

1 HONG KONG LEGISLATIVE COUNCIL -- 15 March 1989

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OFFICIAL REPORT OF PROCEEDINGS

Wednesday, 15 March 1989

The Council met at half-past Two o'clock

PRESENT

HIS EXCELLENCY THE GOVERNOR (PRESIDENT)

SIR DAVID CLIVE WILSON, K.C.M.G.

THE CHIEF SECRETARY

THE HONOURABLE SIR DAVID ROBERT FORD, K.B.E., L.V.O., J.P.

THE FINANCIAL SECRETARY

THE HONOURABLE DAVID ALAN CHALLONER NENDICK, J.P.

THE ATTORNEY GENERAL

THE HONOURABLE JEREMY FELL MATHEWS, C.M.G., J.P.

THE HONOURABLE ALLEN LEE PENG-FEI, C.B.E., J.P.

THE HONOURABLE CHEUNG YAN-LUNG, O.B.E., J.P.

THE HONOURABLE MRS. SELINA CHOW LIANG SHUK-YEE, O.B.E., J.P.

THE HONOURABLE MARIA TAM WAI-CHU, C.B.E., J.P.

DR. THE HONOURABLE HENRIETTA IP MAN-HING, O.B.E., J.P.

THE HONOURABLE CHAN YING-LUN, J.P.

THE HONOURABLE MRS. RITA FAN HSU LAI-TAI, O.B.E., J.P.

THE HONOURABLE PETER POON WING-CHEUNG, O.B.E., J.P.

THE HONOURABLE CHENG HON-KWAN, J.P.

THE HONOURABLE CHUNG PUI-LAM, J.P.

THE HONOURABLE HO SAI-CHU, M.B.E., J.P.

THE HONOURABLE HUI YIN-FAT, O.B.E., J.P.

THE HONOURABLE MARTIN LEE CHU-MING, Q.C., J.P.

THE HONOURABLE DAVID LI KWOK-PO, J.P.

THE HONOURABLE NGAI SHIU-KIT, O.B.E., J.P.

THE HONOURABLE PANG CHUN-HOI, M.B.E.

THE HONOURABLE POON CHI-FAI, J.P.

PROF. THE HONOURABLE POON CHUNG-KWONG, J.P.

THE HONOURABLE SZETO WAH

THE HONOURABLE TAI CHIN-WAH, J.P.

THE HONOURABLE MRS. ROSANNA TAM WONG YICK-MING, J.P.

THE HONOURABLE TAM YIU-CHUNG

DR. THE HONOURABLE DANIEL TSE, O.B.E., J.P.

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

THE HONOURABLE GRAHAM BARNES, C.B.E., J.P.  
SECRETARY FOR LANDS AND WORKS

THE HONOURABLE RONALD GEORGE BLACKER BRIDGE, O.B.E., J.P.  
SECRETARY FOR EDUCATION AND MANPOWER

THE HONOURABLE MICHAEL LEUNG MAN-KIN, J.P.  
SECRETARY FOR TRANSPORT

THE HONOURABLE EDWARD HO SING-TIN, J.P.

THE HONOURABLE GEOFFREY THOMAS BARNES, J.P.  
SECRETARY FOR SECURITY

THE HONOURABLE PETER TSAO KWANG-YUNG, C.P.M., J.P.  
SECRETARY FOR ADMINISTRATIVE SERVICES AND INFORMATION

THE HONOURABLE CHAU TAK-HAY, J.P.  
SECRETARY FOR HEALTH AND WELFARE

THE HONOURABLE RONALD JOSEPH ARCULLI, J.P.

THE HONOURABLE MARTIN GILBERT BARROW, O.B.E.

THE HONOURABLE PAUL CHENG MING-FUN

THE HONOURABLE MICHAEL CHENG TAK-KIN, J.P.

THE HONOURABLE DAVID CHEUNG CHI-KONG, J.P.

THE HONOURABLE RONALD CHOW MEI-TAK

THE HONOURABLE MRS. NELLIE FONG WONG KUT-MAN, J.P.

THE HONOURABLE MRS. PEGGY LAM, M.B.E., J.P.

THE HONOURABLE MRS. MIRIAM LAU KIN-YEE

DR. THE HONOURABLE LEONG CHE-HUNG

THE HONOURABLE JAMES DAVID McGREGOR, O.B.E., I.S.O., J.P.

THE HONOURABLE KINGSLEY SIT HO-YIN

THE HONOURABLE MRS. SO CHAU YIM-PING, J.P.

THE HONOURABLE JAMES TIEN PEI-CHUN, J.P.

THE HONOURABLE MRS. ELSIE TU, C.B.E.

THE HONOURABLE PETER WONG HONG-YUEN, J.P.

THE HONOURABLE DAVID LAN HONG-TSUNG, J.P.  
SECRETARY FOR DISTRICT ADMINISTRATION

ABSENT

THE HONOURABLE STEPHEN CHEONG KAM-CHUEN, O.B.E., J.P.

THE HONOURABLE ANDREW WONG WANG-FAT, J.P.

THE HONOURABLE DANIEL LAM WAI-KEUNG, J.P.

THE HONOURABLE LAU WAH-SUM, J.P.

THE HONOURABLE LEUNG WAI-TUNG, J.P.

IN ATTENDANCE

THE CLERK TO THE LEGISLATIVE COUNCIL  
MR. LAW KAM-SANG

Papers

The following papers were laid on the table pursuant to Standing Order 14(2):

Subject

Subsidiary Legislation: L.N. No.

Gambling Ordinance

Gambling (Amendment) Regulations 1989.....  
72/89

Miscellaneous Licences Ordinance

Miscellaneous Licences (Amendment)  
Regulations  
1989..... 73/89

Supreme Court Ordinance

Rules of the Supreme Court  
(Amendment) Rules 1989.....  
74/89

Banking Ordinance

Banking Ordinance  
(Paid-up Share Capital)  
(Registered Deposit-taking Companies)  
Notice  
1989.....  
75/89

Sessional Papers 1988-89:

No. 62 -- Hong Kong Baptist College  
Annual Report 1987-1988 with accounts

for the year ended 30th June 1988

No. 63 -- Li Po Chun Charitable Trust Fund  
Annual Report for the Period 1st September 1987  
to 31st August 1988

Others:

White Paper on the Annual Report on Hong Kong 1988  
to Parliament -- 14 March 1989

Written replies to supplementary questions asked on 2 November 1988

Address by Member

Hong Kong Baptist College Annual Report 1987-1988  
with accounts for the year ended 30th June 1988

MR. DAVID CHEUNG: Sir, tabled before this Council today is the audited statement of accounts and annual report of the activities of the Hong Kong Baptist College for the year 1987-88.

As a member of the college's Board of Governors and Council independently appointed by the Governor, it is my pleasure to present this report to you and to highlight a number of the college's significant developments in the 1987-88 year. It also happened that I am also one of those in the very first group of graduates of the Hong Kong Baptist College, and have therefore been watching the college progress with interest for many, many years.

The year 1987-88 marked the second year in which the college admitted students to its bachelor degree programmes. In addition to the degree courses in Combined Sciences and Social Work launched in 1986-87, two new degree courses -- in Business Administration and in Communication -- were offered. The year also saw the successful accreditation by the United Kingdom Council for National Academic Awards (CNAA) of

the fifth degree course, in Arts and Social Sciences, which won approval to commence in the 1988-89 academic year. Also accredited for a 1988-89 start were the conversion courses in Combined Sciences and Social Work which were aimed at providing opportunities for past graduates of the college to upgrade their academic qualification to that of a bachelor degree. Concurrently, preparation work for seeking UPGC's formal approval to offer a master's degree programme by research was already at an advanced stage.

The total student population expanded by about 9% to reach to total of 2 570. Applications for admission to all courses continued to outstrip the supply of places, with an average of 8.4 applicants competing for every place. For degree courses alone, the applicants-per-place ratio was 10 to 1.

The year's total recurrent budget, including public funding and tuition income, was \$109.5 million -- an increase of 21% over that of last year. The bigger recurrent budget had made it possible to expand the academic staff establishment by about 10%, keeping the overall student-staff ratio at a favourable level of 12 to 1. Research output by staff continued to improve quantitatively and qualitatively. As a clear demonstration of the college's commitment to strengthening staff research, proceeds from private endowment funds were used to support research projects, in addition to research funds drawn from the recurrent budget. The total sum for direct grants to projects was, as a result, almost double that of the previous year.

Further improvements were made in equipment, library collection, and computing as well as other support facilities for teaching, learning, and research. As the heart of the institution, the library alone was allocated a budget increase of 25%, and the library collection expanded by 16% to reach a new high of 203 000 volumes. The campus re-development project kept abreast with the overall academic development and expansion in student number. Two new buildings, together with the sub-structure works on two other new buildings, were nearing completion as the year drew to an end. All signs pointed to the successful completion of the entire re-development project by 1991, in time to cater for the needs of the student population of 3 000 by then.

The year 1987-88 has indeed been a productive year for the college. Although this is a proud statement, I do believe that it does not reflect any complacency on the part of the college. I know for sure that the college has been constantly reminding itself that much remains to be done to meet the aspirations of the young people of our community and that, with the continued support of the Government and the community,

it must keep on upgrading the standard of its academic work and improving the quality of the higher education it provides.

Sir, as a past student and now a member of the governing bodies, I am proud of the significant achievements of the college since its inception. It is a strong reflection of hard work, careful planning and unfailing support. To end this report, I wish to appeal to all concerned once again -- the Government, the alumni, and the community at large -- to give the college their continued and wholehearted support.

Oral answers to questions

#### School Medical Service Scheme

1. MR. CHUNG asked: Will Government inform this Council whether, under the existing School Medical Service Scheme, a student who is sick could consult a doctor who has joined the scheme and whose clinic is in the vicinity of the home of the student but outside the designated zone of his school?

SECRETARY FOR HEALTH AND WELFARE: Sir, under the existing procedures of the School Medical Service Scheme, a student may register with a doctor only in the area in which he goes to school. When that student is sick he should seek treatment under the scheme only from that doctor and may not consult another doctor, even if the latter is a participant in the scheme.

MR. CHUNG: Sir, will the Secretary for Health and Welfare inform this Council whether he will consider reviewing the scheme to enable a student to register with a doctor outside the area in which a student goes to school? During a recent interview with district board members an OMELCO group was informed that in some cases a student's home was far away and outside his school zone and it would be undesirable for the student to travel a long distance when he is sick.

SECRETARY FOR HEALTH AND WELFARE: Sir, I should begin by explaining the background to the present scheme. Until 1988, the system was school-based in that the head of each school chose the doctors with whom their students might enrol. In those circumstances, it was logical that the doctors chosen should be those practising in

the same school district in which the school was situated. When the School Medical Service Board decided in 1988 to implement the present parental choice system, it was felt that the district approach would be simple and efficient to operate, and since 85% of students live and go to school in the same district, it was considered that this approach would be reasonably fair to students. Sir, the whole scheme is at present under review by a working group set up under the Health and Welfare Branch comprising members from outside the Government. The issue is a very complicated one and certainly the point made by Mr. CHUNG will be put to that review group for consideration.

MR. MICHAEL CHENG (in Cantonese): Sir, with the present parental choice system approach, certain doctors are resigning from the scheme. Students who are affected will have to be referred to other doctors for registration, the reallocation being undertaken by the authority rather than by parents themselves. Could Government inform this Council whether such practice would be contradictory to the original spirit of allowing parents a free choice of doctors? Besides, why was the established policy of letting parents have free choice of doctors not carried out in practice?

SECRETARY FOR HEALTH AND WELFARE: Sir, it is true that where doctors registered under the scheme drop out students already enrolled with them are re-allocated to other doctors in the same area who are willing to accept extra students. Sir, I should explain that the service is operated by the School Medical Service Board under statutory powers and is not directly operated by the Government. The point made by Mr. CHENG will certainly be put to the working group for consideration.

Provision of public facilities

2. MR. POON CHI-FAI asked (in Cantonese): Will the Government inform this Council whether the provision of public facilities including child care centres, community centres, study rooms and so on, at various districts in the territory are in full compliance with the standards laid down in the "Hong Kong Planning Standards and Guidelines", and if not, which district is most lacking in public facilities; what kind of public facilities is most inadequate; what remedial measures will be taken by the Government and when overall improvements will be made to relieve existing inadequacies in public facilities?

SECRETARY FOR LANDS AND WORKS: Sir, this is one of the most comprehensive questions I have ever heard in this Council. I am afraid my answer does not begin to do it justice, but while the Hong Kong Planning Standards and Guidelines (HKPSG) provides a theoretical basis for the number and type of facilities to be provided according to population, actual requirements vary depending on demographic characteristics in each district. Providing the facilities themselves also depends upon the availability of suitable sites, resources and the priority assigned to each.

In new towns, where enough sites have been specifically reserved at the outset, provision of facilities will generally catch up with demand as these areas develop to maturity in the early 1990s. They will catch up at that stage but in the urban areas there was a shortage of sites. Facilities that are most lacking are open space, day care centres for elderly and indoor recreation centres. The situation, however, is expected to improve in the next decade as redevelopment of older private residential areas and public housing estates takes place thus reducing population density and freeing suitable sites for government institutional and community(GIC) uses.

I have annexed schedules showing the planning standards for each type of facility, and an assessment of the provision of each type of facility in Table 1 and Table 2 of the written version of this reply.

Table 1

HKPSG standards for GIC facilities, and so on.

Facility	Standard	Area served
1. Primary school	1 bi-sessional classroom per 75 persons aged 6-11	local
2. Secondary school	1 uni-sessional class for 50 persons aged 12-18 (after 1990)	territorial

1 uni-sessional class for  
56 persons aged 12-18  
(up to 1990).

