinction. That is all. In that case, what must LEUNG Chun-ying do? Continue to pay money — do you want us to pay? Of course, it is the Government that should pay, man. It is a waste of time to say anything further. If the Government does not pay, what can be done? Let me ask you, what Never mind.

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

MR PAUL TSE (in Cantonese): President, I declare that I am a member of the Court of the University of Hong Kong.

Let me begin by referring to an article from *Bloomberg* today entitled "Why are so many college graduates driving taxis?". Some figures therein are of useful reference to us. In 1970, only one in 100 taxi drivers in the United States had a college degree, but today, 15 out of 100 do, which means a rate of 15%. Similarly, in the 1970s, only two in 100 fire-fighters in the United States, or 2%, had a college degree, but the rate today is 15%.

President, Hong Kong as an economically advanced society is fast closing the gap between it and the United States in this respect. Owing to the inflation of academic qualifications or a "quantitative easing" higher education policy, the number of university graduates in Hong Kong has continued to grow. President, many Members have expressed a lot of opinions from different angles. In particular, Members engaged in teaching have expressed even more views. However, I wish to examine this issue from a more pragmatic angle in the hope of bringing out the related problems from another perspective. What I mean is: while looking at the issue from the angles of quality and quantity, have we ever examined whether we are actually heading in a wrong direction? Should we examine this issue from a new perspective? When it comes to such extremely hot topics as associate degrees, the unemployment of university graduates, and even the fury of those young people who take to the streets in large numbers, should we examine the issue from a brand new perspective?

I agree with Mr Andrew LEUNG that on-the-job training is actually one of the best development directions for us today. President, we certainly hope that we can nurture some talents comparable to CAI Yuanpei, whom Mr WONG Yuk-man mentioned just now — talents who can attain very high academic accomplishment in literature, history and philosophy. But the reality is that Hong Kong is just a tiny place with a very small population and limited opportunities. If we wish to maintain our competitive edge, so that Hong Kong can continue to be of relevance to the global community, we must constantly review what kinds of students we have trained up.

It is certainly our hope that some students can achieve excellence in literature, history and philosophy and become good teachers, brilliant writers and great philosophers, and so on. But more importantly, we must continuously nurture more talents to take forward Hong Kong's economic development, so that Hong Kong society as a whole can progress. I believe Members will have no objection to this point.

President, what approach should we adopt to address the issue of manpower training? We have heard many stories before. Years ago, many factories in China engaged themselves in the mass production of shoes regardless of market demand. This led to an excessive supply of shoes, and enormous quantities of shoes could not be sold. Later, there emerged in South China many brick factories that engaged themselves almost madly in the mass production of bricks. In the end, due to a mismatch of production quantities and demand once again, large quantities of bricks could not be sold.

Actually, to a certain extent, nurturing talents is like goods production. Nurturing a large quantity of unwanted talents is actually an enormous waste. On the other hand, I have recently read some figures which were also reported in the financial pages of newspapers in the past two days. For instance, despite the implementation of the minimum wage, Café de Coral still recorded a 14% rise in business turnover, and a 25% rise was recorded for Tsui Wah. These two enterprises are quite successful in Hong Kong, but many students simply would not consider taking up their managerial posts in the past.

According to another news story yesterday, the Cheung Kong (Holdings) Limited has recently spent 940 million Euro on purchasing an energy-from-waste plant in the Netherlands with a local market share of 24% as a related investment project following its earlier purchase of a plant in New Zealand for 500 million New Zealand Dollar.

Although these examples appear to be unrelated to the topic of this motion, they serve to remind us of the need to keep looking for new pathways. For instance, as pointed out by Mr Charles Peter MOK just now, should our information technology (IT) sector explore new types of work? In fact, instead of grumbling that many problems cannot be solved, we should keep exploring new pathways. Energy-from-waste plants are now facing a serious shortage of both manpower and waste, because they need to import large quantities of waste. Hong Kong should hold discussions with these factories, so as to see how we can make a deal with them for resolving the problems of incinerators and landfills in Hong Kong.

We must constantly look ahead and embrace the world, rather than merely emphasizing quantity as well as the number of places and university students, and so on. Of course, these issues need to be examined, but it is more important for us to make wise choices regarding pathways and directions. We must even learn

from people with aspirations in other countries When it comes to people with aspirations, a person has recently become a household name — I am talking about Mr SNOWDEN. I think he has not even completed secondary school. Of course, he has already achieved a lot.

Many other well-known figures, such as Bill GATES, are also distinguished university dropouts. A university degree is not the prerequisite for achievements, particularly in the present age of IT and computers. Actually, people with confidence and aspirations do not necessarily need a university degree before they manage to make a mark in society. I hope young people and their parents can understand that university degrees are not absolutely necessary. Chinese people all hope that their children can be very successful and outstanding. However, it must be borne in mind that a person does not necessarily need a degree before he can have a bright future. In fact, it is very often a waste of energy for certain people to force themselves to get a degree, especially an associate degree, because not everyone possesses the qualities of a scholar, a professor, or even a professional. On the contrary, they may be able to give full play to their abilities and create a brave new world in other fields.

This was only common sense wisdom in the past. I do not know why more and more Hong Kong people have come to forget such wisdom, and why they want to scramble for university places. The point is that regardless of the amount of resources injected, a wrong direction will only lead to a mismatch of resources and waste students' youthful years and efforts. This is undesirable not only to Hong Kong society as a whole, but also to students themselves. Eventually, this will only lead to more grievances, more street protests by young people and more "frustrated scholars". This should not be the direction for Hong Kong in this era of fierce global competition. I hope all of us can reflect upon themselves. Thank you, President.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): Dr Kenneth CHAN, you may now speak on the amendments. The speaking time limit is five minutes.

