

1 HONG KONG LEGISLATIVE COUNCIL -- 14 February 1990

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OFFICIAL REPORT OF PROCEEDINGS

Wednesday, 14 February 1990

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 SIR PIERS JACOBS, K.B.E., 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 STEPHEN CHEONG KAM-CHUEN, C.B.E., J.P.

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

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

THE HONOURABLE CHAN YING-LUN, O.B.E., 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, O.B.E., 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 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.

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

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

THE HONOURABLE MICHAEL LEUNG MAN-KIN, J.P.

SECRETARY FOR TRANSPORT

THE HONOURABLE GEOFFREY THOMAS BARNES, C.B.E., J.P.

SECRETARY FOR SECURITY

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

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 DANIEL LAM WAI-KEUNG, J.P.

THE HONOURABLE MRS. MIRIAM LAU KIN-YEE

THE HONOURABLE LAU WAH-SUM, J.P.

DR. THE HONOURABLE LEONG CHE-HUNG

THE HONOURABLE LEUNG WAI-TUNG, J.P.

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 YEUNG KAI-YIN, J.P.
SECRETARY FOR EDUCATION AND MANPOWER

THE HONOURABLE PETER TSAO KWANG-YUNG, C.B.E., C.P.M., J.P.
SECRETARY FOR HOME AFFAIRS

THE HONOURABLE MRS. ANSON CHAN, J.P.
SECRETARY FOR ECONOMIC SERVICES

THE HONOURABLE MRS. ELIZABETH WONG CHIEN CHI-LIEN, I.S.O., J.P.
SECRETARY FOR HEALTH AND WELFARE

THE HONOURABLE CLIVE WILLIAM BAKER OXLEY, E.D., J.P.
SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS

ABSENT

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

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

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

THE HONOURABLE TAM YIU-CHUNG

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

IN ATTENDANCE

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

Oath

Mr. C.W.B. OXLEY took the Oath of Allegiance.

Papers

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

Subject

Subsidiary Legislation

L.N. No.

Import and Export (Strategic Commodities) Regulations Import and Export (Strategic Commodities) Regulations (Amendment of Schedule) Order 1990.....	40/90
Drug Addiction Treatment Centres Ordinance Drug Addiction Treatment Centre (Hei Ling Chau Addiction Treatment Centre) Order 1990.....	41/90
Prisons Ordinance Prisons (Amendment) Order 1990.....	42/90
Registration of Persons Ordinance Registration of Persons (Application for New Identity Cards) (No. 3) Order 1990.....	43/90
Public Health and Municipal Services Ordinance Public Swimming Pools (Regional Council) (Amendment) By-Laws 1990.....	44/90
Securities Ordinance Securities (Recognition of Stock Markets) (Consolidation) (Amendment) Notice 1990.....	45/90
Securities Ordinance Securities (Registration of Dealers) (Approved Examinations) (Consolidation) (Amendment) Notice 1990.....	46/90

Sessional Papers 1988-89

No. 51 -- Regional Council

Estimates of Revenue and Expenditure for the Year ending 31
March 1991

No. 52 -- Urban Council

Estimates of Revenue and Expenditure for the year ending 31st
March 1991

No. 53 -- Report of the Public Accounts Committee on the Report of the
Director of Audit on the Accounts of the Hong Kong
Government for the year ended 31 March 1989 and the Result of
Value for Money Audit

January 1990 P.A.C. Report No. 14.

Address by Member

Report of the Public Accounts Committee on the Report of the Director of Audit on
the Accounts of the Hong Kong Government for the year ended 31 March 1989 and the
Result of Value for Money Audit
January 1990 P.A.C. Report No. 14.

MR. PETER POON: Sir, the 14th Report of the Public Accounts Committee (PAC) tabled
today has been compiled following the Committee's investigations into matters raised
in the Director of Audit's Report on the accounts of the Hong Kong Government for
the year ended 31 March 1989 and the results of value for money studies. This is
the first of two reports to be laid before this Council in the current Session. We
plan to issue a second in June, following a further report by the Director of Audit
on his value for money studies.