3. Police station

(a) district 1 per 200 000 to 500 000 persons regional

(b) divisional 1 per 100 000 to 200 000 persons district

(c) sub-divisional No set standard. To be determined in the light of local factors local

4. Hospitals 5.5 beds per 1 000 persons regional

Polyclinics/  
specialist  
clinics One polyclinic/specialist clinic wherever a regional or district hospital is built regional

Clinics/health centres One clinic/health centre per 100 000 persons district

Rural clinics No set standard. To be determined in the light of local factors district

5. Library One branch library for each urban district. Also 1 branch library for every 200 000 persons district

Study room One study room per library based on a standard of 1 seat

for every 1 000 persons

6. Community Centre
  - (a) district 1 per 80 000-100 000 persons local
  - (b) area 1 per 40 000-80 000 persons local
  - (c) neighbourhood 1 per 15 000-40 000 local
7. Community Hall Where community centre facility is needed but there is no need for a welfare block local
8. Children's centres 1 per 20 000 persons local  
Youth centres 1 per 20 000 persons local
9. Elderly services
  - (a) social centres 1 per 30 000 persons local
  - (b) day care 1 per district centres local
  - (c) multi-service centres 1 per district local
10. Sports complex/  
stadium 1 per 500 000 persons --
11. Swimming pool 1 complex per 287 000 persons --

12. Indoor  
recreation  
centre

(a) Type A	1 per 15 000-24 999 persons	--
(b) Type B	1 per 25 000-49 999 persons	--
(c) Type C or Mark IV indoor games hall	1 per 50 000-64 999 persons	--

13. Open space

District open space (urban)	9 ha Active per 100 000 persons	--
Local open space (urban)	6 ha Passive per 100 000 persons	--
District open space (new towns)	10 ha Active per 100 000 persons	--
Local open space (main market)(towns)	10 ha Passive per 100 000 persons	--
Industrial areas	5-10 ha per 100 000 workers	--



MR. POON CHI-FAI (in Cantonese): Sir, a number of district boards have allocated funds for the setting up of temporary study rooms in view of dense population and rising demand. Will the Secretary inform this Council what usage rates are associated with these study rooms? If they are proven to have high usage rates will Government consider including them as items for provision in the Hong Kong Planning Standards and Guidelines? Furthermore, will permanent study rooms be provided as mandatory items in public housing estates and densely populated districts in order to meet practical demand?

SECRETARY FOR LANDS AND WORKS: Sir, a reply to this question will require a little research and I will give it in writing. (Annex I)

MR. EDWARD HO: Sir, from Table 2 appended to the Secretary's reply, even established new towns such as Tsuen Wan, Sha Tin, and Tai Po showed considerable deficit in government, institutional and community facilities. Since shortage of sites should not be a problem in these areas, will the Secretary please inform this Council what Government intends to do to address the shortfall in a timely manner?

SECRETARY FOR LANDS AND WORKS: Sir, the existing public works programme contains a large number of items to provide for sites for government, institutional, and community facilities in the new towns; and within the next four or five years, particularly in Sha Tin, Tsuen Wan, Tuen Mun, Tai Po, and Fan Ling, the deficit should be very much reduced.

MR. TAI: Sir, in view of the fact that the provision of public facilities and its priority mainly depends on population size, would the Secretary advise what standard in the provision of such facilities by the Government will apply to the rural areas and low density residential areas? And does the Government have a programme for the provision of appropriate facilities to these areas where the population factor has contributed to their lagging far behind urban areas and new towns in terms of GIC facilities?

SECRETARY FOR LANDS AND WORKS: Sir, there are planning standards for provision of appropriate facilities for the rural areas, and such facilities are provided not in accordance with a comprehensive programme but in accordance with the individual functional and policy programmes which would relate to the particular facilities. For instance, education facilities are provided in the rural areas through education programmes, social welfare through social welfare programmes, community development through community development programmes. Sir, it would not be possible to give a comprehensive answer to cover all the facilities that Mr. TAI has referred to. The relevance of the rural planning and improvement strategy, which is shortly to be announced, to this is not in terms of the provision of facilities so much as the facilitation of sites for the provision of facilities in accordance with policy programmes.

MR. POON CHI-FAI (in Cantonese): Sir, at present only 647 beds are provided in United Christian Hospital, Kwun Tong which, when compared with the 5 500 figure based on the 5.5 per thousand population standard as mentioned in the relevant reply, fall short by a wide margin. Could Government account for this gigantic shortfall? Even when future expansion and development of United Christian Hospital and the Eastern Kowloon Hospital are taken into account, hospital beds will amount to a mere figure of 2 891. What are the long-term and short-term plans Government has in mind to address this problem?

HIS EXCELLENCY THE PRESIDENT: Could I ask Members to keep supplementary questions short. I will ask the Secretary for Health and Welfare to answer that.

SECRETARY FOR HEALTH AND WELFARE: Sir, it is true that in regional terms there is a shortfall in the provision of hospital beds referred to by Mr. POON. It is a question of priorities. Overall in the whole of Hong Kong the number of beds per thousand population is at present 4.5 which is still short of the 5.5 per thousand referred to in the Hong Kong Planning Standards and Guidelines. Within the next three to four years another 5 000 beds will be added in government and subvented hospitals and by 1996 or 1997 a total of about 13 000 beds will be provided, including the 5 000 that I have just mentioned, bringing the overall hospital bed

per thousand population ratio to slightly over 6% which would be higher than the standard laid down in the Planning Standards and Guidelines. In such a major building programme, Sir, there are bound to be discrepancies within particular regions or districts. As Mr. POON pointed out, the United Christian Hospital is being expanded and will provide more beds in a few years' time; and it is not true to say that the East Kowloon Hospital has been scrapped. It is still in the plans but at present it is difficult to tell when exactly it will be started. But we have this problem very much in mind and we will certainly look into the problem of the provision of hospital beds in Kwun Tong again. But, Sir, the setting up of the Hospital Authority next year is expected to result in a better utilization of beds overall and I hope that with the provision of more hospital beds in other regions, even though not exactly in the district referred to by Mr. POON, the situation in Kwun Tong could be somewhat eased.

MR. MICHAEL CHENG (in Cantonese): Sir, could the Administration elaborate on what measures are being adopted by City and New Territories Administration to ensure that opinions raised by district boards and area committees on regional planning and public facilities matters be given full consideration by relevant authorities?

SECRETARY FOR DISTRICT ADMINISTRATION: Sir, it is the established practice that government departments would consult district boards and, to a certain extent, also area committees through the district office, whenever departments intend to implement any new policies including the provision of facilities at the district level. Therefore, through various means, including the holding of meetings at the full district board or at sub-committee such as the Environmental Committee of the district board, new facilities proposed are carefully examined and, if shortfalls are identified in a particular area, that information will certainly be properly fed into the overall planning system. The district officer as well as the City and New Territories Administration is keeping a very close watch to ensure that the standards laid down in the Hong Kong Planning and Guidelines are being observed and that district facilities are provided in accordance with approved standards over the long term. If any problems are detected, the district boards and the area committees would work very closely with the district officer as a team.

MR. CHAN (in Cantonese): When allocating urban land to private developers, will Government consider imposing requirements to mandate the provision of community facilities that are in great demand?

SECRETARY FOR LANDS AND WORKS: Sir, normally not, because allocating land to the private sector is normally for private purposes, but in certain comprehensive developments, yes. The planning of certain facilities is included and the requirement to provide them is included in leases granted to the private sector, and the standards guiding the provision of these facilities are, of course, the same planning standards.

MRS. TU: Sir, would the Secretary for Lands and Works confirm that the provision of study rooms is the responsibility of the Education Department and would he explain why there is no mention of such provision in the table which he has annexed to his reply? Perhaps he could provide this information through the Secretary for Education and Manpower.

SECRETARY FOR LANDS AND WORKS: To answer the second part of the question first, Sir, facilities for study rooms and other non-freestanding facilities such as child care centres, which do not require a site of their own, are not in fact covered in the Hong Kong Planning Standards and Guidelines but they are accommodated in various types of community centres, housing estates, school halls, or other institutional buildings. In the case of child care centres there is currently a working ratio which is used for planning of 100 aided nursery places to 20 000 population and this is flexibly applied in different circumstances, taking account of the demographic structures in each area. Regarding the responsibility for study rooms, could I defer to the Secretary for Education and Manpower because I am not quite sure who is responsible for those.

SECRETARY FOR EDUCATION AND MANPOWER: Sir, I understand that the position is a bit complicated in a sense that this provision comes from different sources. The planning guidelines do provide for branch libraries and the libraries are provided at the rate of one to every 200 000 persons and each library is required to have a study centre on a standard of one seat for every 1 000 people. Those libraries and study rooms are provided by the Urban Services Department and the Regional Services Department. But in addition to that, the Education Department, the Social Welfare Department, and voluntary agencies also provide study rooms in accordance with what they see as the demand in particular districts and as they conveniently can. My own knowledge is limited to Education Department provision

which is not related, as Secretary for Lands and Works said, to the planning guidelines. They take two forms. There is what they regard as pure study rooms independent of other activities run by voluntary agencies in public housing estates with the Education Department subventing rents and rates. And then they have what they call temporary study rooms on school premises run by the Education Department in the evening to meet the peak period of demand before major examinations, that is, in April, May, and June. And I understand that the department carries out an annual review of the provision of their study rooms in each district based on actual usage rates, and they subsequently try to adjust the supply to meet what they see as the demand within each district.

MR. TAI: Sir, in respect of the Secretary for Lands and Works' answer relating to provision of public facilities in the rural areas under the policy programme, could the Secretary set out the policy in writing and also give details of facilities to be provided within the next five years?

SECRETARY FOR LANDS AND WORKS: Sir, I will do my best. (Annex II)

MRS. SO (in Cantonese): Sir, when were the Hong Kong Planning Standards and Guidelines presently in use first set up? Have they been subsequently revised in accordance with social development and progress?

SECRETARY FOR LANDS AND WORKS: Sir, they were first established in the early '70s, I believe, and they are under constant review.

Death penalty

3. MR. MCGREGOR asked: Will the Government consider taking the necessary steps to abolish the death penalty in Hong Kong?

CHIEF SECRETARY: No, Sir. The Government believes that the death penalty is the appropriate sentence for the crime of murder.

MR. MCGREGOR: Sir, in that case why do we not hang our murderers at present, and will we begin to do so before 1997?

CHIEF SECRETARY: Sir, may I refer Members to the statement made by the then Colonial Secretary in 1975. The situation remains basically unchanged since then. It is as follows: "Any prisoner, Sir, sentenced to death in Hong Kong has the right to petition Her Majesty the Queen for clemency. The Queen, in reaching her decision, acts upon the advice of the appropriate United Kingdom minister, namely the Secretary of State for Foreign and Commonwealth Affairs. In tendering his advice to the Queen, the Secretary of State must take into account the likely reaction of the United Kingdom Parliament to which he is answerable for the advice which he tenders to Her Majesty. Recent Secretaries of State have been of the opinion that they would not be supported in the House of Commons if they were to advise that death sentences should be carried out in Hong Kong. Moreover, there are no signs that this attitude of the House of Commons is likely to change in the immediate future." The Administration therefore sees no prospect of any change from the present position, Sir. As regards the situation in 1997, the draft Basic Law provides that laws previously enforced in Hong Kong, except for those inconsistent with the Basic Law, or amended by the legislature of the Special Administration Region, shall be maintained. There is no indication that our present legal provisions on death sentences need to be changed or revised as a result of the draft Basic Law. Whether the power of commuting the death sentence will be exercised after 1997, Sir, is a matter on which I would not wish to speculate.

MR. NGAI (in Cantonese): Mr. MCGREGOR has just covered a portion of my question. I wish to reiterate that the Chief Secretary's reply is to the effect that it is appropriate to impose on a murderer the death sentence. Over past years capital punishment has never been carried out; hence it existed in name only. In Hong Kong people of ethnic Chinese origin constitute the majority and traditionally there is the teaching that "the murderer deserves the death penalty". In this context, to ensure public order and to be in line with Chinese ethical thinking will Government consider taking steps to provide new guidelines on commutation of the penalty? On the other hand execution of the death sentence has to be resumed in future in order to conform to the meaning of "appropriate" as mentioned by the Chief Secretary.

CHIEF SECRETARY: Sir, the constitutional position is as I have described and I would see no point in reviewing that situation now, Sir.

MR. MARTIN LEE: Sir, since there is no prospect of the death penalty being ever carried out, why do we not consider scrapping it altogether?

CHIEF SECRETARY: Sir, the Government is aware, through the feedback from an extensive community liaison network and through reflections in the media, of the wish of the majority of our local community to retain the death sentence as a penalty for murder and Mr. NGAI has added weight to that view this afternoon. I would add, Sir, that on every occasion that a death sentence is reviewed, soundings are taken in the district where the convicted person lives. In the vast majority of these cases, public opinion is in favour of the death sentence. In view of the public opinion on this issue, Sir, we do not believe it would be opportune to abolish the death penalty.

MR. PETER WONG: Sir, the Chief Secretary has only mentioned the crime of murder. What about treason?

CHIEF SECRETARY: Sir, treason under the present law is also subject to the death penalty.

MR. MARTIN LEE: Sir, will Government inform this Council whether the government Members of this Council would be given a free vote if there is a private Member's Bill proposing to abolish the death penalty?

CHIEF SECRETARY: That is a hypothetical question, Sir, which I would prefer not to answer.

Staff shortage in the police force and the Fire Services

4. MRS. LAU asked: In the reply to a question at the Legislative Council sitting on 15 February 1989, the Secretary for Security stated that the current wastage and recruitment situation of police did not compare unfavourably with other disciplined services and the Civil Service as a whole. However, subsequently there have been further reports in a televised public affairs programme produced by Radio Television Hong Kong expressing concern about the high wastage rates and staff shortage in the police force and the Fire Services Department. Will Government therefore inform this Council what action will be taken to allay the public concern over the issue?

SECRETARY FOR SECURITY: Sir, the Administration shares the public's wish that the police and Fire Services, amongst other departments of the Government, should be kept up to strength and that there should not be any deterioration in the present high standard of services provided.

The televised programme by Radio Television Hong Kong did not detract from the relevance of the information which I provided to this Council in February which showed that, at the end of 1988, the police wastage rate was 6% while the vacancy rate was less than 1%. For the Fire Services, the wastage and vacancy rates were 3.3% and 6.5% respectively.

According to the latest statistics at the end of February 1989, the police wastage rate for the financial year 1988-89 is estimated to increase slightly to 6.2% while the vacancy rate remains at less than 1%. For the Fire Services, the wastage rate is estimated to increase slightly to 3.6% while the vacancy rate will decrease to 5.7%. These figures show that the vacancy rates of these two departments compare favourably with the rest of the Civil Service where the average vacancy rate in 1988 was 6.1%. For wastage the police rate is slightly above the Civil Service rate of 5.6%. The Fire Services wastage rate, on the other hand, is substantially lower.