DR KENNETH CHAN (in Cantonese): President, many thanks to the 24 Members for their valuable advice on the quality and quantity of tertiary education. I believe the public can actually judge for themselves the quality and quantity of this debate. I also believe that this evening, Members have managed to put together a number of indicators concerning many different aspects — research of local relevance, pursuits of whole-person education and humanism, as well as concerns about quantity, tertiary places, land, funding, vocational education development, and so on. I believe these indicators of quality and quantity can all give impetus to the Government and make it realize the meaning of "receptivity breeds enlightenment".

However, even if I talk about the idea of a university here, expounding for three days and three nights the backbone of academics and their moral courage to defy the power that be and speak the truth before the rich and the powerful, I am afraid my words will only fall on deaf ears

PRESIDENT (in Cantonese): Dr CHAN, please speak on the amendments.

DR KENNETH CHAN (in Cantonese): Anyway, there will be many opportunities for me to do so in the future meetings of the Panel on Education.

President, we will see a new batch of secondary school graduates very soon. That is why both Mr Gary FAN and Dr Helena WONG have expressed their concern about the development and rights of local students and academics this evening. They have also covered the essence of diversity and inclusiveness in university education. Their views deserve our support.

Mr CHAN Chi-chuen's special point on relaying the torch really strikes a chord of sadness in me. I am retiring in 15 years or so. I hope that a greater number of "tough" local academics will stand firmly in their positions and seek to safeguard academic freedom.

Furthermore, Dr Fernando CHEUNG has so sincerely shared with us his experiences, the difficulties faced by him, and how the governance cultures of universities have impacted university autonomy, staff research and freedom of teaching, and so on. I wish to take this opportunity to tell Dr Fernando CHEUNG and other colleagues holding similar views that I support the establishment of an independent complaints mechanism. It is, however, a great

pity that when Dr Fernando CHEUNG was delivering his speech, Members opposing this idea, including Ms Starry LEE, Mr Michael TIEN and their fellow party members, were not in the Chamber and could not hear Dr CHEUNG's views. Ms Starry LEE made it a point to say that "not even good officials can settle family troubles". But, sorry, I must point out that if this is indeed true, there will be no need for the existence of the judicial system in the very first place. I hope Members who are members of university Councils can think about this. Suppose some staff members of an institution now approach you to lodge a complaint, do you think that you will have discharged your duty if you simply turn a deaf ear to them or say to them, as an excuse, that not even good officials can settle family troubles? President, Mr Michael TIEN is particularly concerned about whether such independent mechanisms will pose challenges and deal a blow to university autonomy. I instead think that exactly the opposite will be the case. As further pointed out by some Members afterwards — I want to mention Dr Priscilla LEUNG in particular — these independent mechanisms will help enhance the transparency and accountability of university governance, and check power abuses and opinionated acts on the part of university management, thus preventing any decisions that run counter to the values, beliefs and ethos of the universities concerned. Hence, I would like call upon Ms Starry LEE and Mr Michael TIEN to reconsider and re-examine their position after hearing these views and render their support for our view instead.

President, many points in Mr KWOK Wai-keung's amendment, particularly those on vocational education, are worthy of support. In this regard, I must emphasize that I need to learn from him. However, I find that he did not spend enough time on fully explaining to us point (8) of his amendment, which reads "to review the existing admission and assessment system of tertiary education to enable students from various categories of subsidized secondary schools as well as different social classes and strata to have an equal opportunity to further their studies in universities". Hence, I am sorry that I can only abstain from voting on his amendment.

Lastly, President, whether my motion can be passed by the Legislative Council this evening, I still want to urge Members to support a tertiary education system with emphasis on quality, quantity and ideals, one which is a witness to and a vanguard of freedom, democracy and social justice.

I so submit.

SECRETARY FOR EDUCATION (in Cantonese): President, I wish to thank Dr Kenneth CHAN again for his motion and the large number of Members who have shared their thoughts with us. I have already given a brief account of our policy objectives with regard to the development of tertiary education. I will now make a consolidated reply.

One feature of our entire tertiary education system is the presence of multiple pathways. First, the number of first-year undergraduate places funded by the University Grants Committee (UGC) has increased further to 15 000 a year. Added to this is the increase in senior year places to 8 000 a year. Since this number is split equally between the two senior years of the university programme, the intake of senior year entry will be 4 000 students a year. The rate of students in the relevant cohort who can get a university place has increased to over 30% at present, up from 5% in 1985-1986, 18% in 1995-1996, and 22% in 2005-2006. All in the community have made their efforts, and this rate of university admission is the outcome of everybody's hard work. We must all recognize and capitalize on this achievement. Second, I wish to point out that our present policy objective is very clear: to enable more than one third of the youngsters in the relevant cohort to enrol in undergraduate programmes before 2015. I have also said earlier that we are coming very close to this goal, and the rate of youngsters enrolled in post-secondary programmes will be close to 70%. This is a very important foundation stone for nurturing talents in Hong Kong in the years to come.

Some Members have mentioned many important issues about the quality of self-financing tertiary education. The Government attaches equal importance to both quality and quantity in this regard. Our promotion of self-financing tertiary education is coupled with a stringent quality assurance mechanism and various monitoring measures. In order to enhance the relevant quality assurance mechanism, we will progressively and orderly take forward the following measures:

- (a) Through the Liaison Committee on Quality Assurance we have established, we will promote the best practice, greater consistency and higher transparency among the various quality assurance institutions, so as to enhance their public accountability, especially the transparency of information, because all this is very important to both students and society as a whole; we have started work in this respect.