Sir, the 1980s saw a number of changes in the style and approach adopted by PAC
to its work; the most notable -- and I think the most successful -- having been the
introduction of public hearings in 1986 (although some controlling officers, having
been subjected to our questioning under the glare of the public and media attention,
might beg to differ!) I must say that our function as a committee has never been
vindictive or punitive; we have always looked forward, drawing lessons from the past

to arrive at recommendations that would lead to a more efficient and economic use of public funds in the future.

It may be overstating the case to talk of a big change in official attitudes toward the disbursement of public funds during the eighties, but I think we have seen a more conscientious and responsible approach emerge, a development that can be charted by reference to our reports and those of the Director of Audit. I believe that a major factor in bringing this about has been the introduction of public hearings, with all the attendant media and public interest.

Sir, I trust that the progress made over the past decade will not engender any sense of complacency or smug self-satisfaction. In our 14th report we highlight several cases where the absence of a proper spirit of inter-departmental co-operation resulted in waste and inefficiency. If the departments involved had been less concerned with defending their own territory and professionalism, and had paid more attention to economy and efficiency, millions of dollars of public money might have been saved. Now is not the time to rake over the mistakes of the past, but my hope for the 1990s is that a greater spirit of inter-departmental co-operation and mutual support will prevail within Government to the public good. Given the achievements of the past ten years, in ensuring that the public gets better value for its money, I am sure that this hope can and will be realized.

Oral answers to questions

Car-repairing operations

1. MRS. PEGGY LAM asked (in Cantonese): In view of the nuisances and environmental problems caused by car-repairing operations, will Government inform this Council whether consideration will be given to prohibiting such operations in residential areas?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Sir, car-repairing operations are regarded as unwelcome in residential areas because of the environmental nuisances these tend to create. However, this is a perennial problem, which I cannot claim that Government has solved or indeed can entirely solve.

The control Government has at present over the use of buildings is primarily through the enforcement of lease conditions. In the older urban residential areas, however, it is not usually possible to take lease enforcement action against car-repairing operations because these are often carried out in premises where the user conditions in the leases are either silent or unrestricted.

By comparison, in the New Towns, conditions are included in the lease to prevent residential premises from being used for car-repair operations or indeed any other non-residential use and these lease conditions are enforced. In the older urban areas where a lease modification or Conditions of Exchange can be imposed on redevelopment, the same controls are also applied. However, it has to be acknowledged that for existing operations in the older urban areas there is little that can be done other than to minimize the environmental nuisances they cause.

MRS. LAM (in Cantonese): Sir, the Acting Secretary for Planning, Environment and Lands has mentioned in the second paragraph of his main reply that it is not usually possible to take lease enforcement action against car-repairing operations in the older urban residential areas. Will the Administration inform this Council whether it will consider introducing legislative or licensing control over car-repairing operations in urban residential buildings?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Sir, the Government does not regard this problem as one of major importance which requires legislation.

MR. EDWARD HO: Sir, referring to the last line of the main reply, would the Secretary inform this Council what measures the Government can take to minimize the environmental nuisance caused by car-repair operations?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Yes, Sir, there are a number of measures which can be and indeed are being taken. These fall under four headings. Action can be taken under the Public Health and Municipal Services Ordinance to prevent environmental nuisances such as the littering of streets, the fouling of roads or ground surfaces with oily waste and any obstruction to scavenging services. We can also take action under the recently enacted Air Pollution Control Ordinance to require abatement of any air-polluting nuisance such as paint spraying.

If the operation is carried out in a public place, such as on a pavement, then the police can take action against obstruction under the Summary Offences Ordinance. And perhaps the most successful is action by the Labour Department, which may issue prohibition notices under the Factories and Industrial Undertakings Ordinance to prohibit any industrial activity considered not suitable to be conducted in non-industrial buildings on grounds of safety, health and the welfare of persons involved.

MR. TIEN: Sir, in residential areas most of these car-repairing operations are small garages that can only park two or three cars, while the rest of the cars awaiting repair are left on the streets at parking meters. Will Government consider removing these parking meters as a measure to reduce the extent of the nuisance created by these operations?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Sir, that is an interesting question which I will be happy to take up with the authorities concerned.