Regarding police services, in 1988 the overall crime rate dropped by 3%, and the number of complaints against the police dropped by 16.5%, compared with 1987. For the Fire Services, in 1988, 80% of the fire calls were answered within the target response time of six minutes, while the average response time was only 5.23 minutes.

It is clear from these indicators that there has been no impairment of services. Nevertheless, in the months ahead the Administration and the departments concerned will be monitoring the situation very carefully and will pay particular attention

to efforts to step up recruitment as a matter of priority.

MRS. LAU: Sir, would the Secretary confirm whether the wastage rate in the police force was as disclosed in the televised programme: 379 in 1985 and 627 in 1986? If so, bearing in mind the wastage rate of 1 639 in 1988 which almost triples that of 1986 and in the light of aggravating recruitment difficulties and staff shortages sounded so loudly in the televised programme, would the Administration not consider there is reason for real concern? And would the Administration not consider it necessary to forget about percentages for the time being and take immediate steps to go to the root of the problem and attempt to remedy the situation instead of merely sitting back and monitoring it?

SECRETARY FOR SECURITY: Sir, in the light of that impassioned speech, I can say that the situation is not as serious as is being depicted at all. Commenting on the same television programme, the Commissioner of Police of course made the point that this was not critical. In fact, I would say that it is by no means critical and will not be critical at all this year. The Administration is not sitting back and reviewing the situation. The Administration is keeping it under constant review and that means on a month-to-month basis. I personally consult with the heads of the departments concerned what the situation is, and if it is necessary for any remedial steps to be taken, then they are taken. The point about percentages is very important and, with the greatest respect to my questioner, is more relevant than talking about numbers. We are, after all, talking about a police force of 30 000 people and a figure of 100, for example, in 30 000 is a very, very small percentage. But if you do not mention the percentage and merely talk about the figure, you frequently give a distorted impression of the situation. Sir, I am perfectly happy with the situation in the police force and the Fire Services at the moment. Recruitment is something that we shall have to watch during the year. If it continues at the present rate, I see no particular problems, and it will certainly be less than the Civil Service position as a whole by the end of the year.

MR. PETER WONG: Sir, I am not going to play with numbers, but we will be all concerned if senior and experienced staff are leaving. Sir, what is the average length of service of those people leaving the police force and Fire Services, and how does that compare with preceding years?

SECRETARY FOR SECURITY: Sir, I do not have those figures this afternoon. I shall be happy to provide them in writing. (Annex III)

MR. NGAI (in Cantonese): Will Government consider deferring the retiring age of members of the disciplined services, in particular the police and the Fire Services, in order to curb wastage of experienced personnel and to ease shortage of staff?

SECRETARY FOR SECURITY: Sir, this is not an option which we think it is necessary to consider at the moment.

MR. CHAN (in Cantonese): Will the general labour shortage create pressure aggravating the staff wastage problem which prevails in the police and the Fire Services?

SECRETARY FOR SECURITY: Sir, the tight labour market and the undoubted attractions of the private sector in some respects are bound to have adverse effects on recruitment and wastage. But the police and the Fire Services have the capacity and the flexibility to meet operational commitments to ensure that services to the public are not diminished.

MRS. LAU: Sir, can the Secretary inform this Council whether the recruitment of 2 535 for the fiscal year 1988-89 has been met?

SECRETARY FOR SECURITY: Sir, the recruitment target of 2 300 approximately for the fiscal year will be 100 short which I think, if my arithmetic is correct, is about 4%. That is for junior police officers. The recruitment target for inspectors, which I think is about 225, has already been met.

MR. MARTIN LEE: Sir, in relation to the original answer to the question, why is the

drop in the number of complaints against the police relevant to the question as to whether or not there has been any impairment of services of the police force, since the drop in the number of complaints might be due to the improved behaviour on the part of the members of the police force or the public's lack of confidence in the system of complaints against the police force, or both?

SECRETARY FOR SECURITY: The reference to the drop in complaints against the police force, Sir, is to indicate that the services which the police provide to the public are up to standard.

MR. MICHAEL CHENG (in Cantonese): In the Legislative Council sitting on 15 February this year, the Secretary for Security revealed that 1 639 had left the police force last year. Could the Administration inform this Council how many of them are young people below 40?

SECRETARY FOR SECURITY: Sir, I do not have those figures. I shall supply them in writing. (Annex IV)

MRS. CHOW: Sir, in view of the climbing numbers in wastage, can the Secretary tell us what extra efforts are being made to step up recruitment and what the remedial measures are, as mentioned in his answer to an earlier supplementary question, that the Government has taken?

SECRETARY FOR SECURITY: Sir, the efforts being taken are as follows: the two departments, the police and the Fire Services, are reviewing their recruitment policies and procedures at the moment. This will be accompanied by increased publicity on television and through other media. The police are making new recruitment films which may be shown in schools and career exhibitions. Additional recruitment centres will also be set up by the Fire Services. As to the second part of Mrs. CHOW's question, the remedial measures, Sir, would be largely those which I have just mentioned but on an extended basis.

MR. CHEUNG YAN-LUNG (in Cantonese): With the increase in staff wastage within the police force and difficulties in recruitment why are we closing down the Police Cadet School?

SECRETARY FOR SECURITY: Sir, the closure of the Police Cadet School reflects the higher standards of recruit now coming forward in the community as a result of improved education.

Hospice care

5. MR. PAUL CHENG asked: Sir, in view of the chronic shortage of hospital beds in Hong Kong, will the Government inform this Council:

(a) what percentage of hospital beds are currently occupied by terminally ill patients; and

(b) whether consideration has ever been or will be given to establishing hospices in order to achieve the dual benefit of more specialized care for the terminally ill and more hospital beds for other needy patients?

SECRETARY FOR HEALTH AND WELFARE: Sir, the concept of hospice care is to provide better care for the terminally ill, mainly cancer patients, the needs of whom in terms of emotional, spiritual and medical support are different from other patients who are able to look forward to recovery. On the basis that we are talking mainly about cancer patients in the terminal stage of their illness, it is estimated that about 2% of the hospital beds in the public sector are occupied by such patients.

The subject of hospice care was considered by the Medical Development Advisory Committee in 1987, and its advice was that while, in principle, hospice care should be introduced in Hong Kong, it could best be provided by subvention to voluntary agencies. Another suggestion was that a pilot scheme could be set up in one or two regional government hospitals to co-ordinate efforts in improving care to the terminally ill.

Some form of hospice care is available in the Nam Long Hospital, Our Lady of Maryknoll Hospital, Haven of Hope Hospital and the United Christian Hospital. While

some of this service is partially subvented by the Government, some is supported by funds obtained by the organizations themselves. There are also two volunteer visiting schemes for terminally ill patients in Queen Elizabeth Hospital and the Prince of Wales Hospital.

MR. PAUL CHENG: Will the Administration advise this Council whether there are plans to help co-ordinate efforts being made by various voluntary agencies so that a more formal and concerted effort can be made to develop a Hong Kong-wide hospice programme?

SECRETARY FOR HEALTH AND WELFARE: Sir, personally I think there is much to be said for the concept of hospice care, and I will certainly ask the Director of Medical and Health Services to look into the possibility of co-ordinating efforts in the voluntary sector to expand the provision of hospice care within available resources.

MR. CHOW: Sir, will the Administration inform this Council why the Medical Development Advisory Committee has said that hospice care could best be carried out by subvention to voluntary agencies?

SECRETARY FOR HEALTH AND WELFARE: Sir, I have gone through the minutes of that particular Medical Development Advisory Committee meeting in detail, and the discussions were very wide-ranging. What I quoted was the conclusion. I suppose I should begin by explaining the specific objectives of hospice care service, and that is to palliate the isolation, anxiety and fear associated with incurable illnesses, to assist families to take care of patients at home, and to enable patients to maintain independence for as long and as comfortably as possible in the home environment, to provide the best possible symptom control and an easy and dignified ending, and to provide supporting services to the family during the period of bereavement. The achievement of the above requires an essential feature, which is to involve volunteer care givers including family members, friends, religious personnel and the community. It was generally felt, I think, that given its nature plus the importance of volunteer service and a religious input, hospice care would be best carried out by voluntary agencies, especially religious organizations. There was also the consideration that with all the other priorities that the Government had to deal with, the provision of hospice care directly by the Government

would not have been given a high priority. That was why it was felt that hospice care would best be carried out by subvention to voluntary agencies.

MR. PETER WONG: Sir, I would be obliged if the Secretary would clarify absolutely that the Administration will favourably consider expanding hospice care to sectors other than the incurably or terminally ill, such as the severely handicapped children?

SECRETARY FOR HEALTH AND WELFARE: Yes, Sir, I will certainly consider that.

MR. MARTIN LEE: Sir, since all of us are going to die one day, and since many of us are likely to die of cancer, if only because of passive smoking, will the Government give this Council a clear undertaking that adequate hospice care will be provided within the next three years?

SECRETARY FOR HEALTH AND WELFARE: Sir, I cannot give that undertaking, first of all because it is extremely difficult to define or identify a person who is terminally ill, except in cases such as cancer patients in the terminal stage of their illness; and secondly, Sir, I do not have the resources to give that guarantee.

MR. PAUL CHENG: Will the Administration advise this Council what other possible short-term solutions are being considered which could help resolve the shortage of bed space in public hospitals?

SECRETARY FOR HEALTH AND WELFARE: Sir, I believe that the overall shortage is not as severe as impressions might have led people to believe. One of the reasons for the apparent shortage overall is that there is overcrowding in our major regional hospitals. But even within those hospitals, some specialty wards are more crowded than others. And of course there are hospitals whose occupancy rates are lower than the occupancy rates of the major regional hospitals. So in the shorter term, Sir, I would hope to look into the question of the internal arrangements within regional hospitals for distribution of beds between different specialties, and perhaps other methods.

MR. MARTIN LEE: May I disclose my interest first as a director of Our Lady of Maryknoll Hospital before I ask the next supplementary. Will the Government consider enlarging the subventions to these four hospitals: Nam Long Hospital, Our Lady of Maryknoll Hospital, Haven of Hope Hospital and the United Christian Hospital, so that they can expand their hospice care services?

SECRETARY FOR HEALTH AND WELFARE: Sir, subject to the availability of resources, I will certainly consider that.

Working level exchanges between the Chinese and Hong Kong Governments

6. MR. BARROW asked: Sir, will Government inform this Council of the nature, frequency and progress of the very useful working level exchanges between the Chinese and Hong Kong Governments; and whether there are any specific plans for such exchanges in future?

CHIEF SECRETARY: Sir, the nature and frequency of working level exchanges with the Chinese Government varies greatly. There are almost daily meetings by Border Liaison Officials from police, Customs and Immigration Department with their opposite numbers in Shenzhen to discuss matters as diverse as traffic congestion to smuggling of endangered species. This is augmented by a telephone link for urgent communication.

Almost every branch or department in Hong Kong has contacts with its counterparts in China. These are very numerous. To give only one example in 1988 officials from the Lands and Works Branch made 18 visits to China to discuss matters such as Hong Kong's water supply or to exchange information on tides.

Many of these exchanges, such as the Joint Working Group on Road Traffic Links, meet regularly and are organized under the umbrella of the border liaison review system. Perhaps most important of these is the joint working group on controls and entry/exit points which meets quarterly and deals with all matters related to border controls including immigration, customs procedures and traffic quotas.

Hong Kong Government officials also take part in a variety of meetings and

discussions with Chinese officials as part of the British side of the Joint Liaison Group (JLG) and Land Commission. Indeed, several Hong Kong Government officials are currently in Peking attending the 12th meeting of the JLG.

The Administration welcomes these visits and exchanges which it feels will enhance mutual understanding. As I have just described many of these meetings are regular fixed events. Many more are one-off events occurring in response to specific needs. Although it is impossible therefore to plan the frequency of such exchanges we expect that, as in recent years, there will be an increased number of such contacts in 1989.

MR. BARROW: Sir, in addition to the many exchanges on specific issues referred to by the Chief Secretary, is it also the intention to organize increased visits to China by civil servants to provide broadly based briefings on the workings of the Civil Service and on what makes Hong Kong tick?

CHIEF SECRETARY: Sir, there were a number of such visits organized last year, two by legal affairs groups, and one by the Civil Service. We expect those to continue in the years ahead.

MR. TAI: Sir, could I ask the Secretary whether the intrusions by Chinese gunboats into Hong Kong waters and the recent shooting incidents form part of the subject matter of discussions between the Hong Kong Government and the Chinese Government, and what is the progress of these discussions?

CHIEF SECRETARY: Sir, matters such as this are discussed by the Political Advisor's Office.

MR. MARTIN LEE: Sir, will the Administration assure this Council that these exchanges will not result in interventions by the People's Republic of China over the internal administration of the affairs of Hong Kong?

CHIEF SECRETARY: Yes, Sir.

Written answer to question

Prophylactic measures against accidents and injuries

7. DR. LEONG asked: In view of the finding by the government Working Party on Postgraduate Medical Education and Training that "the most common cause of death in children and young adults in Hong Kong (in 1986) was injury and poisoning, especially accidents", will the Administration inform this Council what prophylactic measures are or will be taken to afford more protection for children and young people from accidents and injuries?

SECRETARY FOR HEALTH AND WELFARE: This is a very wide ranging question since accidents and injuries can happen to young people in the course of any of their daily activities. It therefore touches on numerous policy areas and I have consulted widely within the Administration so as to be able to provide a comprehensive reply.

The Report of the Working Party on Postgraduate Medical Education and Training to which Dr. LEONG has referred found, among other things, that in 1986, injury and poisoning accounted for 65% of all male deaths and for 55% of all female deaths occurring at about the age of 25 years. The phrase "injury and poisoning" is one of the categories of mortality quoted in the report, but this should be viewed in the perspective that poisoning resulted in 1986 in the death of 2% or less of persons in all age groups, including those under the age of 25. Deaths among young people resulting from other types of accident such as traffic accidents and accidental falls, for example, were considerably greater.

As regards the prevention of poisoning, warnings such as "keep out of the reach of children" are printed on all medicine labels issued by the Medical and Health Department. Also, under the Pharmacy and Poisons Ordinance, certain medicines are required to carry a label marked "poison".

As regards accidents in general, Government provides a wide range of publicity and education programmes which remind parents of their obligation to look after their children properly. In particular, there are campaigns on home safety including the use of electrical and gas appliances in the home, the dangers associated with leaving

children unattended, road safety, and the forthcoming campaign on child neglect.