- (b) The sub-degree departments, such as community colleges, under UGC-funded institutions should be required to undergo external audit and review on a regular basis. We are holding discussions with the various UGC-funded institutions on setting up a working group to implement the relevant work. A number of Members have mentioned this point earlier.

- (c) We have formed the Committee on Self-financing Post-secondary Education, and during the past 12 months, four important meetings were held, thus providing a platform for the self-financing tertiary education sector to discuss macro and strategic issues, draw up and promote quality and good practices, and also offer advice on the development of the self-financing tertiary education sector. I have just said that the Hong Kong Council of Accreditation of Academic and Vocational Qualifications has been performing the important gate-keeping role of ensuring that all academic programmes, especially programmes with local recognition, are subject to stringent accreditation.

Members are also concerned about the governance of tertiary institutions, especially the mechanisms for handling academic staff complaints. On this occasion today, I wish to put forward my views on the governance of tertiary institutions. In regard to the mechanisms for handling academic staff complaints, the UGC already issued "the best practice guidelines" in 2010, and all UGC-funded institutions have agreed to adopt the four specific recommendations made therein. These include the appointment of mediators; stipulating the time limits for handling grievances; guarding against retaliation; and the involvement of external parties in the final level of appeal. The various tertiary institutions have completed the necessary revisions of their respective mechanisms and implemented the procedures concerned. The UGC would follow up the progress in this respect. We therefore think that at this stage, it is not necessary set up an independent body to handle complaints from teaching staff.

As for the appointment of teaching staff, or precisely the appointment of university heads and teachers, it falls within the autonomy of the institutions, and the Government has all along respected the autonomy of the institutions. All the eight UGC-institutions are independent statutory bodies. As long as they exercise the powers vested in them by the relevant legislation and comply with the requirements, they may handle employment matters freely on their own,

including the selection of suitable university heads based on the long-term interests and needs of their universities. Neither the Government nor the UGC can interfere.

Some Members have suggested introducing restrictions on the places of origin of university teaching staff. We think that this suggestion would impede the healthy development of tertiary education. The worth of academic talents is reflected in their academic achievements, their research output and teaching performance. Background factors such as places of origin, nationality, and so on, are not of any direct relevance. As a general rule, outstanding academic talents usually have a very international background, and many teaching staff from the Mainland or overseas all studied, taught or carried out research in well-known institutions around the world before coming to Hong Kong to teach. They can bring in the latest academic theories and research resources from all over the world, and this constitutes one major impetus for upgrading the academic standing of Hong Kong. As a matter of fact, in order to facilitate our universities' recruitment of talents, we already abolished the salaries regulation for the teaching staff of UGC-funded institutions in 2003. All UGC-funded institutions can independently devise a remuneration system most suited to their needs and circumstances, so as to recruit talents from everywhere in the world. They will be responsible for their own decisions and the Government will not intervene in such matters.

Members have also expressed concerns about internationalization and the admission of non-local students. Many Members have discussed the policies of tertiary institutions on internationalization and admitting non-local students. As an Asia world city, Hong Kong must attract talents from all over the world, so as to ensure that our workforce can enjoy the advantages of having a global perspective and being able to integrate with people of different cultural backgrounds. The internationalization of tertiary education is an important step towards the betterment of local talents. Assisting local tertiary institutions in getting outstanding tertiary students and quality research personnel as well as projects can strengthen our academic standing and research ability, in turn benefiting the entire community.

I must point out specifically that in the course of internationalization, we will never neglect the needs of local students. Under the existing policy, for all taught programmes funded by the UGC, including associate degree, undergraduate and postgraduate taught programmes, the ceiling of non-local

student admission is 20% of the approved UGC-funded student number for such programmes, which comprises up to 4% within the UGC-funded number and up to 16% outside the UGC-funded number. It can be seen that the impact of non-local students on local students' enrolment in publicly-funded degree programmes is minimal.

If we look at local students' chance of enrolment in postgraduate programmes, we can see that they do have a greater chance than non-local students. In the 2012-2013 academic year, the success rate for non-local students applying for enrolment in UGC-funded research postgraduate programmes is about 10%. The rate for local students is 25%, far higher than the success rate for non-local students. During this triennium, the approved UGC-funded student number for research postgraduate programmes is 7 833, and the actual student population at present is 6 773. In other words, if an outstanding local student applies for enrolment in a research postgraduate programme, the UGC-funded institution concerned will still have room for admitting him on the strength of his academic excellence. I have mentioned that I have met and discussed with a number of students before. And, some Members have also pointed out earlier that when local students come to the point of pursuing postgraduate studies, they often want to have some international experience. As a result of this thinking, some local students who are contemplating postgraduate studies will consider not only local programmes, but also the possibilities available overseas.

As I have already emphasized, under our policy, no student shall be denied tertiary education through a lack of means, provided that the student is of the right age and there is a suitable programme for him. Our measures of improving student financial assistance has been kept under constant review, and the proportion of tertiary students receiving full financial assistance has increased from 37% in the past to 62% now. I just want to mention one or two figures in brief. It was already mentioned just now that the interest rate for means-tested student loans has been adjusted downwards from 2.5% per year to 1% per year and the standard loan repayment period is also extended from five years to 15 years. Using the median loan amount of \$37,250 as the basis of computation, the monthly repayment amount has drastically dropped by 66% from \$662 to \$223 after the downward adjustment of the interest rate and the extension of the repayment period.