MR. CHENG HON-KWAN: Sir, while the Secretary referred to user control by lease conditions, will Government inform this Council whether car-repairing operations may be controlled through town planning processes?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Sir, we have considered this possibility but I have to say that the problem lies essentially in those buildings where the lease conditions themselves are unrestricted, or indeed silent on the user conditions. Town planning legislation is certainly very important upon redevelopment but if the individual building remains undeveloped, then the lack of user conditions will remain in place and no action can be taken.

Psychotropic drug abuse

2. MR. DAVID CHEUNG asked: Will the Government inform this Council of the extent to which the abuse of psychotropic drugs by persons under 21 years old has been

increasing over the past five years, the reasons for such increase, and what further measures can be taken to remedy the position effectively?

SECRETARY FOR SECURITY: Sir, the numbers of psychotropic substance abusers aged under 21 reported to the Central Registry of Drug Abuse for the first time in the past five years are as follows:

1985	58
1986	131
1987	160
1988	256
1989 (up to end - Sept.)	286

This does not reveal the full picture, but it indicates a definite upward trend in psychotropic substance abuse.

The drugs most commonly abused are cannabis, which accounted for 155 or 54% of new cases in the first nine months of 1989, and Mandrax, which accounted for 48, or 17% of these cases.

There are many reasons why young people abuse drugs. The common causes are thought to be curiosity, peer pressure, a misplaced desire for fun and excitement and the misconception that psychotropic drugs are harmless. Many young people also tend to imitate foreign fashions and for some, regrettably, this includes taking foreign drugs.

In view of the increasing trend of psychotropic substance abuse, the Government has accepted the advice of the Action Committee Against Narcotics (ACAN) and has intensified preventive education and publicity. The thrust of these efforts is two-fold.

Firstly, publicity is directed at the community at large, and parents in particular, to enlist their support in actively discouraging young people from starting on drugs. And secondly, we aim to promote and expand drug education in schools, which starts at Primary Six in the general context of basic health education. The dangers of drugs are covered in greater detail in the context of Social Studies, Economic and Public Affairs and Moral Education in secondary schools.

To remind those who have left school of the dangers of drugs, the Narcotics Division gives drug education talks to youngsters in youth organizations, boys' and girls' home and correctional institutions. Other activities include the ACAN Youth Volunteer Group which solicits youth volunteers to assist in anti-drug campaigns and the Youth Against Drugs Scheme which provides financial support to young people from youth centres, factories and schools to design and implement drug abuse prevention projects. In December 1988, a Youth Advisory Group comprising representatives from a cross-section of young people was formed to advise ACAN on the current thinking of youngsters on drug abuse issues so that realistic publicity strategies could be formulated to achieve maximum impact on the young.

On the law enforcement side, police and customs action in 1989 resulted in the seizure of over 400 kilograms of cannabis. There was a slight reduction in the seizure of Mandrax tablets with about 5 000 tablets seized in 1989 compared to 6 400 seized in 1988. This was mainly due to the controls which have been imposed by the Chinese authorities on the manufacture, sale and distribution of this drug since late 1986.

MR. DAVID CHEUNG: Sir, is the Government aware of the overall sales figures of psychotropic drugs to doctors and clinics? Could it be possible that there might be doctors who import large quantities of such drugs and dispense them indiscreetly?

SECRETARY FOR SECURITY: No, Sir, I am afraid I have no figures on the sales to doctors and clinics. This is something which I can take up and provide an answer in writing. (Annex I)

MR. MICHAEL CHENG: (in Cantonese): Sir, could the Government inform this Council of the number of schools which experience a particularly serious problem of psychotropic drug abuse? Has the Government taken any special measures to alleviate the situation in such schools?

SECRETARY FOR SECURITY: Sir, the available evidence suggests that drug abuse is not a significant problem in schools in Hong Kong, despite the five-fold increase generally in the use of psychotropic substances. A school survey conducted in 1987

revealed that 1.1% of students in Chinese-speaking secondary schools and 2.8% of students in the technical institutes had ever abused psychotropic substances. Subject to the availability of resources, a similar survey will be conducted in October this year which will include also English-speaking secondary schools in order for this information to be updated.