In conjunction with these publicity campaigns, the Education Department includes the subject of home safety in its booklets on good parenting. These booklets, of which over one million have been distributed, remind parents not to leave their children unattended and urge them to pay particular attention to their children's physical and mental well-being and to be alert to sudden changes in their habits, health and behaviour. These information booklets are supplemented by a wide range of family life education programmes and campaigns conducted by the Social Welfare Department and voluntary welfare agencies. Also, the Medical and Health Department's Central Health Education Unit provides general health education to parents and advice on how they should care for their children's health.

As young people spend a considerable amount of their time in school, the Hong Kong Education Regulations 1971 require supervisors and heads of schools and kindergartens to take every precaution to ensure pupils' safety. These regulations specifically cover school premises and structural requirements, roof playgrounds, school workshops and science laboratories, fire precautions, and health and sanitation. The Education Department issues circulars, guidelines and special booklets to teachers to ensure that the regulations are observed. Similar regulations are contained in the Child Care Centre Ordinance, and a Code of Practice on Child Care Centres is issued by the Social Welfare Department to operators of these centres.

As regards young people at work, safety training is an integral part of apprenticeship programmes, and officers of the Labour Department pay regular visits to schools to talk to senior students about safety at work. One-day programmes on safety at work are provided every year for students taking up summer jobs. The department's factory inspectorate and the Occupational Safety and Health Council are specifically concerned with safety in the workplace for all employees including young people.

As regards measures to protect children from road accidents, there is legislation on the wearing of seat belts in private cars, and this will be extended to taxis and light buses on 1 July 1989. To educate children on road safety, the Road Safety Council produces road safety teaching kits for use in kindergartens and primary schools and runs cycling proficiency courses for young persons. There is also a Road Users Code published by Government of which two chapters are aimed at children. In

addition, the Road Safety Association organizes various programmes, such as school crossing patrols, and there is off-street training for motor-cyclists, many of whom are young persons.

Of potential danger to younger children are improperly constructed consumer products, such as toys. The Consumer Council has a programme for testing a variety of products including those used by and affecting the younger age group. When unsafe or dangerous products are identified, the council approaches manufacturers or importers and, if necessary, alerts the public. A Working Group on Toy Safety has recently recommended that legislation should be introduced to adopt certain international standards on toy safety. I understand that this recommendation has been accepted, in principle, by the Secretary for Trade and Industry and the working group is now examining which international standards should be adopted. A separate Working Group on Product Safety is now examining whether legislation is required to control unsafe or dangerous products which are not already covered by specific legislation such as the Pharmacy and Poisons Ordinance.

Recreational activities, such as sports, play an important part in a child's upbringing. Detailed design and construction standards therefore cover facilities such as swimming pools, sports grounds, indoor games halls, and so on. The Urban and Regional Councils, which operate these facilities, employ qualified staff and provide them with full training on safety aspects and on how to deal with emergency situations. There are regular announcements on television and radio warning children and parents of the potential dangers involved in outdoor activities such as hiking, swimming and canoeing. The Committee on Safety in Outdoor Pursuits of the Council for Recreation and Sport keeps under constant review matters relating to safety in sport and recreation activities and each year organizes two major publicity campaigns, one on land sports and another on water sports.

There are of course various other legal requirements relating for example to the safety of buildings, but I trust that this reply gives at least a broad impression of the efforts by the Administration, in all areas of young peoples' activities, to promote safety and to help to prevent the occurrence of accidents and injuries.

Oral answer to question

Sale of food items on ferries

8. MRS. LAM asked (in Cantonese): Will Government inform this Council how it will ensure that the sale of food items on the ferries of the Hong Kong Ferry Holdings Company Limited will not affect the sanitary condition on board, cause a nuisance to passengers and pollute the harbour?

SECRETARY FOR TRANSPORT (in Cantonese): Sir, the Marine Hawkers Ordinance (Chapter 160) and Regulations provide for the licensing and control of marine hawkers. This covers the sale of food items on ferries operated by the Hong Kong and Yaumati Ferry Company. The regulations stipulate that a licensee shall be responsible for the cleanliness of his vessel and of the eating utensils used, and for the collection and removal of the refuse. The licensee is also subject to such medical regulations as may be imposed on other handlers of food in restaurants.

The Marine Department inspects regularly all ferries during which observance of the Marine Hawkers Ordinance and Regulations is checked. The health inspectorate of the two municipal services departments also inspect those vessels which are the subject of complaints of insanitary sale of food to take appropriate action.

The present arrangement ensures that food is sold in readily disposable form, causing little inconvenience to other passengers. Beverages are generally sold in disposable cups or cans and food is wrapped or is in disposable containers. Litter bins are provided on board and any litter is collected by the crew for disposal.

As regards the possibility of such activities causing pollution to the harbour, the Summary Offences Ordinance (Chapter 228) deals with the offence of depositing litter in Hong Kong waters. The Ferry Services Regulations prohibit littering on ferries and piers, while the Hong Kong and Yaumati Ferry Company By-laws prohibit the throwing of rubbish from vessels and piers.

MRS. LAM (in Cantonese): Sir, in the second paragraph of his reply, the Secretary for Transport mentioned that the inspectorate of the municipal services departments will come on board vessels for inspection when complaints are received. In the past three years have complaints been lodged? If yes, what actions have been taken?

SECRETARY FOR TRANSPORT (in Cantonese): According to information provided by the Municipal Services Branch, no complaints have been received during the last few years. Yet one complaint has been lodged with the Transport Department during the past five years period.

MR. MICHAEL CHENG (in Cantonese): Sir, the Secretary mentioned in his reply that Marine Department staff is to inspect all vessels on a regular basis. At what interval are visits carried out? Also will the licensee have prior knowledge about the inspection so that the vessels might be tidied up in advance?

SECRETARY FOR TRANSPORT (in Cantonese): According to information provided by the Marine Department, regular inspections will be done in a random-check mode, and no licensees will be informed in advance. The actual number of inspections will depend on scheduling of manpower available. The frequency of inspection ranges from once a month to once in several weeks.

Written answers to questions

Control of braking noises

9. MR. TAM asked: Will Government consider taking the necessary steps to control braking noises produced by buses and other heavy vehicles?

SECRETARY FOR TRANSPORT: Sir, brake squeal is associated with the use of drum brakes and can be due to various causes: incorrect adjustment, dirt or wear and tear to brake linings and brake shoes, overheating of brake drums from heavy usage or design faults to brake systems. Often the squeal occurs when brakes are cooling after heavy usage. It is more prevalent in Hong Kong because of traffic conditions, hilly terrain, the effects of high temperatures and humidity and heavy loadings which cause more wear and tear than is experienced elsewhere.

As the monitoring and regulating authority, the Transport Department takes action to contain the incidence of brake squeal by checking that all buses and heavy vehicles (including their braking systems) imported into Hong Kong conform with legal

requirements, and by pre-registration and annual roadworthiness inspections. In addition, all buses are subject to random spot checks for roadworthiness, including excessive noise faults. Bus operators must rectify any detected faults before buses pass the inspection.

From time to time, design faults of braking systems on buses have been identified by the franchised bus companies, and manufacturers have been asked to remedy the brake squeal fault.

Apart from regular inspections and other remedial measures, our road safety programmes have given publicity through television and other media to promote "defensive driving" among drivers. It is also a feature of franchised bus companies' driver training to reduce the frequency of hard braking.

There are presently no statutory controls under the Noise Control Ordinance specifically to prevent such noise as brake squeal. It is intended to introduce statutory controls on noise emission of new motor vehicles, but it would be impractical for such controls to cover noise from brakes. Essentially, reduction of brake squeal can best be achieved through proper maintenance by vehicle owners and regular careful inspection which the Transport Department now undertakes.

False sounding of burglary alarm

10. MR. TAM asked: In reply to a question on false soundings of burglar alarms on 12 March 1986, the then Attorney General stated that the Government was examining a number of options to improve the situation, and that one possible option was to introduce legislation to deal with the problem. Will Government inform this Council what progress has been made so far in this regard?

SECRETARY FOR SECURITY: Sir, on the advice of the Fight Crime Committee, the Administration has drafted proposed amendments to the Police Force Ordinance and the Summary Offences Ordinance to provide better control over burglar alarms. The proposals include --

(a) empowering the police to examine alarm systems and make recommendations for their improvement. Failure to co-operate with the police and to comply with the

recommendations would result in liability to a fine; and

(b) providing for all audible alarms to be fitted with a device to cut off the sound after 15 minutes.

The proposals will be submitted to the Executive Council shortly.

Revenue derived from "clawback"

11. MRS. FAN asked: Will the Administration inform this Council of the amount of additional revenue derived from the "clawback" provision introduced into our salaries tax system since the financial year 1987-88, and the cost involved in administering this "clawback" provision?

FINANCIAL SECRETARY: Sir, the "additional revenue" derived from the "clawback" provision is, in effect, the reduced cost to the revenue of granting additional personal allowances. The additional revenue, or the reduced cost, arising from the application of the "clawback" provision is estimated to be about \$400 million for each of the financial years 1987-88 and 1988-89.

The implementation of the "clawback" provision involved a computer programming cost of \$60,000 in 1987-88. Thereafter, no other cost has been incurred in its administration.

Quality of water supplied from China and seawater flushing

12. MRS. TU asked: Will the Government inform this Council what steps are being taken:

(a) to maintain the quality of water which is currently supplied from China and which is reported to flow through certain areas polluted by chemical waste before passing into Hong Kong reservoirs; and

(b) to install seawater flushing systems to replace those in areas where fresh water is currently used?

SECRETARY FOR LANDS AND WORKS: Sir, the Water Supplies Department regularly monitors raw water quality at the Muk Wu Pumping Stations, where water is received from China, and also at all water treatment works. The quality of water from China has always been satisfactory and no significant deterioration has been detected so far. The quality of the raw water from China is well within the limits that the treatment works in Hong Kong are capable of handling to produce water that meets the World Health Organization's drinking water guidelines.

At present we have no formal understanding with the Chinese authorities on the quality of water provided. This will be an agenda item in the coming discussions with the Chinese authority on water supply from China beyond 1994. We think it would be appropriate to include a clause governing water quality in the resulting agreement.

To add to the seawater flushing supply systems currently in service, new systems are being planned for all major areas of development in the territory. To this end detailed design and construction works are now in hand with a view to commissioning seawater flushing systems within two to five years from now in Wan Chai, Wong Chuk Hang, Ap Lei Chau, Shau Kei Wan, Tai Po, Sha Tin, Ma On Shan and Junk Bay.

For other areas where fresh water is still used for flushing we review the situation on a regular basis. Our general intention is to extend seawater flushing systems to all these areas as and when the level of development and associated flushing demand reaches the stage where it becomes cost effective to install the separate system of pumping stations, service reservoirs and supply mains that is required.

Fines for smoking offences

13. DR. IP asked: Will Government inform this Council of the number of people who have been fined for smoking in public lifts or non-smoking areas during the last 12 months?

SECRETARY FOR HEALTH AND WELFARE: The Commissioner of Police has advised us that no separate statistics are kept on convictions on smoking in public lifts or non-smoking areas. They are classified under "Miscellaneous Offences". However, the Commissioner for Transport keeps statistics on smoking on trains or premises of

Kowloon-Canton Railway Corporation. In 1989, nine people were fined and the fines were between \$300 to \$500.

Fee assistance for kindergarten attendance

14. MRS. FAN asked: Will Government inform this Council of the annual administrative cost it incurs for providing fee assistance to needy children attending kindergartens, on what basis the maximum fee assistance levels of \$209 and \$370 for half-day and whole-day kindergartens respectively are determined, and how these fee assistance levels compare with the average level of kindergarten fee paid by the parents?

SECRETARY FOR EDUCATION AND MANPOWER: Sir, the annual administrative cost to Government of providing fee assistance to needy children attending kindergartens is estimated to be about \$2.64 million in the current financial year. Approximately \$1 million of this sum is incurred by the Social Welfare Department and \$1.64 million by the Education Department.

The maximum fee assistance levels for half-day and whole-day kindergartens are intended to cover 100% of the weighted average fees for non-profit making kindergartens. The levels are set each year based on the actual weighted average fees in that year, and increased to take account of the projected increase in the average fees in the coming school year. The projected fee levels for 1988-89 are \$209 (half-day) and \$370 (whole day). (Projected figures are used since fee assistance applications have to be processed well before the beginning of the school year.)

Fees in profit-making kindergartens are generally higher than those in non-profit making kindergartens. In 1988-89 the average is \$252 per month (half-day) and \$559 per month (whole day). The maximum fee assistance levels therefore cover 83% of the weighted average fee in a profit-making half-day kindergarten, and 66% of the fee in a profit-making whole-day kindergarten.

In the current year 49% of kindergarten enrolment is in non-profit making institutions. This is projected to rise to 50% in the coming school year.

Government business

Motions

PUBLIC FINANCE ORDINANCE

The FINANCIAL SECRETARY moved the following motion:

That --

1. Authority is hereby given for a sum not exceeding \$31,313,335,000 to be charged on the general revenue in advance of an Appropriation Ordinance for expenditure of the services of the Government in respect of the financial year commencing on 1 April 1989.

2. Subject to this resolution, the sum so charged may be expended against the heads of expenditure, and expenditure for each such head shall be arranged in accordance with the subheads, shown in the draft Estimates of Expenditure 1989-90 or, where such estimates are changed under the provisions of the Public Finance Ordinance as applied by section 7(2) of that Ordinance, in accordance with such estimates as so changed.

3. Expenditure in respect of any head shall not exceed the aggregate of the amounts specified in respect of each subhead in that head, by reference to percentages, in paragraph 4(a) and (b).

4. Expenditure in respect of each subhead in a head shall not exceed --

(a) in the case of a Recurrent Account subhead, an amount equivalent to --

(i) except where the subhead is listed in the Schedule hereto, 20 per cent of the provision shown in respect of it in the draft Estimates;

(ii) where the subhead is listed in the Schedule hereto, that percentage of the provision shown in respect of it in the draft Estimates which is specified in relation to that subhead in the Schedule; and

(b) in the case of a Capital Account subhead, an amount equivalent to 100 per cent

of the provision shown in respect of it in the draft Estimates,

or such other amount, not exceeding the provision shown in respect of the subhead in the draft Estimates, as may in any case be approved by the Financial Secretary.