I wish to thank Members for reminding us earlier of vocational education, which is a very important part in the diversity of our post-secondary education, and which has in fact achieved quite a great success. I am very sorry that I did not mention it just now. As a matter of fact, we have several characteristics here in Hong Kong. We do not only offer training and education, but we also merge them with career and professional development. Besides considering the work competence, employability and professional development ability of the students, we also make sure that their efforts are recognized through the various arrangements under the Qualifications Framework. This is a very important part. When compared with other places, Hong Kong has made outstanding achievements in this aspect under the leadership of the Vocational Training Council (VTC). Many places now see the need to learn from Hong Kong's advanced development in respect of the Qualifications Framework. Students are able to obtain recognition of their qualifications in their respective fields under the Qualifications Framework, which is divided into roughly seven levels, the fifth of which is a university degree. Not only this, students may also have interface with other trades and industries through their attainment of the various Generic Level Indicators. This can add to the diversity of our talents and enable students to gain common recognition of their efforts.

Whole-person development is also part of vocational education. We do not wish to see that programmes are confined to the mere imparting of vocational knowledge to students; we also hope that programmes can cater for the cultivation of students' personality and attitude towards serving others. In a recent visit to Singapore, 283 students from VTC fully demonstrated the attitude of "serving to learn and learn to serving". They came to fully realize that "serving to learn and learning to serve" should be part of their learning process; as a result, overall, they paid equal attention to both. The development of our vocational education has transcended the boundaries of our territory; there are now more and more international contacts and recognition. The Chinese Cuisine Training Institute and the new International Cuisine College we set up are a focus of special attention in many countries and places.

There are still one or two points which I want to highlight briefly. The first is the English competence of tertiary students. This is an important issue. Naturally, we are not satisfied with the increase in the average IELTS score of our tertiary students from 6.46 in 2002-2003 to 6.72 in 2011-2012. We do not think that this is enough, which is why I very much hope that Members can

support our proposal to inject \$5 billion into the Language Fund. Besides, biliteracy and trilingualism will see new developments in four aspects, including studying how best to improve the standard of English and turn English into a language of active use in our daily life. These are the most important focuses. In this triennium, the UGC also gives an extra grant of \$30 million to each publicly-funded institution. This is support in respect of resources. But what is more important is the concrete implementation of all the contents in the future.

Besides, the research and development of the arts and social sciences is also important. We understand that there have been other key development areas. But it is our hope to encourage a diversified development of knowledge. In order that research in the arts and social sciences can have opportunities of booming and healthy development, the UGC will provide more funding to arts and social science research when allocating overall research grants. We also provide an extra annual funding of \$20 million to the Research Grants Council for the purpose of providing better support to arts and social science research, and this include the introduction of an outstanding scholars scheme for scholars in arts and social sciences.

President, I wish to give my heartfelt thanks to Members for expressing their views on upgrading the quality of tertiary education. We will continue to promote the long-term strategy for tertiary education, and boost its concrete and forward development, in the hope of nurturing the kinds of talents required by Hong Kong and enabling young people to give play to their talents too. As the Policy Address says, this is "equipping students through education" and will drive the development of individuals, society and the economy.

Thank you, President.

PRESIDENT (in Cantonese): Mr Gary FAN, I now call upon you to move your amendment to the motion.

MR GARY FAN (in Cantonese): President, I move that Dr Kenneth CHAN's motion be amended.

Mr Gary FAN moved the following amendment: (Translation)

"To add "in recent years, the number of non-local students enrolling in publicly-funded tertiary education programmes has continued to rise, and the proportion of non-local student enrolment in research postgraduate programmes in the 2011-2012 academic year was even as high as 72%; they are from homogeneous places of origin, mainly from Mainland China; in this connection," after "That"; to delete "number of places under" before "subsidized undergraduate programmes" and substitute with "proportion of local student enrolment in"; to delete "for the enrolment of local students" after "subsidized undergraduate programmes"; to delete "and" after "various tertiary institutions;"; and to add "; (8) to study the restoration of the ceiling of non-local student enrolment in the associate degree, degree and taught postgraduate programmes offered by institutions funded by the University Grants Committee ('UGC') to the pre-2008 level of 10% of the approved UGC-funded student number for such programmes; (9) to increase the proportion of local student enrolment in research postgraduate programmes, and encourage local students to conduct research work; (10) to review the policies on offering self-financing taught master programmes and admitting students to such programmes; (11) to increase the number of articulation places for associate degree students for the degree programmes of local universities; (12) to require various institutions in Hong Kong to put local education first and not to blindly compete for entering the Mainland to set up branch campuses; (13) to encourage various institutions to give priority to employing local academics when their qualifications are on a par with those of foreign academics, and put forward measures for eradicating institutions' discrimination against local academics in areas such as teaching ranks, post titles, employment conditions, remunerations, fringe benefits, and the right to participate in the governance structure, etc.; (14) to maintain the diversity of Hong Kong's education and the balance between the average humanistic quality and knowledge in society, to allocate more resources for supporting various institutions in developing disciplines such as arts, social science, language science, pure science and fine arts, etc., which relatively lack the ability to attract research funding from the market, so as to avoid the lopsided development of university education towards the market and the industrial and commercial industries; and (15) to study the enhancement of monitoring of fee charging by post-secondary colleges and private universities, and set up

an independent mechanism for handling complaints about fee charging and arbitration to avoid any unreasonable and unfair fee charging, so as to protect students' rights and interests" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mr Gary FAN to Dr Kenneth CHAN's motion, be passed.

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

(Members raised their hands)

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

(Members raised their hands)

Ir Dr LO Wai-kwok rose to claim a division.

PRESIDENT (in Cantonese): Ir Dr LO Wai-kwok has claimed a division. The division bell will ring for five minutes.