MRS. TAM (in Cantonese): Sir, could the Government inform this Council of the utilization rate of PS 33, a youth counselling centre, which has been established to help young people who abuse psychotropic or soft drugs? How effective is it in getting young people off soft drugs?

SECRETARY FOR SECURITY: Yes, Sir, I have some information on PS 33. This is regarded as a special facility for the treatment of psychotropic drug abusers. Since March 1988, PS 33, a counselling centre for abusers of psychotropic substances, has been in operation to provide a focal point for people who have abused or who are at risk of abusing psychotropic drugs to obtain information, counselling and referrals, including referral for medical treatment where appropriate.

PS 33 is a pilot project which is designed to last three years and ACAN has just completed an evaluation of its first 18 months of operation and agreed that the objectives have been reached and that its services should continue. The need for more such centres will be assessed at the conclusion of the three-year period.

MR. CHOW (in Cantonese): Sir, the sources of psychotropic drugs in the market are: (1) dispensaries/pharmacies, (2) private practitioners and (3) drug traffickers. Except for sources (2) and (3), source (1) is controlled in terms of sales volume. Could the Government inform this Council whether it will consider employing more inspectors to watch out for and eradicate unlawful dealings? Will the Government introduce legislative control over private practitioners' buying and selling of psychotropic drugs?

SECRETARY FOR SECURITY: Sir, people certainly cannot buy cannabis, which is the most abused psychotropic substance, over the counter. So far as pharmaceutical preparations are concerned, the Department of Health keeps a very close watch on this possibility. In 1989, over 7 600 inspections were carried out and over 1 300 attempts

were made by inspectors to purchase prescription drugs without a prescription at medical retail outlets. These efforts resulted in five prosecutions relating to psychotropic substances and the Department of Health, as I am sure my honourable friend, the Secretary for Health and Welfare, will agree, will maintain a high level of vigilance in this regard.

MR. MICHAEL CHENG (in Cantonese): Sir, could the Government inform this Council whether in recent years the ages of young people who abuse psychotropic drugs have come down to primary school age, that is, 11 or 12? If so, how will the Education Department tackle the problem?

SECRETARY FOR SECURITY: Sir, I am afraid I do not have any information on the ages to which abuse has been reduced as opposed to the ages at which it first starts. I will have to look into this and provide a reply in writing. (Annex II)

MR. DAVID CHEUNG: Sir, I would like to follow up on Mr. Ronald CHOW's question. What measures have been taken by the Government to ensure that the import of such drugs will not be excessive? Does Government require all importers of such drugs to keep a record for inspection?

SECRETARY FOR SECURITY: Sir, it might be useful if I made a more general reply on the enforcement and legislative side, particularly on enforcement. As has been said this afternoon, the main sources of supply of cannabis are the Philippines, Nepal and Thailand. Enforcement action in this area is taken by the police and the Customs and Excise Service in very similar ways to the enforcement action taken against heroin.

As far as Mandrax is concerned, the main source of supply was, until late 1986, China. But with the co-operation of the Chinese Government the illicit supply from this source has been greatly reduced. The Government exercises strict control over the supply of drugs and the premises, as I have said, of the manufacturers, wholesalers and retailers are visited by pharmacists of the Forensic Pharmacy Section of the Department of Health about twice a year. In addition to these routine inspections there are the test purchases which I have mentioned, and prosecution action is taken against those selling controlled drugs without a doctor's prescription.

As far as legislation over psychotropic substances is concerned, Sir, I am satisfied that the existing penalties provided under the existing legislation are a sufficient deterrent for this purpose.

MR. CHOW (in Cantonese): Sir, having regard to the seriousness of psychotropic drug abuse as reflected in the records of PS 33, the source of the drugs being either through smuggling or private practitioners' over-purchase and subsequent resale as reported by the press, would the Government consider extending legislative control to private practitioners in the interest of the public?