SCHEDULE

Head of Expenditure	Percentage	Subhead	of provision shown in draft Estimates
22 Agriculture and Fisheries Department	452	Royal Society for the Prevention of Cruelty to Animals (Hong Kong).....	25
24 Audit Department 25	002	Allowances.....	25
91 Buildings and Lands Department	221	Clearance of Crown land -- ex-gratia allowances.....	35
	259	Enforcement of the Buildings Ordinance -- works on private property.....	35
28 Civil Aviation 100 Department	170	Airport insurance.....	100
	281	Air passenger departure tax administration fees.....	30
Head of Expenditure		Subhead	Percentage of provision shown in draft Estimates

31	Customs and Excise Department	103	Rewards and special services.....	30
40	Education Department	152	Scholarships, bursaries and maintenance grants.....	25
		235	School extra-curricular activities, programmes grants and prizes.....	
50				
		265	Employment of expatriate teachers of English.....	40
		330	Assistance to private secondary schools and bought places.....	
30				
		350	Refund of rents and rates to kindergartens, private schools and study rooms.....	30
		355	Assistance to Lingnan College.....	
50				
		489	Miscellaneous educational services.....	
30				
46	General Expenses of the Civil Service	013	Personal allowances.....	30
		028	Legal assistance for civil servants.....	
75				

50	Government Land Transport Agency	225	Traffic accident victims assistance scheme -- levies.....	
100				
52	Government Secretariat	210	Commonwealth Parliamentary Association (Hong Kong Branch).....	
60				
				Percentage of provision shown in draft Estimates
Head of Expenditure		Subhead		
53	Government Secretariat : City	211	Commonwealth Youth Exchange Programme.....	
100				
	and New Territories Administration	271	Promotion of civic education outside schools.....	
30				
60	Highways Department	273	Highways maintenance.....	30
61	Hospital Services Department	383	Community Nursing Service.....	25
		401	Refund of rates (non-profit- making hospitals).....	25
62	Housing Department	228	Clearance.....	
25				
		232	Squatter control.....	
25				
		268	Clearance of the Kowloon	



Services

120	Pensions	015	Civil, judicial service and police pension benefits and compensation.....	30
30		016	Gratuities for officers on contract.....	
		017	Widows' and children's pensions, widows' and orphans' pensions and increases.....	30
122	Police: Royal Hong Kong Police Force 25	245	Pay and allowances for the auxiliary services.....	
126	Post Office 25	002	Allowances.....	
130	Printing Department 25	002	Allowances.....	
134	Public Debt  100	257	Loans (Government Bonds) Ordinance, Cap. 64: borrowings for General Revenue: interest, service charges, listing fees and redemption fees.....	
167	Royal Hong Kong 40 Regiment (The Volunteers)	001	Salaries.....	
30		245	Pay and allowances for the auxiliary services.....	

		246	Training expenses for the auxiliary services.....	
30				
170	Social Welfare	177	Emergency relief.....	
100	Department			
		179	Public assistance scheme.....	25
		180	Special needs allowances.....	25
			Percentage of provision shown in draft Estimates	
Head of Expenditure		Subhead		
	Social Welfare	410	Rehabilitation services (grants).....	
	Department (Cont'd)			
25				
		411	Social welfare services (grants).....	
25				
		412	Refunds of rates.....	
25				
176	Subventions:	429	Consumer Council.....	
25	Miscellaneous			
		432	Far Eastern Relief Fund.....	25
		437	Hong Kong -- Japan Business Co-operation Committee.....	25
		439	Hong Kong Management Association.....	

25			
	441	Hong Kong Productivity Council.....	
25			
	446	Law Society legal advice and duty lawyer schemes.....	25
	462	United Nations Fund for Drug Abuse Control.....	
100			
	475	Outward Bound Trust of Hong Kong.....	25
	487	Subventions for performing arts activities.....	
27			
	488	Hong Kong War Memorial Fund....	30
	503	Subventions to voluntary agency camps.....	25
	504	Hong Kong Council on Smoking and Health.....	
25			
			Percentage of provision shown in draft Estimates
Head of Expenditure	Subhead		
	Subvention:	506	Trade Policy Research Centre.....
100			
	Miscellaneous (Cont'd)		

178	Technical Education and Industrial Training Department	468	Grant (Recurrent) Vocational Training Council.....	25
186	Transport Department	505	Special transport facilities for the disabled.....	
		25		
188	Treasury	002	Allowances.....	
		30		
		123	Write-offs.....	
		50		
		190	Other miscellaneous items.....	50
		191	Payment to Cross-Harbour Tunnel Company Ltd.....	100
		192	Refunds of revenue.....	
100				
190	Universities and Visitation..... Polytechnics	169		25
		492	Grants to universities, polytechnics and Baptist College.....	
		25		
		496	Refund of rates -- universities, polytechnics and Baptist College.....	
		25		
194	Water Supplies	223	Purchase of water.....	
		40		

Department

Explanatory Note

This resolution authorizes the expenditure of a sum not exceeding \$31,313,335,000 on the services of the Government prior to the enactment of an Appropriation Ordinance for the 1989-90 financial year.

He said: Sir, I move the motion standing in my name on the Order Paper.

The purpose of this motion is to seek funds on account to enable the Government to carry on existing services between the start of the financial year on 1 April 1989 and the enactment of the Appropriation Bill.

The funds on account sought under each subhead have been determined in accordance with paragraph four of the resolution, by reference to percentages of the provision shown in the draft Estimates. As the draft Estimates are changed from time to time, by the Finance Committee or under delegated powers, the provision to which the percentages are applied will also change. Thus the provision on account under each head is not constant but may vary, with every increase being matched by an equal decrease. The initial provision on account under each head is shown in a footnote to this speech. The aggregate total under all heads is fixed, however, at \$31,313,335,000 and cannot be exceeded without the approval of this Council.

The resolution also enables the Financial Secretary to vary the funds on account in respect of any subhead, provided that these variations do not cause an excess over the amount of provision entered for that subhead in the draft Estimates or an excess over the amount of funds on account for the head.

A vote on account warrant will be issued to the Director of Accounting Services authorizing him to make payments up to the amount specified in this motion and in accordance with its conditions. The vote on account will be subsumed upon the enactment of the Appropriation Bill, and the general warrant issued after the enactment of the Appropriation Bill will replace the vote on account warrant and will be effective from 1 April 1989.

Sir, I beg to move.

FOOTNOTE

Head of Expenditure	Amount shown	Initial amount	of	
	in the draft	amount	Provision	on
account			Estimates	

21	His Excellency the Governor's Establishment .....		11,682,000	
		3,116,000		
22	Agriculture and Fisheries Department ..	215,856,000	58,563,000	
25	Architectural Services Department .....	673,490,000	136,479,000	
24	Audit Department .....	43,532,000	8,756,000	
23	Auxiliary Medical Services .....	21,890,000	5,031,000	
91	Buildings and Lands Department .....	580,385,000	130,115,000	
26	Census and Statistics Department .....	153,865,000	33,670,000	
27	Civil Aid Services .....	28,569,000	6,327,000	

Head of Expenditure	Amount shown	Initial amount	of	
	in the draft	amount	Provision	on
account			Estimates	

28	Civil Aviation Department .....	277,551,000	72,535,000	
43	Civil Engineering Services Department ..	401,944,000	96,226,000	
30	Correctional Services Department .....	883,918,000	181,590,000	
31	Customs and Excise Department .....	459,150,000	99,585,000	
37	Department of Health .....	763,507,000	158,043,000	
40	Education Department .....	7,916,122,000		
		1,774,072,000		
42	Electrical and Mechanical Services Department .....	774,832,000	166,175,000	
44	Environmental Protection Department ..	180,008,000	94,322,000	
45	Fire Services Department .....	867,478,000	228,105,000	
46	General Expenses of the Civil Service....	1,864,850,000	391,101,000	

47	Government Data Processing Agency . . . .	102,695,000	28,739,000
48	Government Laboratory . . . . .	59,972,000	17,211,000
50	Government Land Transport Agency . . . .	27,212,000	11,996,000
52	Government Secretariat . . . . .	521,878,000	113,716,000
53	Government Secretariat: City and New Territories Administration . . . . .	400,204,000	91,511,000
29	Government Secretariat: Civil Service Training Centre . . . . .	70,379,000	
		14,076,000	
56	Government Secretariat: Lands and Works Branch . . . . .	53,491,000	
		12,205,000	
96	Government Secretariat: Overseas Offices . . . . .	112,524,000	
		24,240,000	
58	Government Supplies Department . . . . .	79,253,000	18,902,000
60	Highways Department . . . . .	645,175,000	171,861,000
61	Hospital Services Department . . . . .	4,805,135,000	1,071,177,000
62	Housing Department . . . . .	326,758,000	84,390,000
70	Immigration Department . . . . .	669,305,000	144,906,000
72	Independent Commission Against Corruption . . . . .	220,841,000	
		46,417,000	
73	Industry Department . . . . .	77,739,000	41,747,000
74	Information Services Department . . . . .	103,202,000	21,130,000
76	Inland Revenue Department . . . . .	389,465,000	84,331,000
34	Internal Security: Miscellaneous Measures . . . . .	1,607,867,000	459,648,000
80	Judiciary . . . . .	258,580,000	
		56,078,000	
90	Labour Department . . . . .	202,769,000	42,712,000
92	Legal Department . . . . .	246,755,000	50,287,000
94	Legal Aid Department . . . . .	136,460,000	27,292,000
100	Marine Department . . . . .	313,148,000	87,884,000
106	Miscellaneous Services . . . . .	5,497,619,000	
		1,594,848,000	

Initial

Head of Expenditure account	Amount shown in the draft	amount of Provision Estimates	on
112 Office of Members of the Executive and Legislative Councils .....	28,077,000	5,616,000	
114 Office of the Commissioner for Administrative Complaints .....	5,815,000	1,163,000	
120 Pensions .....	1,664,996,000		
500,873,000			
121 Police Complaints Committee .....	4,180,000	836,000	
122 Police: Royal Hong Kong Police Force..	4,302,373,000	924,591,000	
126 Post Office.....	1,027,893,000		
215,888,000			
130 Printing Department .....	131,124,000	38,293,000	
134 Public Debt .....	1,050,110,000		
1,050,110,000			
136 Public Service Commission .....	2,158,000	432,000	
160 Radio Television Hong Kong .....	212,182,000	48,634,000	
162 Rating and Valuation Department .....	95,431,000	19,287,000	
164 Registrar General's Department .....	168,080,000	34,267,000	
165 Registry of Trade Unions .....	3,786,000	758,000	
166 Royal Hong Kong Auxiliary Air Force ..	129,699,000	108,807,000	
167 Royal Hong Kong Regiment (The Volunteers) .....	29,828,000		
10,705,000			
168 Royal Observatory .....	66,592,000	18,751,000	
170 Social Welfare Department .....	3,984,787,000	974,759,000	
174 Standing Commission on Civil Service Salaries and Conditions of Service .....	5,529,000	1,106,000	
176 Subventions: Miscellaneous .....	1,024,420,000	257,886,000	
178 Technical Education and Industrial Training Department .....	604,434,000	165,249,000	
180 Television and Entertainment Licensing Authority .....	13,639,000		
2,978,000			
110 Territory Development Department .....	144,312,000	29,231,000	

181 Trade Department .....	97,758,000	21,615,000
184 Transfers to Funds .....	17,740,000,000	
	17,740,000,000	
186 Transport Department .....	228,672,000	54,363,000
188 Treasury .....	142,295,000	
	46,164,000	
190 Universities and Polytechnics .....	2,486,597,000	628,989,000
194 Water Supplies Department .....	1,564,012,000	450,869,000
Total .....		70,005,834,000
	31,313,335,000	

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Question proposed, put and agreed to.

INTERPRETATION AND GENERAL CLAUSES ORDINANCE

The SECRETARY FOR HEALTH AND WELFARE moved the following motion:

That with effect from 1 April 1989 --

(a) the functions exercisable by the Director of Medical and Health Services by virtue of the enactments specified in the second column of Schedule 1 be transferred to the Director of Health;

(b) the enactments specified in the second column of Schedule 1 be amended in the manner specified opposite thereto in the third column of that Schedule;

(c) the functions exercisable by the Director of Medical and Health Services by virtue of the enactments specified in the second column of Schedule 2 be transferred to the Director of Hospital Services;

(d) the enactments specified in the second column of Schedule 2 be amended in the manner specified opposite thereto in the third column of that Schedule;

(e) the functions exercisable by the Director of Medical and Health Services by virtue of the enactments specified in the second column of Schedule 3 be transferred to the Director of Health and the Director of Hospital Services; and

(f) the enactments specified in the second column of Schedule 3 be amended in the manner specified opposite thereto in the third column of that Schedule.

## SCHEDULE 1

### ENACTMENTS IN RESPECT OF WHICH FUNCTIONS OF THE DIRECTOR OF MEDICAL AND HEALTH SERVICES ARE TRANSFERRED TO THE DIRECTOR OF HEALTH

Item	Enactment	Amendment
1.	Interpretation and General Clauses Ordinance (Cap. 1)	In section 3, repeal paragraph (a) of the definition of "health officer" and substitute --  "(a) the Director, Deputy Director and Assistant Director of Health;".
2.	Television (Advertising) Regulations (Cap. 52, sub. leg.)	In regulation 6, repeal "Medical and Health Services" and substitute "Health".
3.	Employment Ordinance (Cap. 57)	In section 2(1), the definition of "Director", repeal "Medical and Health Services" and substitute "Health".

4. Factories and Industrial Undertakings (Notification of Occupational Diseases) Regulations (Cap. 59, sub. leg.) In regulation 3 and the Second Schedule, repeal "Medical and Health Services" wherever it occurs and substitute "Health".
5. Factories and Industrial Undertakings (Carcinogenic Substances) Regulations (Cap. 59, sub. leg.) In regulation 8(2), repeal "Medical and Health Department" and substitute "Department of Health".
6. Pilotage Ordinance (Cap. 84) In sections 7(1) (b), (1B) and 10(2) and (3), repeal "Medical and Health Services" and substitute "Health".
7. Pensions Regulations (Cap. 89, sub. leg.) In regulation 31(7), repeal "Medical and Health Services" and substitute "Health".
8. Pension Benefits Regulations (Cap. 99, sub. leg.) In regulation 23(3), (4)(b) and (5), repeal "Medical and Health Services" and substitute "Health".
9. Miscellaneous Licences Ordinance (Cap. 114) In section 2, the definition of "Physiotherapy clinic", repeal "Medical and Health Services" and substitute "Health".
10. Miscellaneous Licences Regulations (Cap. 114, sub. leg.) In the First Schedule, repeal "Medical and Health Services" and substitute "Health".