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

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

Functional Constituencies:

Mr Charles Peter MOK, Mr Dennis KWOK, Mr IP Kin-yuen and Mr POON Siu-ping voted for the amendment.

Mr Tommy CHEUNG, Mr Vincent FANG, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr WONG Ting-kwong, Ms Starry LEE, Mr CHAN Kin-por, Mr IP Kwok-him, Mr Frankie YICK, Mr YIU Si-wing, Ir Dr LO Wai-kwok and Mr Tony TSE voted against the amendment.

Dr LAM Tai-fai, Mr NG Leung-sing, Mr MA Fung-kwok, Mr KWOK Wai-keung, Mr Martin LIAO and Mr TANG Ka-piu abstained.

Geographical Constituencies:

Mr LEE Cheuk-yan, Mr Ronny TONG, Ms Cyd HO, Mr Alan LEONG, Mr LEUNG Kwok-hung, Mr Albert CHAN, Mr WU Chi-wai, Mr Gary FAN, Mr CHAN Chi-chuen, Dr Kenneth CHAN, Dr KWOK Ka-ki, Dr Fernando CHEUNG and Dr Helena WONG voted for the amendment.

Mr TAM Yiu-chung, Mr CHAN Hak-kan, Mr Michael TIEN and Mr LEUNG Che-cheung voted against the amendment.

Mr WONG Kwok-hing, Dr Priscilla LEUNG, Mr WONG Kwok-kin and Mr Paul TSE abstained.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 22 were present, four were in favour of the amendment, 12 against it and six abstained; while among the Members returned by geographical constituencies through direct elections, 22 were present, 13 were in favour of the amendment, four against it and four abstained. Since the question was not agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was negatived.

MR ANDREW LEUNG (in Cantonese): President, I move that in the event of further divisions being claimed in respect of the motion on "Enhancing the quality and quantity of local tertiary education" or any amendment thereto, this Council do proceed to each of such divisions immediately after the division bell has been rung for one minute.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Mr Andrew LEUNG be passed.

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

(No Member indicated a wish to speak)

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

(Members raised their hands)

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

(No hands raised)

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

I order that in the event of further divisions being claimed in respect of the motion on "Enhancing the quality and quantity of local tertiary education" or any amendment thereto, this Council do proceed to each of such divisions immediately after the division bell has been rung for one minute.

PRESIDENT (in Cantonese): Ms Starry LEE, you may move your amendment.

MS STARRY LEE (in Cantonese): President, I move that Dr Kenneth CHAN's motion be amended.

Ms Starry LEE moved the following amendment: (Translation)

"To add ", as upgrading young people's academic qualifications is conducive to enhancing Hong Kong's overall competitiveness," after "That"; to add "to increase the number of subsidized university places, and" after "(1)"; to add "(2) to study the setting up of a post-secondary education fund for subsidizing sub-degree graduates to study in self-financing tertiary institutions;" after "local students;"; to delete the original "(2)" and substitute with "(3)"; to delete the original "(3)" and substitute with "(4)"; to delete "set up an independent body to handle complaints from the teaching staff of tertiary institutions and" before "protect the rights of complainants;" and substitute with "examine the various tertiary institutions' implementation of the guidelines of best practices in teaching staff redress mechanisms recommended by the University Grants Committee and assess their effectiveness, so as to"; to delete the original "(4)" and substitute with "(5)"; to delete the original "(5)" and substitute with "(6)"; to delete the original "(6)" and substitute with "(7)"; and to delete the original "(7)" and substitute with "(8)"."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Ms Starry LEE to Dr Kenneth CHAN's motion, be passed.

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

(Members raised their hands)

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

(Members raised their hands)

Mr CHAN Chi-chuen rose to claim a division.

PRESIDENT (in Cantonese): Mr CHAN Chi-chuen has claimed a division. The division bell will ring for one minute.

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

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

Functional Constituencies:

Mr Tommy CHEUNG, Mr Vincent FANG, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr WONG Ting-kwong, Ms Starry LEE, Dr LAM Tai-fai, Mr CHAN Kin-por, Mr IP Kwok-him, Mr NG Leung-sing, Mr Frankie YICK, Mr YIU Si-wing, Mr MA Fung-kwok, Mr KWOK Wai-keung, Mr Martin LIAO, Mr POON Siu-ping, Mr TANG Ka-piu and Ir Dr LO Wai-kwok voted for the amendment.

Mr Charles Peter MOK, Mr Dennis KWOK and Mr IP Kin-yuen voted against the amendment.

Mr Tony TSE abstained.

Geographical Constituencies:

Mr TAM Yiu-chung, Mr WONG Kwok-hing, Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr WONG Kwok-kin, Mr Paul TSE, Mr LEUNG Kwok-hung, Mr Michael TIEN and Mr LEUNG Che-cheung voted for the amendment.

Mr LEE Cheuk-yan, Mr Ronny TONG, Ms Cyd HO, Mr Alan LEONG, Mr Albert CHAN, Mr WU Chi-wai, Mr Gary FAN, Mr CHAN Chi-chuen, Dr Kenneth CHAN, Dr KWOK Ka-ki, Dr Fernando CHEUNG and Dr Helena WONG voted against the amendment.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 22 were present, 18 were in favour of the amendment, three against it and one abstained; while among the Members returned by geographical constituencies through direct elections, 22 were present, nine were in favour of the amendment and 12 against it. Since the question was not agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was negatived.

PRESIDENT (in Cantonese): Mr KWOK Wai-keung, you may move your amendment.

MR KWOK WAI-KEUNG (in Cantonese): President, I move that Dr Kenneth CHAN's motion be amended.