SECRETARY FOR SECURITY: Sir, on the question of extending records to licensed doctors, I think this is something which I must defer to my honourable friend, the Secretary for Health and Welfare, as I do not have this information with me this afternoon. If she does not have this information with her this afternoon, we shall jointly or separately reply in writing. (Annex III)

SECRETARY FOR HEALTH AND WELFARE: I think this will require a joint exercise in writing.

MR. MICHAEL CHENG (in Cantonese): Statistics show that on average 80% of rehabilitated addicts soon become re-addicted to drugs. Given that the younger the addict, the greater the impact it will have on society, could the Government inform this Council of the percentage of rehabilitated young addicts under the age of 21 who have turned to drugs again?

SECRETARY FOR SECURITY: Sir, I do not have available such statistics and I will also reply in writing. (Annex IV)

Owning of domestic property by public housing tenants

3. MISS LEUNG asked (in Cantonese): In view of strong public concern about the owning of private domestic property by public housing tenants, will Government inform this Council:

(a) how many of these tenants are owners of private domestic units;

(b) whether the authority will consider reviewing the current housing subsidies policy with a view to preventing these tenants from retaining unjustifiably their heavily subsidised public rental units so that the same can be released as early as possible to people who are in urgent need of public housing?

SECRETARY FOR HOME AFFAIRS: Sir, the short answer to the first part of Miss LEUNG's question is that we do not know. There is no readily available information on the number of public housing tenants who are owners of private domestic units. Anyway, it is doubtful whether accurate statistics can be obtained.

On the second part of the question, the Housing Authority's current housing subsidy policy was formulated after a thorough and lengthy public debate on a Green Paper published in 1986. It was concluded then that ownership of private domestic accommodation, as one of many forms of capital investment and asset, should not be singled out as a consideration for the tenants' eligibility to remain in subsidized housing. However, the Housing Authority decided that the relatively prosperous tenants should be encouraged, rather than required, to vacate their public housing flats in favour of those in greater need.

Since the 1986 review on housing subsidy, this policy has been implemented by a two-pronged approach :

(a) firstly, by giving priority status to sitting tenants if they choose to purchase a Home Ownership flat; and more recently, to take out an interest-free loan to purchase a private sector flat; and

(b) by requiring well-off tenants to pay higher rents.

Sir, the present housing subsidy policy, now in its third year of implementation, has proved successful. Unless there is demonstrated public demand for a major review, it is the Authority's intention to continue with this policy although adjustments may be required in the light of changing circumstance in future.

MISS LEUNG (in Cantonese): Sir, I have two related follow-up questions. It is

abundantly clear that under the existing housing subsidy policy only those who have resided in public rental housing for over 10 years and whose household income exceeds twice the Waiting List Income Limit are required to pay more in rent. This particular aspect of the policy is not meant to address the matter of "public housing tenants with privately-owned domestic units" which I referred to in my original question. However, these families have already properties of their own. Their stay in the heavily-subsidized public housing units is therefore unjustifiable and is indeed unfair to others. Will the Government again consider reviewing the existing policy in this respect? Moreover, would the Government agree that families with privately-owned domestic units should not be taken care of under our public housing policy?

SECRETARY FOR HOME AFFAIRS: Sir, as I said earlier, the policy was set after a lengthy debate following the publication of a Green Paper in 1986. I cannot see evidence that would indicate that a review at this stage is required. Sir, the Housing Authority does take measures to encourage sitting tenants to move out, not just by increasing the rent. As I have said in my main reply, we positively encourage them by inducing them to join the Home Ownership Scheme or to take out a loan to purchase flats in the private sector.

MR. CHUNG: Sir, will the Secretary for Home Affairs request the Housing Authority to consider that a public housing tenant owning more than one private domestic unit would have to pay further higher rents, namely, more than double rent?

SECRETARY FOR HOME AFFAIRS: Sir, the question seems to imply that those who are sitting tenants and own property should somehow be penalized. What about those who are sitting tenants and own jewellery, stocks and shares, and other assets? If we are going to enquire into their private assets, we would have to do a means test every now and then to cover something like 40% of the population in Hong Kong -- a task which is so monumental that it is unthinkable.