Item

Enactment

Amendment



16. Public Funeral Hall (Urban Council) By-laws (Cap. 132, sub. leg.) In by-law 7(1)(b), repeal "Medical and Health Services" and substitute "Health".

Item	Enactment	Amendment
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17.	Slaughter-houses (Regional Council) By-laws (Cap. 132, sub. leg.)	In by-law 22(c), repeal "Medical and Health Services" and substitute "Health".
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18.	Dangerous Drugs Ordinance (Cap. 134)	<p>(a) In section 2(1), the definition of "Director", repeal "Director of Medical and Health Services a deputy director of medical and health services or an assistant director of medical and health services" and substitute --</p> <p style="padding-left: 40px;">"Director of Health, Deputy Director of Health or an assistant director of health".</p>
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(b) In section 49A, paragraph (a) of the definition of "reporting agency director", repeal "Medical and Health Department of the Government, means the Director of Medical and Health Services" and

substitute --  
"Department of  
Health of the  
Government, means  
the Director of  
Health".

(c) In the Fourth Schedule,  
item 18, repeal "Medical  
and Health Department"  
and substitute  
"Department of Health".

Item	Enactment	Amendment
19.	Antibiotics Ordinance (Cap. 137)	In sections 6(1) and 9(1), repeal "Medical and Health Services" and substitute "Health".
20.	Pharmacy and Poisons Ordinance (Cap. 138)	(a) In sections 3(2)(a), 4(1) and 30(11), repeal "Medical and Health Services" and substitute "Health".  (b) In sections 3(2)(d) and (e), 5(2), 8(3)(c) and (d) and 15(1)(a), repeal "Medical and Health Department" and substitute "Department of Health".
21.	Pharmacy and Poisons Regulations (Cap. 138,	In regulations 22(1)(a) and 23(1), repeal "Medical and

sub. leg.) Health Services" and  
substitute "Health".

22. Pharmacy and Poisons (a) In regulation 2, the  
(Pharmacy and Poisons definition of "Director",  
Appeal Tribunal) Regulations repeal "Medical and  
(Cap. 138, sub. leg.) Health Services" and  
substitute "Health".

(b) In regulation 3(2),  
repeal "Medical and  
Health Department" and  
substitute "Department of  
Health".

23. Public Health (Animals and In section 2(1), the definition  
Birds) Ordinance (Cap. 139) of "health officer", repeal  
"Medical and Health Services,  
the Deputy Director of Medical  
and Health Services, any  
Assistant Director of Medical  
and Health Services" and  
substitute --

Item Enactment Amendment

"Health, the Deputy  
Director of Health, any  
Assistant Director of  
Health".

24. Dairies Regulations In regulation 22(2), repeal  
(Cap. 139, sub. leg.) "Medical and Health Services"  
and substitute "Health".

25. Quarantine and Prevention In section 2(1), the definition  
of Disease Ordinance of "Director", repeal "Medical

(Cap. 141)

and Health Services" and substitute "Health".

26. Boats and Wharves (Supply of Water) Regulations (Cap. 141, sub. leg.)

In regulations 2, 4 and 5, repeal "Medical and Health Services" wherever it occurs and substitute "Health".

27. Prevention of the Spread of Infectious Diseases Regulations (Cap. 141, sub. leg.)

In regulations 4, 8, 19, 20, 23 and 24, repeal "Medical and Health Services" wherever it occurs and substitute "Health".

28. Quarantine (Measures on Departure) Regulations (Cap. 141, sub. leg.)

In regulation 3, repeal "Medical and Health Services" and substitute "Health".

29. Dentists Registration Ordinance (Cap. 156)

(a) In sections 4(2)(b) and 6(2), repeal "Medical and Health Department" and substitute "Department of Health".

(b) In section 31(3), add "of Health" after "Director".

30. Medical Registration Ordinance (Cap. 161)

In section 2, the definition of "Director", repeal "Medical and Health Services" and substitute "Health".

Item            Enactment

Amendment

31. Midwives Registration Ordinance (Cap. 162)

(a) In section 3(2)(b), repeal "Medical and

Health Services" and  
substitute "Health".

(b) In section 3(2)(c) repeal  
"Medical and Health  
Department" and substitute  
"Department of Health".

32. Nurses Registration Ordinance (Cap. 164) In section 3(2)(b), repeal  
"Medical and Health Services"  
and substitute "Health".
33. Essential Services Corps (General) Regulations (Cap. 197, sub. leg.) In regulation 5(5), repeal  
"Medical and Health Services"  
and substitute "Health".
34. Essential Services (Auxiliary Medical Services) Corps Regulations (Cap. 197, sub. leg.) In regulation 2(2), repeal  
"Medical and Health Services"  
and substitute "Health".
35. Volunteer and Naval Volunteer (Pensions Assessment Board) Nomination (Cap. 202, sub. leg.) In paragraph 2(b), repeal  
"the Principal Medical and  
Health Officer (Medical)"  
and substitute "a Principal  
Medical and Health Officer".
36. Aerial Ropeways (Operation and Maintenance) Regulations (Cap. 211, sub. leg.) In the Second Schedule,  
paragraph (a), repeal "Medical  
and Health Services" and  
substitute "Health".
37. Offences against the Person Ordinance (Cap. 212) In section 47A(3) and (5)(b),  
repeal "Medical and Health  
Services" and substitute  
"Health".
38. Termination of Pregnancy (a) In regulation 2, repeal

Regulations (Cap. 212,  
sub. leg.)

"Medical and Health  
Services" and substitute  
"Health".

Item

Enactment

Amendment

(b) In regulation 5(a), repeal  
"Medical and Health  
Department" and substitute  
"Department of Health".

(c) In Form 3 of the Schedule --

(i) in the heading,  
repeal "MEDICAL AND  
HEALTH SERVICES" and  
substitute "HEALTH";

(ii) in the Note at  
the end, repeal "Medical  
and Health Services,  
Medical and Health  
Department" and  
substitute "Health,  
Department of Health".

(d) In the Chinese version of  
Form 3 of the Schedule --

(i) repeal " "

(ii) in the Note at the  
end, repeal

" "

39. Remand Home Rules  
(Cap. 226, sub. leg.)

In rule 13, repeal "Medical and  
Health Department" and substitute  
"Department of Health".

40. Undesirable Medical Advertisements Ordinance (Cap. 231) In sections 3(2), 3A(1) and 4(2), repeal "Medical and Health Services" and substitute "Health".
41. Prison Rules (Cap. 234, sub. leg.) In rule 157, repeal "Medical and Health Services" and substitute "Health".
42. Compulsory Service Ordinance (Cap. 246) In sections 8(3), 13(1)(b) and 19(1), repeal "Medical and Health Services" and substitute "Health".

Item	Enactment	Amendment
43.	Auxiliary Forces Pay and Allowances Ordinance (Cap. 254)	In section 8(2)(d), repeal "Medical and Health Services Department" and substitute "Department of Health".
44.	Venereal Disease Ordinance (Cap. 275)	(a) In section 2, repeal the definition of "Deputy Director" and substitute -- "Deputy Director" means the officer appointed to be Deputy Director of Health and also includes any medical officer appointed by the Director of Health to act on behalf of the Deputy Director of Health for the purpose of this Ordinance; ".

(b) In section 3, repeal "at  
Medical and Health  
Department, Medical  
Headquarters" and substitute  
"of Health, Department of  
Health".

(c) In Form 1 of the Schedule --

(i) repeal "Medical  
and Health Services" and  
substitute "Health";

(ii) repeal "Medical  
and Health Services, Medical  
and Health Department,  
Medical Headquarters"  
and substitute "Health,  
Department of Health".

Item	Enactment	Amendment
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		(d) In Form 2 of the Schedule, repeal "Medical and Health Services" and substitute "Health".
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	(e) In Form 3 of the Schedule, repeal "Medical and Health Services, Medical and Health Department, Medical Headquarters" and substitute Department of	Health, Health".
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45. Merchant Shipping Ordinance (Cap. 281) In section 2, the definition of  
"Port Health Officer", repeal  
"Medical and Health Services" and  
substitute "Health".

46. Merchant Shipping (Miscellaneous Craft) Regulations (Cap. 281, sub. leg.) In regulation 46(2), repeal "Medical and Health Services" and substitute "Health".
47. Employees' Compensation Ordinance (Cap. 282) In section 36A, the definition of "Director", repeal "Medical and Health Services" and substitute "Health".
48. Radiation Ordinance (Cap. 303) In section 3(2)(a) and (4), repeal "Medical and Health Services" and substitute "Health".
49. Radiation (Control of Radioactive Substances) Regulations (Cap. 303, sub. leg.) In regulation 2(1), the definition of "Authority", repeal "Medical and Health Services" and substitute "Health".
50. Radiation (Control of Irradiating Apparatus) Regulations (Cap. 303, sub. leg.) In section 16(2), (3) and (4A), repeal "Medical and Health Services" and substitute "Health".

Item	Enactment	Amendment
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- |     |  |  |
|-----|--|--|
| 51. | Drug Addicts Treatment and Rehabilitation Ordinance (Cap. 326) | (a) In section 5(4), repeal "Medical and Health Services" and substitute "Health". |
|     |  | (b) In section 14(2)(a), repeal "Medical and Health Services or the Deputy         |

Director of Medical and Services" and	Health substitute "Health or the Deputy Director of Health".
--	--

52. Animals (Control of Experiments) Ordinance (Cap. 340)	In section 2, the definition of "Licensing Authority", repeal "Medical and Health Services" and substitute "Health".
---	---

53. Animals (Control of Experiments) Regulations (Cap. 340, sub. leg.)	(a) In regulations 2, 3 and 5, repeal "Medical and Health Services" and substitute "Health".
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Health".	(b) In Form 1 of the Schedule, repeal "D.M.H.S." and substitute "The Director of Health".
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54. Medical Clinics Ordinance (Cap. 343)	In section 2, paragraph (i) of the definition of "clinic" and in section 3, repeal "Medical and Health Services" and substitute "Health".
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55. Pneumoconiosis (Compensation) Ordinance (Cap. 360)	In section 22, repeal "Medical and Health Services" and substitute "Health".
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56. Smoking (Public Health) Regulations (Cap. 371, sub. leg.)	In regulations 5 and 6, repeal "Medical and Health Services" wherever it occurs and substitute "Health".
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Item	Enactment	Amendment
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(Cap. 136, sub. leg.) in the Schedule, repeal "Medical and Health Services" and substitute "Hospital Services".

Item	Enactment	Amendment
3.	Midwives Registration Ordinance (Cap. 162)	In section 2, the definition of "Director", repeal "Medical and Health" and substitute "Hospital Services".
4.	Nurses Registration Ordinance (Cap. 164)	In section 2, the definition of "Director", repeal "Medical and Health" and substitute "Hospital Services".
5.	Resolution of the Legislative Council on the Samaritan Fund (L.N. 70/69)	(a) Repeal "Medical and Health Services" wherever it occurs and substitute "Hospital Services".  (b) Repeal "Medical and Health Department" wherever it occurs and substitute "Hospital Services Department".
6.	Mental Health (Amendment) Ordinance 1988 (46 of 1988)	(a) In section 2(c), in the new section 2(2), repeal "Medical and Health Services" and substitute "Hospital Services".  (b) In section 14, in the new section 42B(6)(c), repeal "Medical and Health

Services" and substitute  
"Hospital Services".

(c) In section 18, in the new  
section 49(1) and (2),  
repeal "Medical and  
Health Services" and  
substitute "Hospital  
Services".

(d) In section 23, in the new  
section 59A(2)(b) and (9),  
repeal "Medical and

Item	Enactment	Amendment
		Health Services" and substitute "Hospital Services".

### SCHEDULE 3

ENACTMENTS IN RESPECT OF WHICH FUNCTIONS OF THE DIRECTOR  
OF MEDICAL AND HEALTH SERVICES ARE TRANSFERRED TO THE DIRECTOR OF HEALTH AND THE  
DIRECTOR OF HOSPITAL SERVICES

Item	Enactment	Amendment
1.	Ferry Services (Hongkong and Yaumati Ferry Company, Limited) (Determination of of Fares) Order 104, sub. leg.)	In paragraph 3, paragraph (b) of the definition of "handicapped", repeal "Medical and Health Services of the Medical and Health Department" and substitute --

(Cap.

"Health of the  
 Department of Health or  
 the Director of Hospital  
 the Hospital  
 Services of  
 Services Department".

2. Hospitals, Nursing Homes  
 and Maternity Homes  
 Registration Ordinance  
 (Cap. 165)

(a) In section 2, before the  
 definition of "hospital",  
 add --

"Director",  
 in relation to

registration  
 of maternity  
 Director of  
 Health and,  
 of hospitals  
 and nursing

homes,  
 means the  
 in relation to  
 registration

Item            Enactment  
  
  
 Hospital  
 Services;".

Amendment  
  
 means the  
 Director of

(b) In section 3(2), repeal  
 "of Medical and Health  
 Services (hereinafter  
 referred to as the  
 Director)".

3. Road Traffic (Driving  
 Licences) Regulations  
 (Cap. 374, sub. leg.)

In regulation 2, the definition  
 of "disabled person", repeal  
 "Medical and Health

Services" and substitute  
 "Health or the Director of

Hospital Services".

4. Road Traffic (Public Service Vehicles) Regulations (Cap. 374, sub. leg.) In regulation 47(5), repeal "Medical and Health Services" and substitute "Health or the Director of Hospital Services".
5. Road Traffic (Registration and Licensing of Vehicles) Regulations (Cap. 374, sub. leg.) In regulation 21(12), repeal "Medical and Health Services" and substitute "Health or the Director of Hospital Services".
6. Commissioner for Administrative Complaints Ordinance 1988 (67 of 1988) In Schedule 1, repeal "Medical and Health Department" and substitute --  
"Department of Health.  
Hospital Services  
Department.".