Mr KWOK Wai-keung moved the following amendment: (Translation)

"To add ", a survey has earlier pointed out that in Hong Kong, the disparity between children of poor families and those of rich families in receiving university education has been widening day by day, making people worry that Hong Kong's tertiary education cannot effectively provide the

grassroots with quality education for achieving the effects of getting rid of poverty and social mobility," after "That"; to add "the opportunities for" after "measures to increase"; to delete "" opportunities" after "local youngsters" and substitute with ", particularly indigent students,"; to add "to enable youngsters to have an equal opportunity to receive tertiary education," after "academic freedom,"; to add ", and reduce the exorbitant costs and long-term debts borne by indigent students for receiving higher education, so that the student financial assistance schemes can achieve the desired effects to enable more indigent students to receive tertiary education" after "qualified tertiary students"; to add "fees," after "monitor the"; to delete "and" after "various tertiary institutions,"; and to add "; (8) to review the existing admission and assessment system of tertiary education to enable students from various categories of subsidized secondary schools as well as different social classes and strata to have an equal opportunity to further their studies in universities; and (9) to enhance the practicality of programmes offered by tertiary institutions, and strengthen vocational education for students" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mr KWOK Wai-keung to Dr Kenneth CHAN's motion, be passed.

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

(Members raised their hands)

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

(Members raised their hands)

Dr Helena WONG rose to claim a division.

PRESIDENT (in Cantonese): Dr Helena WONG has claimed a division. The division bell will ring for one minute.

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

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

Functional Constituencies:

Mr Tommy CHEUNG, Mr Vincent FANG, Mr CHAN Kin-por, Mr Frankie YICK, Mr KWOK Wai-keung, Mr Martin LIAO, Mr POON Siu-ping and Mr TANG Ka-piu voted for the amendment.

Mr Jeffrey LAM, Mr Andrew LEUNG, Mr WONG Ting-kwong, Ms Starry LEE, Mr IP Kwok-him, Mr YIU Si-wing, Mr Charles Peter MOK, Mr IP Kin-yuen and Ir Dr LO Wai-kwok voted against the amendment.

Dr LAM Tai-fai, Mr NG Leung-sing, Mr MA Fung-kwok, Mr Dennis KWOK and Mr Tony TSE abstained.

Geographical Constituencies:

Mr WONG Kwok-hing and Mr WONG Kwok-kin voted for the amendment.

Mr TAM Yiu-chung, Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr Michael TIEN, Mr WU Chi-wai, Mr LEUNG Che-cheung and Dr Helena WONG voted against the amendment.

Mr LEE Cheuk-yan, Mr Ronny TONG, Ms Cyd HO, Mr Paul TSE, Mr Alan LEONG, Mr LEUNG Kwok-hung, Mr Albert CHAN, Mr Gary FAN, Mr CHAN

Chi-chuen, Dr Kenneth CHAN, Dr KWOK Ka-ki and Dr Fernando CHEUNG abstained.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 22 were present, eight were in favour of the amendment, nine against it and five abstained; while among the Members returned by geographical constituencies through direct elections, 22 were present, two were in favour of the amendment, seven against it and 12 abstained. Since the question was not agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was negatived.

PRESIDENT (in Cantonese): Mr Michael TIEN, you may move your amendment.

MR MICHAEL TIEN (in Cantonese): President, I know that my amendment is unlikely to be passed, but I still move that Dr Kenneth CHAN's motion be amended.

Mr Michael TIEN moved the following amendment: (Translation)

"To add ", as a research report of an international organization pointed out last year that Hong Kong people's English standard was declining," after "That"; to add "and tertiary students' English proficiency" after "local tertiary education"; to add "(1) to carry on the English Enhancement Scheme and the Refined English Enhancement Scheme under the Language Fund to continuously enhance English teachers' language proficiency, so as to enhance the English standard of prospective university students; (2) to introduce a compulsory exit English examination, under which students enrolling in subsidized and self-financing degree and sub-degree programmes must undergo an English language assessment before graduation and have their English assessment results shown in their graduation certificates, so as to make

students face up to the importance of English and encourage them to make efforts to raise their English standard;" after "should include:"; to delete the original "(1)" and substitute with "(3)"; to delete the original "(2)" and substitute with "(4)"; to add "the means-tested and" after "interest-free loans for"; to delete "(3) to set up an independent body to handle complaints from the teaching staff of tertiary institutions and protect the rights of complainants;" after "qualified tertiary students;"; to delete the original "(4)" and substitute with "(5)"; to delete the original "(5)" and substitute with "(6)"; to delete the original "(6)" and substitute with "(7)"; and to delete the original "(7)" and substitute with "(8)"."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mr Michael TIEN to Dr Kenneth CHAN's motion, be passed.

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

(Members raised their hands)

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

(Members raised their hands)

Dr Helena WONG rose to claim a division.

PRESIDENT (in Cantonese): Dr Helena WONG has claimed a division. The division bell will ring for one minute.

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

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

Functional Constituencies:

Mr Tommy CHEUNG, Mr Vincent FANG, Mr WONG Ting-kwong, Ms Starry LEE, Mr CHAN Kin-por, Mr IP Kwok-him, Mr NG Leung-sing, Mr Frankie YICK, Mr MA Fung-kwok, Mr KWOK Wai-keung, Mr Martin LIAO, Mr POON Siu-ping and Mr TANG Ka-piu voted for the amendment.

Dr LAM Tai-fai, Mr Charles Peter MOK, Mr Dennis KWOK and Mr IP Kin-yuen voted against the amendment.

Mr Jeffrey LAM, Mr Andrew LEUNG, Mr YIU Si-wing, Ir Dr LO Wai-kwok and Mr Tony TSE abstained.