MRS. FAN: Sir, Miss LEUNG's original question referred to strong public concern about the owning of private domestic property by public housing tenants. The Secretary, however, has informed us that unless there is a demonstrated public demand for a major

review the Housing Authority will continue with its present policy. Could it be taken that the Secretary is implying that the strong public concern as perceived by Miss LEUNG does not constitute a demonstrated public demand? And will the Secretary explain what would be accepted as demonstrated public demand and whether the Housing Authority would consider conducting an opinion survey on this matter to identify the extent of public concern?

SECRETARY FOR HOME AFFAIRS: Sir, I must say that I do take a different view of the situation from that as perceived by Miss LEUNG. In reply to the second part of the question, the consultation exercise, as I said earlier, has only been fairly recently held through the publication of the Green Paper and lengthy debate. Barely three years after such a major exercise, I do not envisage another exercise being undertaken immediately. However, as I said in my main reply, adjustments to the various arrangements will be made in the light of circumstances in future.

MISS LEUNG (in Cantonese): Could I point it out to the Secretary that the Housing Authority stated, at the time the housing subsidy policy was being examined, that the policy would need to be reviewed every two years? I would like to point out also that I am all against the approach of the existing housing policy referred to in the Secretary's main reply that public housing tenants owning domestic properties are given priority on purchase of Home Ownership flats and are allowed to participate in the Home Purchase Loan Scheme. This would deprive the needy families of the benefit of subsidy in acquiring housing of their own. Will Government therefore once again give consideration to a proposal to bar tenants who are owners of domestic properties from participating in the Home Ownership and Home Purchase Loan Schemes?

SECRETARY FOR HOME AFFAIRS: Sir, as I said before, property is but one form of asset. If one were to be totally fair to the sitting tenant, one must consider the tenant's total wealth. Even if we were able to determine what his total wealth was and take appropriate measures, the new tenant coming in will soon move up the scale of affluence. When he or she attains that status, what shall we do? Shall we evict him or her likewise? A policy of eviction, I think, is going to be very difficult to implement because the number of people involved will be so huge. I would say that the question of a review every two years has been answered. I did say that adjustments will be made from time to time in the light of circumstances.

MR. ANDREW WONG (in Cantonese): Could I ask the Secretary whether the Government will consider surveying residents' ownership of domestic properties overseas with the aim of disqualifying property owners from public housing in the territory? Or will the Government consider barring investors who have acquired a hotel or an apartment (both being living quarters) locally or overseas from taking up public housing units?

SECRETARY FOR HOME AFFAIRS (in Cantonese): I would rather say this is not at all a question. But I must thank Mr. WONG for identifying difficulties that might be encountered on examination of these matters.

MISS LEUNG (in Cantonese): Sir, the Secretary has not answered my second follow-up question. Would the Government agree that families owning domestic properties should not be taken care of under our public housing policy as they are already capable of meeting their own housing needs?

SECRETARY FOR HOME AFFAIRS: Sir, as I stated earlier, the current policy is that the owning of property is not a criterion for making a sitting tenant ineligible to sit in his tenancy.

DR. IP: Will Government consider whether the new method for registration of land being proposed by Government will go towards providing accurate statistics as indicated in the answer given? And if so, will this contribute, in the event of a change of policy, towards the ready availability of statistics?

SECRETARY FOR HOME AFFAIRS: Sir, all statistics would be useful. But as I say, the present policy is not to regard the owning of property as a disqualification.

International schools

4. MR. PAUL CHENG asked: In your address at the opening of the 1988-89 Session of the Legislative Council, you outlined the problem of emigration and included a statement that Government was looking at the need for more international schools as

one means to facilitate the return of those families which had emigrated. Will Government inform this Council as to what is being done to address this issue in terms of policy specifics and a timetable as a part of Government's longer-term efforts for setting direction in support of Hong Kong's continued growth and economic prosperity ?