He said: Sir, I move the resolution standing in my name on the Order Paper.

The purpose of the resolution is to transfer to the Director of Health or the Director of Hospital Services functions presently exercised by the Director of Medical and Health Services under a number of legal enactments. The new departments of Health and Hospital Services will come into existence on 1 April 1989, following a splitting of the responsibilities of the present Medical and Health Department.

The Department of Health will be responsible for all public health matters including health education, surveillance and preventive health programmes. It will also be responsible for the operation of the Government's general out-patient clinics, for maternal and child health services and for a number of health services such as child assessment, occupational health, dental services and forensic pathology.

The Hospital Services Department will be responsible for the management and

planning of all services in government hospitals and specialist out-patient clinics, as well as the co-ordination and monitoring of the services provided by subvented hospitals.

To give effect to these organizational changes :

(a) new heads of expenditure for the two new departments will be created in the context of the draft Estimates for the coming financial year;

(b) the Finance Committee of this Council has already approved, in the context of the 1989-90 draft Estimates, the transfer from the establishment of the Medical and Health Department of 5 226 and 22 425 posts respectively to the Department of Health and the Department of Hospital Services and it has been asked to approve the creation of 10 new directorate posts in the two new departments.

Sir, as Members will be aware, the creation of these new departments is an important first step towards the establishment of a statutory Hospital Authority to assume overall responsibility for the management of all public hospital services. Members will recall that, in 1985, the Government commissioned consultants to undertake a review of the delivery of medical services provided in government and subvented hospitals. During the course of the review, the consultants identified a number of problems affecting the management and co-ordination of services provided in government and subvented hospitals. These included :

(a) a lack of effective regional co-ordination of the services provided by government and subvented hospitals;

(b) less favourable terms of service for staff in subvented hospitals leading to higher wastage rates in these institutions;

(c) problems in the management structure of the large government hospitals; and

(d) a lack of flexibility in the management of staff and other resources due, in part, to the need to conform to Civil Service wide regulations and practice.

In their report, published in December 1985, the consultants concluded that these problems could not be resolved adequately within the present organizational framework for providing hospital services. They recommended that the management of the present government and subvented hospitals should be integrated under a statutory Hospital

Authority, funded by the Government, but operating outside the Civil Service and that all aspects of public health should be handled by a separate health services body within the Government. Following a period of public consultation, proposals for the establishment of a Hospital Authority, Hospital Services Department and Department of Health were endorsed in principle by the Executive Council in September 1987.

Sir, the target date for the establishment of the Hospital Authority is 1 April 1990. There are sound reasons for splitting the services of the Medical and Health Department one year in advance.

Although, in many respects, the health and hospital services functions of the Medical and Health Department operate separately they, nevertheless, share many central departmental resources, such as accommodation, finance, staff management, procurement and so on. The division of these functions between the two new departments is a major logistical exercise and some teething problems will be inevitable. However, the next 12 months should provide ample time for these problems to be overcome so that all internal management systems are functioning smoothly in preparation for the next step of establishing the Hospital Authority. When the authority comes into existence the Hospital Services Department will be subsumed within the management structure of the new authority; the Department of Health will remain a government department.

A point I would like to stress, Sir, is that the creation of the two new departments will not, in itself, lead to any significant change or disruption to the present operational arrangements for the provision of medical and health services. For the vast majority of staff, the reorganization will entail no more than a change in the departmental designation of the posts which they presently occupy. Steps will also be taken to ensure that the career prospects of staff employed in grades which will be common to both departments are not adversely affected. Specifically, arrangements will be made for the departments to exercise joint responsibility on matters such as postings, promotion, performance appraisal, training and career development.

As the health authority and the body responsible for the provision of a wide range of medical and health services in hospitals and clinics, the Director of Medical and Health Services and the Medical and Health Department are delegated with statutory responsibilities and authorities under a large number of Ordinances and Regulations. Consequent upon the dissolution of the Medical and Health Department and the creation

of the two new departments, it is necessary to re-allocate these powers to either the future Director of Health or Director of Hospital Services as appropriate. Accordingly this resolution is tabled to seek Members' approval to effect the transfer of functions from the Director of Medical and Health Services to the appropriate new authorities as provided under section 54A of the Interpretation and General Clauses Ordinance.

Sir, I beg to move.

Question proposed.

DR. IP Sir, I object in principle to the proposed reorganization of the Medical and Health Department into the Hospital Services Department and the Department of Health since medical and health services cannot in reality be divided up. It is in all terms part and parcel of the same thing. The medical care of patients includes both prevention and treatment. The latter can academically be further divided into primary, secondary and tertiary care. However the distinction between them is fine. One form of service moulds into another and it is difficult to say when one begins and one ends.

To quote some examples. This resolution has grouped the relevant statutory functions under three schedules, one to be transferred to the Director of Health Services, one to the Director of Hospital Services, and one to both the Director of Health and the Director of Hospital Services! So in essence Government admits that, at least in six instances, the functions cannot be so divided. This is not all, there are two Ordinances in which parts are fragmented between different departments. Furthermore, the Mental Health Ordinance and Mental Health Regulations, to do with health as their titles imply.... will be under the hospital services! Yet the majority of mentally-ill patients are amongst the community and not in hospitals.

There is more to it. For example, Ordinances involving drugs, antibiotics, pharmacy, poison, radiation, all of which affecting hospital services, will be under the Department of Health Services. Ordinances governing doctors, dentists, nurses and midwives, most of whom are working in hospitals, will be under the Health Services Department.

Sir, such a reorganization will not only confuse the management of the hospital

and clinical services further. It is bad as it is! It would also involve the use of large sums of the taxpayers' money. This is why I have objected to such a paper circulated to members of the Finance Committee. This split into two departments, we are given to understand, will in effect require a duplication of the senior posts of Director, Deputy Director, and a few senior administrative, executive, and accounting personnel, a team of clerical workers as well as office premises.

If you ask any layman how much he understands the functions of a general out-patient clinic and why he attends one of them, the simple answer is that he is ill and requires the diagnosis and medical treatment of his illness. Ask any hospital doctor whether the treatment at the out-patient clinics affects their work in hospitals, they will tell you that good treatment received there reduces the number of patients requiring hospital admissions. My question to Government therefore is, why should such clinics be operated by the Department of Health, whose justifiable existence is the maintenance of good health in a person who is not sick in the first place. To say that the clinics exist to survey the rise and fall of infectious disease is nonsense, as this is already being done by a network of private medical practitioners and hospital doctors who are legally bound to do so. It is therefore reasonable for some to suspect that, for all purposes, this is no more than a ploy of those remaining in the future Health Services Department to maintain the size of a shrinking department.

Sir, to allow the public to know more about the basis of such a split, I apologize that I must go back a little in history. In doing so, I must be frank to say that in my opinion, Government has pre-empted the setting up of a hospital authority even before a steering committee was set up to review hospital services.

Whether it is because the inadequacy of the medical and health services is becoming too obvious and Government wants to remove this eyesore segment from the public venue of the Legislative Council or whether with the development of representative government, there is a general trend towards budding off major service areas into independent authorities, I would abstain from commenting except to say that, to realize the spirit of representative government, the councils of such independent authorities should consist of elected members and officials should be in attendance only.

My earlier statement that Government has pre-empted the setting up of a hospital authority prior to the setting up of a steering committee to review hospital services

is not without basis. Firstly, if Government genuinely wanted to review medical services as a whole, as it should have, since admittedly it was in a state requiring repair, why did Government not set up a steering committee to review medical services as a whole! Instead it chose to confine the review only to the hospital services. Secondly, in the appointment of the steering committee, the number of officials sitting was such that inspite of the objections of most of the unofficial members that the terms of reference should exclude the review of the general out-patient clinics, such objections were overruled.

Thirdly and for the same reasons as above, inspite of objections on grounds of conflict of interests to the appointment of the consultancy firm which had previously provided and which is also likely in the future to provide direct services to the same department of which it is doing a review, such objections were again overruled.

Lastly, since the terms of reference of the steering committee were confined to reviewing only hospital services, the consultants who admitted to me that it is more logical to recommend an independent medical and health authority could not so recommend.

By the time the consultancy report came out for members of the Medical Development Advisory Committee, the members of the medical profession and the public to comment, most of whom agreed that the review should include the general out-patient clinics, it was too late!

Sir, I am a pragmatic person. I am fully aware that such a reorganization of the Medical and Health Department paves the way to the setting up of an independent Hospital Authority which is now inevitable. And inspite of Government's decision to do so against my opinion, I will continue to work closely with it to alleviate this situation of confusion as much as possible. It is because I want to respond positively that I am using this opportunity, with the hope that Sir Sze-yuen, you yourself, Sir, and those lay members of the Provisional Hospital Authority will hear and digest what I have said and request for an urgent conclusion to a review of the general out-patient clinics and consider whether they should be absorbed into the independent Hospital Authority. If so, the authority should be better termed the Independent Medical and Health Authority. We can then offer unfragmented medical treatment to patients. I believe that in most developed countries, the equivalent authority offers both hospital as well as out-patient clinic services. This will leave a smaller department which is better to retain the existing name of Medical and Health Department to assist Government towards policy making.

Sir, I agree with the Boyle Consultancy which Government appointed in 1971 to provide internal recommendations to the Medical and Health Department. It criticized that the medical and health services should be split at the level of deputy director and downwards. It is disappointing that not only has Government rejected this very consultancy report but has gone further to split the department into two, now from the level of director downwards. For the last seven years, I have consistently objected to such a division and my stance remains the same. As I object to this reorganization, I will abstain from voting on this resolution and vote against the use of funds to facilitate the splitting of the Medical and Health Services Department.

MR. CHOW: Sir, I support in principle the proposed splitting of the Medical and Health Department into the Department of Health and the Department of Hospital Services but have some reservations about the implementation date, that is, 1 April 1989.

It is because there is still chaos in the overall operational and administrative structure after the splitting of the Medical and Health Department, especially the nursing service which forms a major part of medical and health care system. If anything goes wrong, it will inevitably hinder the overall running of the department.

The nursing structure originally consisted of three streams. They were clinical (hospital and out-patient department services), health and education streams which were merged to form the present structure in 1984. At that time, most of the nurses were strongly against the merging as it would lead to operational and administrative problems in the service.

In 1987, the Executive Council endorsed the recommendations made in the Scott Consultancy Report about the setting up of the Hospital Authority and the splitting of the Medical and Health Department into two separate departments. This clearly indicated that the merging policy in nursing was a wrong step taken by the Government at that time.

With regard to timing, I propose to defer the implementation date of splitting the Medical and Health Department for the following reasons :

Firstly, the consultative document do not provide clear and concrete solutions to the confusion in the organizational structure of the two re-organized departments especially in the nursing service. Even at the two meetings with the Administration last week, I still got different explanations from the officials which had indeed confused me. I do not know whether the other Members had the same feeling or not. Sir, I think further clarification and consultation are necessary before the implementation of the splitting.

Secondly, the staff consultation process was not properly conducted by the Administration. Staff up to now still complain that they do not have enough information and the explanations given by the Administration are making them run in the maze.

Thirdly, most of the staff do not have much confidence in the future Hospital Authority. If Government insists on the splitting of the Medical and Health Department with effect from 1 April 1989, the situation may become even worse. Since the Hospital Authority will be established in 1990, is there really an urgent need to split the Medical and Health Department next month? Such action taken by the Government will only further reduce staff's confidence in the future Hospital Authority.

Lastly I do not understand why the Government does not review the overall medical and health services but only the hospital services. Prevention is better than cure, bearing in mind that health care service is a preventive service.

Sir, with these remarks, I have reservations about the implementation date. I do not support the motion.

DR. LEONG: Sir, I rise in response to the resolution on the splitting of the current Medical and Health Department.

Whilst this move is no doubt in preparation for the forthcoming Hospital Authority and in this aspect it is a step towards the right direction, I would like to take this opportunity to express some of the views of the medical profession and my own on this move, perhaps to respond to and echo some of the views made by my honourable colleagues who spoke earlier today.

The medical profession has always been sceptical and understandably disappointed by the fact that the Administration has ignored a total review of medical health care in Hong Kong and have so far only laid emphasis on one sector of medical care, that is, the delivery of hospital care.

Primary health care, for an example, is just as important if not more in the total provision of health care in society. This point, however, Sir, has never been addressed. I do hope that the establishment of a separate Department of Health would act as a catalyst to a more speedy consideration towards this aspect of health care in Hong Kong.

There are obviously many grey areas remaining after the splitting of the department. Many of the front-line workers too would be at a loss in relation to their sense of belonging and a disillusion towards their job career in the future after the splitting. All these are understandable. In these sensitive times, Sir, it is crucial for the Administration to affirm that the exercise of the splitting of the department is only the beginning of a progressive change for the better and that this move would be reviewed on a regular basis with full information and consultation with the working staff.

With these remarks, Sir, I support the motion.

SECRETARY FOR HEALTH AND WELFARE: Sir, I think I should begin by going back to the terms of reference of the consultancy which led to the recommendation that the Hospital Authority should be set up and that the Medical and Health Department should be split. Sir, the terms of reference of the consultancy was confined to hospital services for very good reasons and certainly not with the ulterior motives that Dr. IP has seen fit to attribute to the Government. Sir, at that time in 1984-85 the Government could see quite clearly that there was an organizational problem because of the sheer size of the Medical and Health Department. The current number of staff is over 27 000. It was smaller then but not much smaller. Secondly, it is obvious also that there were serious hospital management problems especially in the major hospitals. It was also seen that there was a need for the better integration of and co-ordination between services provided by government and subvented hospitals. And lastly, there was the need to confine the consultancy to a manageable size and within a reasonable period of time. On the other hand, Sir, on the health side there was already in existence an effective programme of preventive medicine as reflected in

vital health indices which were even then highly satisfactory by international standards.

Sir, I will not repeat here the conclusions and recommendations of the consultancy which I have already summarized in my earlier statement. The fact is that having accepted the recommendations, the splitting up of the Medical and Health Department into two separate departments becomes a natural consequence.