Geographical Constituencies:

Mr TAM Yiu-chung, Mr WONG Kwok-hing, Mr CHAN Hak-kan, Mr WONG Kwok-kin, Mr Paul TSE, Mr Michael TIEN and Mr LEUNG Che-cheung voted for the amendment.

Mr LEE Cheuk-yan, Mr Ronny TONG, Ms Cyd HO, Dr Priscilla LEUNG, Mr Alan LEONG, Mr LEUNG Kwok-hung, Mr Albert CHAN, Mr WU Chi-wai, Mr Gary FAN, Mr CHAN Chi-chuen, Dr Kenneth CHAN, Dr KWOK Ka-ki, Dr Fernando CHEUNG and Dr Helena WONG voted against the amendment.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 22 were present, 13 were in favour of the amendment, four against

it and five abstained; while among the Members returned by geographical constituencies through direct elections, 22 were present, seven were in favour of the amendment and 14 against it. Since the question was not agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was negatived.

PRESIDENT (in Cantonese): Dr Helena WONG, you may move your amendment.

DR HELENA WONG (in Cantonese): President, I move that Dr Kenneth CHAN's motion be amended.

Dr Helena WONG moved the following amendment: (Translation)

"To add ", increase the channels for associate degree graduates for further studies in subsidized universities, and set a ceiling on the number of places for non-local students enrolling in research postgraduate programmes" after "local students"."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Dr Helena WONG to Dr Kenneth CHAN's motion, be passed.

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

(Members raised their hands)

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

(Members raised their hands)

Mr IP Kwok-him rose to claim a division.

PRESIDENT (in Cantonese): Mr IP Kwok-him has claimed a division. The division bell will ring for one minute.

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

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

Functional Constituencies:

Mr MA Fung-kiwok, Mr Charles Peter MOK, Mr Dennis KWOK, Mr IP Kin-yuen and Mr POON Siu-ping voted for the amendment.

Mr Tommy CHEUNG, Mr Vincent FANG, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr WONG Ting-kiwong, Ms Starry LEE, Mr CHAN Kin-por, Mr IP Kwok-him, Mr Frankie YICK, Mr YIU Si-wing, Ir Dr LO Wai-kiwok and Mr Tony TSE voted against the amendment.

Dr LAM Tai-fai, Mr NG Leung-sing, Mr KWOK Wai-keung, Mr Martin LIAO and Mr TANG Ka-piu abstained.

Geographical Constituencies:

Mr LEE Cheuk-yan, Mr Ronny TONG, Ms Cyd HO, Mr Alan LEONG, Mr LEUNG Kwok-hung, Mr Albert CHAN, Mr WU Chi-wai, Mr Gary FAN, Mr CHAN Chi-chuen, Dr Kenneth CHAN, Dr KWOK Ka-ki, Dr Fernando CHEUNG and Dr Helena WONG voted for the amendment.

Mr TAM Yiu-chung, Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr Michael TIEN and Mr LEUNG Che-cheung voted against the amendment.

Mr WONG Kwok-hing, Mr WONG Kwok-kin and Mr Paul TSE abstained.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 22 were present, five were in favour of the amendment, 12 against it and five abstained; while among the Members returned by geographical constituencies through direct elections, 22 were present, 13 were in favour of the amendment, five against it and three abstained. Since the question was not agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was negated.

PRESIDENT (in Cantonese): Mr CHAN Chi-chuen, you may move your amendment.

MR CHAN CHI-CHUEN (in Cantonese): President, I move that Dr Kenneth CHAN's motion be amended.

Mr CHAN Chi-chuen moved the following amendment: (Translation)

"To add ", set a quota of places under postgraduate programmes for priority enrolment of local students" after "grant system"; and to add "and local-related" after "promote diversified"."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mr CHAN Chi-chuen to Dr Kenneth CHAN's motion, be passed.

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

(Members raised their hands)

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

(Members raised their hands)

Ir Dr LO Wai-kwok rose to claim a division.

PRESIDENT (in Cantonese): Ir Dr LO Wai-kwok has claimed a division. The division bell will ring for one minute.

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

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

Functional Constituencies:

Mr Tommy CHEUNG, Mr Vincent FANG, Mr Frankie YICK, Mr Charles Peter MOK, Mr KWOK Wai-keung, Mr Dennis KWOK, Mr POON Siu-ping and Mr TANG Ka-piu voted for the amendment.

Mr Jeffrey LAM, Mr Andrew LEUNG, Mr WONG Ting-kwong, Ms Starry LEE, Mr CHAN Kin-por, Mr IP Kwok-him, Mr YIU Si-wing, Mr Martin LIAO and Ir Dr LO Wai-kwok voted against the amendment.

Dr LAM Tai-fai, Mr NG Leung-sing, Mr MA Fung-kwok, Mr IP Kin-yuen and Mr Tony TSE abstained.

Geographical Constituencies:

Mr LEE Cheuk-yan, Mr WONG Kwok-hing, Mr Ronny TONG, Ms Cyd HO, Mr WONG Kwok-kin, Mr Alan LEONG, Mr LEUNG Kwok-hung, Mr Albert CHAN, Mr WU Chi-wai, Mr Gary FAN, Mr CHAN Chi-chuen, Dr Kenneth CHAN, Dr KWOK Ka-ki, Dr Fernando CHEUNG and Dr Helena WONG voted for the amendment.

Mr TAM Yiu-chung, Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr Michael TIEN and Mr LEUNG Che-cheung voted against the amendment.

Mr Paul TSE abstained.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 22 were present, eight were in favour of the amendment, nine against it and five abstained; while among the Members returned by geographical constituencies through direct elections, 22 were present, 15 were in favour of the amendment, five against it and one abstained. Since the question was not agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was negatived.

PRESIDENT (in Cantonese): Dr Fernando CHEUNG, you may move your amendment.

DR FERNANDO CHEUNG (in Cantonese): President, I move that Dr Kenneth CHAN's motion be amended.

Dr Fernando CHEUNG moved the following amendment: (Translation)

"To delete "and" after "various tertiary institutions;"; and to add "; (8) to carry out democratization of school administration in tertiary institutions,

and allow teaching staff and students to participate in deciding the policies of institutions, including the selection of vice-chancellors, so as to improve the quality of governance in institutions; and (9) to ensure that tertiary institutions should adopt serving Hong Kong and communities as their mission, including increasing the proportion of local students in the postgraduate student population, encouraging academics to conduct local and community research, and encouraging institutions to strengthen ties with their respective communities, so as to promote relations with communities and enable communities to support the development of institutions for enhancing the quality of education" immediately before the full stop."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Dr Fernando CHEUNG to Dr Kenneth CHAN's motion, be passed.

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

(Members raised their hands)

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

(Members raised their hands)

Mr Tommy CHEUNG rose to claim a division.

PRESIDENT (in Cantonese): Mr Tommy CHEUNG has claimed a division. The division bell will ring for one minute.

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

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

Functional Constituencies:

Mr Charles Peter MOK, Mr Dennis KWOK, Mr IP Kin-yuen and Mr POON Siu-ping voted for the amendment.

Mr Tommy CHEUNG, Mr Vincent FANG, Mr Jeffrey LAM, Mr Andrew LEUNG, Mr WONG Ting-kwong, Ms Starry LEE, Mr CHAN Kin-por, Mr IP Kwok-him, Mr NG Leung-sing, Mr Frankie YICK, Mr YIU Si-wing, Mr MA Fung-kwok, Mr KWOK Wai-keung, Mr Martin LIAO, Mr TANG Ka-piu, Ir Dr LO Wai-kwok and Mr Tony TSE voted against the amendment.

Dr LAM Tai-fai abstained.

Geographical Constituencies:

Mr LEE Cheuk-yan, Mr Ronny TONG, Ms Cyd HO, Mr Alan LEONG, Mr LEUNG Kwok-hung, Mr Albert CHAN, Mr WU Chi-wai, Mr Gary FAN, Mr CHAN Chi-chuen, Dr Kenneth CHAN, Dr KWOK Ka-ki, Dr Fernando CHEUNG and Dr Helena WONG voted for the amendment.

Mr TAM Yiu-chung, Mr WONG Kwok-hing, Mr CHAN Hak-kan, Dr Priscilla LEUNG, Mr WONG Kwok-kin, Mr Paul TSE, Mr Michael TIEN and Mr LEUNG Che-cheung voted against the amendment.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 22 were present, four were in favour of the amendment, 17 against it and one abstained; while among the Members returned by geographical constituencies through direct elections, 22 were present, 13 were in favour of the amendment and eight against it. Since the question was not agreed by a majority of each of the two groups of Members present, he therefore declared that the amendment was negatived.

PRESIDENT (in Cantonese): As Dr Kenneth CHAN has used up his speaking time, he cannot speak in reply again.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Dr Kenneth CHAN be passed.

PRESIDENT (in Cantonese): Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raised their hands)

Ir Dr LO Wai-kwok rose to claim a division.

PRESIDENT (in Cantonese): Ir Dr LO Wai-kwok has claimed a division. The division bell will ring for one minute.

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

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

Functional Constituencies:

Mr Tommy CHEUNG, Mr Vincent FANG, Mr Frankie YICK, Mr Charles Peter MOK, Mr Dennis KWOK, Mr IP Kin-yuen, Mr Martin LIAO and Mr POON Siu-ping voted for the motion.

Mr Jeffrey LAM, Mr Andrew LEUNG, Mr WONG Ting-kwong, Ms Starry LEE, Mr IP Kwok-him, Mr NG Leung-sing, Mr YIU Si-wing, Mr MA Fung-kwok and Ir Dr LO Wai-kwok voted against the motion.

Dr LAM Tai-fai, Mr CHAN Kin-por, Mr KWOK Wai-keung, Mr TANG Ka-piu and Mr Tony TSE abstained.

Geographical Constituencies:

Mr LEE Cheuk-yan, Mr Ronny TONG, Ms Cyd HO, Dr Priscilla LEUNG, Mr Alan LEONG, Mr LEUNG Kwok-hung, Mr Albert CHAN, Mr WU Chi-wai, Mr Gary FAN, Mr CHAN Chi-chuen, Dr Kenneth CHAN, Dr KWOK Ka-ki, Dr Fernando CHEUNG and Dr Helena WONG voted for the motion.

Mr TAM Yiu-chung, Mr CHAN Hak-kan, Mr Michael TIEN and Mr LEUNG Che-cheung voted against the motion.

Mr WONG Kwok-hing, Mr WONG Kwok-kin and Mr Paul TSE abstained.

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

THE PRESIDENT announced that among the Members returned by functional constituencies, 22 were present, eight were in favour of the motion, nine against it and five abstained; while among the Members returned by geographical constituencies through direct elections, 22 were present, 14 were in favour of the motion, four against it and three abstained. Since the question was not agreed by a majority of each of the two groups of Members present, he therefore declared that the motion was negatived.

NEXT MEETING

PRESIDENT (in Cantonese): I now adjourn the meeting until 11 am on Wednesday, 3 July, 2013.

Adjourned accordingly at eight minutes past Ten o'clock.