The Members who have spoken today have identified a number of areas where, as a result of the split, there might be potential problems, logistical or otherwise. As I said in my earlier statement, Sir, one of the main reasons for splitting the department one year in advance of the establishment of the Hospital Authority is to provide time for teething problem to be identified and addressed. The setting up of the Hospital Authority next year will involve major changes in the running of our public hospitals. To split the department at the same time next year will have compounded the problems which will have to be faced in any case. So I think it makes very good sense for us to do it one year in advance of the actual setting up of the Hospital Authority. I would say too, Sir, that even after the two departments come into being on 1 April 1989 nothing should be regarded as being set in concrete. The remarks made by Members today will certainly be borne in mind. If experience should indicate that adjustments may be required, I see no reason why later on, and even after the Hospital Authority has been set up, the division of responsibilities between the two separate bodies cannot be further refined or addressed.

On the question of primary health care, Sir, it is indeed the intention of the Government to start a review of the present system in the next few months and with a degree of urgency. In drawing up the terms of reference I will certainly pay regard to Dr. IP's remarks but I doubt very much whether after the Hospital Authority has been set up next year and in the first few years of its infancy we should enlarge the organization by injecting into it the general out-patient clinics thereby making it an even bigger organization. But as I said, Sir, nothing is set in concrete.

Sir, questions have been asked about consultation with staff. This is an area of major concern to the Government and I will, with your indulgence, Sir, spend a little time on this. The Government fully recognizes the importance of staff consultation in the reorganization exercise involving 27 000 members of the Medical and Health Department. It is for this reason that special measures on staff consultation were adopted to make sure that staff understood the objectives of the

reorganization, what it involves and how their legitimate interests are being safeguarded. The consultative measures included over 60 meetings since the summer of 1987 when the Government decided to set up the Hospital Authority and to reorganize the department. These meetings cover those jointly held with all grades of staff representatives in the formal departmental consultative committee or separately with different grade representatives covering medical and dental officers, nurses, paramedics, general grades officers and Model Scale I officers.

In addition, two special rounds of open consultation sessions were held in the autumn of 1987 and the summer of 1988 in all hospitals and most clinics so that staff who do not belong to the associations can have the benefit of being directly briefed on the reorganization of the Medical and Health Department and in putting forward their views to the management.

To ensure that each and every member of the department is aware of the changes being introduced, two bilingual departmental circulars were issued: one on 12 October 1987, another on 25 July 1988. These circulars were given the widest circulation possible and in both cases a hotline telephone number was given in order to encourage staff to seek clarifications and to put forward their views on the matter. A further detailed circular will be issued shortly to explain to staff the reorganization of the department and to repeat the assurances on their civil service status.

Sir, in addition to the above consultations, a group of 43 staff associations have formed themselves into a "league" representing all grades of staff other than the doctors and hospital administrators in order to safeguard the interests of the staff with the approaching establishment of the Hospital Authority. Their latest meeting with the management of the department was held on 7 March, a few days ago, and there they indicated clearly that they understood the reason for and did not object to the reorganization of the department on 1 April 1989. In response to requests from individual staff associations, additional meetings have also been arranged with various staff representatives and groups to further explain the details of the reorganization and to allay their anxieties. These meetings have generally been well received by the staff.

Sir, from all these consultations with staff a very clear message has emerged. The steps being taken to reorganize the medical services have created uncertainty amongst staff. This, however, is a problem which cannot be fully resolved until the recommendations of the Provisional Hospital Authority on the new terms and conditions

of service to be applicable under the new Hospital Authority have been finalized and accepted by staff. In the interim, the Government has assured staff that whatever the future Hospital Authority may be, they will have an option either to join the new authority or to remain as civil servants. This will be a genuine option and for those who remain as civil servants they will have their legitimate interests protected.

Finally, Sir, consultation with staff will continue after the reorganization of the department, because as I said it is essential to secure the understanding and support of staff in a major and complex reorganization exercise which will begin on 1 April 1989.

Question put and agreed to.

First Reading of Bill

PUBLIC HEALTH AND MUNICIPAL SERVICES (AMENDMENT) (NO.2) BILL 1989

Bills read the First time and ordered to be set down for Second Reading pursuant to Standing Order 41(3).

Second Reading of Bills

PUBLIC HEALTH AND MUNICIPAL SERVICES (AMENDMENT) (NO.2) BILL 1989

THE SECRETARY FOR LANDS AND WORKS moved the Second Reading of: "A Bill to amend the Public Health and Municipal Services Ordinance".

He said: Sir, I move the Second Reading of the Public Health and Municipal Services (Amendment) (No. 2) Bill 1989.

The Government's primary concern in respect of the control of advertisement signs is to reduce the risk of death and injury caused by potentially dangerous signs.

Under the present law, the Director of Buildings and Lands is required to locate the owner of a dangerous sign and serve a notice on him before it can be removed even

in urgent cases. It is only when the owner cannot be readily located that the director can take any immediate remedial actions such as demolition. Very often it is not easy to identify the owner of a dangerous sign within a short period of time and serve a notice. But in urgent cases, the dangerous sign really ought to be removed without any delay. So clause 2(c) of the Bill gives the Director of Buildings and Lands the power to take such remedial actions immediately.

Clauses 2(b) and 2(d) of the Bill seek to empower the Director of Buildings and Lands under section 105 of the Ordinance to remove or dispose of the remaining materials after a sign has been removed. Strangely enough, the director does not have this power at present.

The opportunity is also taken to include in this Bill several miscellaneous amendments primarily to reflect the present position that the Director of Buildings and Lands, rather than the two municipal councils, is the authority for the control of dangerous advertisement signs.

This Amendment Bill, if enacted, will strengthen the Government's control over potentially dangerous advertisement signs, thereby reducing the risk of death and injury posed by these to the general public.

Sir, I move that the debate be now adjourned.

Question on adjournment proposed, put and agreed to.

INSURANCE COMPANIES (AMENDMENT) BILL 1989

Resumption of debate on Second Reading which was moved on 22 February 1989

Question proposed.

At this point, the following Members declare their interest:

Mr. Allen LEE as a director of an insurance company.

Mr. HO Sai-chu as a director, a general manager and a shareholder of an insurance company.

Mr. David LI as a director of an insurance company.

Question put and agreed to.

Bill read the Second time.

Bill committed to a Committee of the whole Council pursuant to Standing Order 43(1).

MONEY CHANGERS (DISCLOSURE OF RATES, CHARGES AND COMMISSIONS) (AMENDMENT) BILL 1989

Resumption of debate on Second Reading which was moved on 25 January 1989

Question proposed.

MR. CHUNG: Sir, the Money Changers (Disclosure of Rates, Charges and Commissions) (Amendment) Bill 1989 seeks to make a number of amendments to the existing Ordinance.

A Legislative Council ad hoc group was formed to study the Bill and to consider representations. A number of queries and suggestions were made to the Administration by the ad hoc group. Response by the Administration has resulted in certain amendments to the Bill which will further improve the Bill. My colleagues, the Honourable Martin BARROW and the Honourable Mrs. Peggy LAM will move those amendments.

The Ordinance enacted in 1985 provides for the disclosure by money changers of exchange rates, charges and commissions on exchange transactions and permits customers to consent in advance to the terms of the transaction. Following the enactment, there has still been an unacceptable level of malpractice within the money changing trade. This generates a significant amount of adverse publicity both locally and overseas. Therefore, something more positive has to be done to rectify the situation and to protect the customers. Many of them are visitors in Hong Kong.

The Bill requires a money changer to complete a transaction note using the net rate of exchange before the transaction is finalized. It also requires the money changer to maintain a board or other device displaying the net rates of exchange. It prohibits a money changer from displaying notices and statements which are false or misleading to the customers. The Bill will enable the enforcement agency to deal more effectively with complaint cases on non-compliance with the requirements of the

Ordinance. Criminal liability is extended to officers including directors and managers of corporate money changers, or partners of partnership, if they do not take appropriate steps to avoid malpractices by employees. Surely unscrupulous money changers must be made to pay the price for their misdeeds which may jeopardize the reputation of Hong Kong.

I believe that the Bill will serve to regulate the trade, afford better protection to customers and enhance Hong Kong's image as a favourable visitor destination.

Sir, with these remarks, I support the Bill.

MR. LI: Sir, as one of the representatives of the Finance and Accountancy Constituency in this Council, I heartily endorse any measure aimed at improving the image of Hong Kong as a place where one can expect fair and honest treatment from those connected, in whatever way, with the financial field.

It has long been a complaint of tourists and indeed of many others that unfair treatment from money changers was the norm and not the exception. Whilst one accepts that it takes only a few rotten apples to spoil the barrel, nevertheless, it remains a fact that often the first and last act of people visiting Hong Kong is to change their money. We do not wish people to fly out from Kai Tak with their memory of Hong Kong soured by ill treatment at the hands of a small minority.

This Bill seeks to improve further a situation that has already been to a large degree resolved, and will therefore be most welcome. The Government is to be congratulated on this timely and useful initiative.

Sir, with these remarks, I support the motion.

FINANCIAL SECRETARY: Sir, I would like to thank Mr. CHUNG Pui-lam, members of the ad hoc group and Mr. David LI for their careful consideration of and support for the Bill.

When the Second Reading debate was moved on 25 January 1989, Members were advised that at least three months would be allowed following enactment of the Bill before it was brought into effect. I can now confirm that if the Bill is enacted today,

we will bring the Ordinance into operation on 1 July 1989. This should allow adequate time for the trade to make the necessary adjustments.

Sir, I beg to move.

Question put and agreed to.

Bill read the Second time.

Bill committed to a Committee of the whole Council pursuant to Standing Order 43(1).

Committee stage of Bills

Council went into Committee.

INSURANCE COMPANIES (AMENDMENT) BILL 1989

Clauses 1 to 5 were agreed to.

Clause 6

FINANCIAL SECRETARY: Sir, I move that clause 6(b) of the Bill be amended as set out in the paper circulated to Members.

We recognize that certain insurers may at present fall short of the proposed new solvency margin requirements specified in clause 3 of the Bill. It is for this reason that we have proposed a grace period of up to 1 January 1991 for existing authorized insurers to comply. We firmly believe that the new solvency requirements are the minimum necessary for the adequate protection of policy holders and should be brought into effect as early as possible. However, having regard to representations made by the insurance industry, we propose to extend the grace period by three months to 1 April 1991. This will allow existing authorized insurers two full years in which to comply. In the interests of existing and future policy holders, I hope that the authorized insurers will make every effort to meet the new solvency margin requirements sooner rather than later.

Proposed amendment

Clause 6

That clause 6(b) be amended, by deleting "January" and substituting "April" in the proposed subsection (1A).

Question on the amendment proposed, put and agreed to.

Question on clause 6, as amended, proposed, put and agreed to.

MONEY CHANGERS (DISCLOSURE OF RATES, CHARGES AND COMMISSIONS) (AMENDMENT) BILL 1989

Clauses 1 to 4, 6 and 7 were agreed to.

Clauses 5 and 8

MR. BARROW: Sir, I move that clauses 5 and 8 be amended as set out in the paper circulated to Members.

The proposed section 4(10) under clause 5 of the Bill provides that if a customer refuses to proceed with an exchange transaction, the money changer shall immediately hand back to the customer the currency tendered by the customer for the exchange transaction. The amendment is proposed to ensure that money changers do not impose a handling fee in respect of transactions which are cancelled. This point was raised by the Hong Kong Tourist Association and has the support of the Legislative Council ad hoc group.

The proposed section 8 under clause 8 of the Bill deals with the displaying of rates of exchange. The originally proposed section 8(2) provided that if a money changer chose to advertise the rate of commission or charges, or that he charged no commission in respect of an exchange transaction, he had to give equal prominence in the advertisement to the commission, charge or fee or the non-payment of commission with respect to both the buying and selling of currency. Members of the Legislative Council ad hoc group are concerned that display or advertising by the money changers of the rate of commission or other charges would cause confusion to the customers in their interpretation of the net rate of exchange, particularly those tourists whose

first language is not English. The display of the net rate of exchange should be adequate for the customers to judge the terms offered by individual money changers and there is no need for the money changers to make known their profit margin. The originally proposed section 8(2) is therefore considered redundant and the present amendment is to substitute that with a new section 8(2) which prohibits advertisements relating to the charging or non-charging of commissions or other charges by the money changers.

Sir, I beg to move.

Proposed amendments

Clause 5

That clause 5 be amended, by adding at the end "without any deduction" in the proposed section 4(10).

Clause 8

That clause 8 be amended--

by deleting proposed section 8(2) and substituting --

"(2) A money changer shall not advertise --

- (a) that he charges a commission on an exchange transaction;
- (b) that he charges no commission on an exchange transaction;
- (c) that he makes any other charge on an exchange transaction; or
- (d) that he does not make any other charge on an exchange transaction."

FINANCIAL SECRETARY: Sir, I support the Committee stage amendments proposed by Mr. BARROW.

Question on the amendments proposed, put and agreed to.

Question on clauses 5 and 8, as amended, proposed, put and agreed to.

Schedule 1

MRS. LAM: Sir, I move that Schedule 1 be amended as set out in the paper circulated to Members.

Schedule 1 to the Bill prescribes the form of the Transaction Note to be used by money changers. Since the form is required to be bilingual, the Legislative Council ad hoc group considers it appropriate to provide a Chinese translation for the heading "Transaction Note" so as to complete the Chinese version of the note. The amendment proposed is to achieve this purpose.

Sir, I beg to move.

Proposed amendment

Schedule 1

That Schedule 1 be amended, by adding under "TRANSACTION NOTE" the Chinese characters " " .

FINANCIAL SECRETARY: Sir, I support the Committee stage amendment proposed by Mrs. LAM.

Question on the amendment proposed, put and agreed to.

Question on Schedule 1, as amended, proposed, put and agreed to.

Schedules 2 and 3 were agreed to.

Council then resumed.

Third Reading of Bills

THE ATTORNEY GENERAL reported that the

INSURANCE COMPANIES (AMENDMENT) BILL 1989

MONEY CHANGERS (DISCLOSURE OF RATES, CHARGES AND COMMISSIONS) (AMENDMENT) BILL 1989

had passed through Committee with amendments and moved that the Bills be read the Third time and passed.

Question on the Bills proposed, put and agreed to.

Bills read the Third time and passed.

Adjournment and next sitting

HIS EXCELLENCY THE PRESIDENT: In accordance with Standing Orders I now adjourn the Council until 2.30 pm on Wednesday, 12 April 1989.

Adjourned accordingly at twenty-six minutes past Four o'clock.

Note: The short titles of the Bills/motions listed in the Hansard have been translated into Chinese for information and guidance only; they do not have authoritative effect in Chinese.