SECRETARY FOR EDUCATION AND MANPOWER: Sir, international schools are those which provide education for children who cannot be catered for in our predominantly Anglo-Chinese school system. Such schools are provided both in the public sector, through the English Schools Foundation (ESF), and in the private sector. They provide a type of education which many Chinese parents returning from overseas would like for their children.

Following your speech, Sir, the Government has taken steps to encourage the international schools community to expand. Insofar as the English Schools Foundation is concerned, additional primary places are being provided by early 1991 in north Kowloon and Sai Kung to meet the expected increase in demand arising from known plans to employ large numbers of expatriate staff in the area. To relieve the pressure of demand for secondary places on Hong Kong Island, two existing schools have increased their capacity temporarily, and a new one will be built, with a planned opening date of September 1993. At present, enrolment at all ESF schools is at 85% of capacity. The 1 300 additional places envisaged in the ESF's development plans will increase the existing capacity by 14%, and this should be sufficient to meet likely future demand.

Private international schools which meet specified criteria are eligible for grants of land at a nominal premium. Seven sites have been granted so far, and three applications are being processed: two for extensions to existing schools and one for a new school. About 2 000 additional places will be provided, an increase of 49% over existing capacity. Under the new Direct Subsidy Scheme, private international secondary schools will, for the first time, be eligible to apply for a recurrent subsidy. It is envisaged that the level of recurrent subsidy would be at least 25% of the cost of an aided school place. Further details of the scheme will be sent to all secondary schools before the middle of this year.

To ensure that interested parents, including returned emigrants, have access to information about international schools, the Director of Education has encouraged

such schools to co-operate in the exchange of information. As a first step all the major international schools now provide each other with stocks of relevant materials for distribution to enquiring parents. This measure will be reviewed towards the end of this school year when further measures will also be considered.

MR. PAUL CHENG: Sir, as most of the people we are trying to attract back to Hong Kong will be from North America and projected foreign investments will also be coming more from this region, will the Administration advise if the ESF development plans would actually satisfy the projected demand since ESF schools are based on the United Kingdom system?

SECRETARY FOR EDUCATION AND MANPOWER: Sir, while it is true that the ESF school system provides a type of education comparable with comprehensive schools in Britain, changes in the curriculum can and have been made from time to time to suit the requirements of parents and children returning from North America. Quite a few of these parents and their children look for the type of education that the ESF provides, and I am personally aware of a few such cases. The ESF has gone as far as to be willing to provide a number of these children, especially those who are ethnically Chinese who wish to study some Chinese, with modified courses in Chinese. To this extent the ESF can meet parental wishes.

MR. DAVID CHEUNG: Sir, according to the answer, the enrolment at all ESF schools at present is only 85% of capacity. If that is the case, will the Secretary inform this Council why it is so difficult for people who return from overseas to find school places for their children as revealed by the "Letters to the Editor" crying for help during the summer months? And I have also been personally approached by many people for help.

SECRETARY FOR EDUCATION AND MANPOWER: Sir, the short answer to that question is that quite a few parents have not taken sufficient care to find suitable school places, either before they return or after they have taken up residence in Hong Kong. There is a difficulty about the distribution of international school places in Hong Kong itself. As I mentioned in my main reply, there are shortages in Kowloon, for example in North Kowloon, and there are shortages on Hong Kong Island. For example, it would be a highly desirable thing for an expatriate family to be housed in, say, the Tai Tam area of Hong Kong Island but that is one of the worst areas for finding school

places.

This is why we are now remedying regional shortages by providing more school places, by building additional schools in both North Kowloon and on the Island. And once these additional places are provided, these regional shortages will be remedied.

MR. PAUL CHENG: Sir, would the Secretary for Education and Manpower clarify whether the new school he referred to in his answer is a new campus for an existing school or whether it is a totally new additional institution?

SECRETARY FOR EDUCATION AND MANPOWER: Sir, the new school that I referred to is being sponsored by the ESF for construction on Hong Kong Island as a new secondary school. It may be located on one of three possible sites: either at Braemar Hill or at two alternative sites at Pok Fu Lam. It will definitely be a new school building.

MR. PETER WONG: Sir, will the Secretary inform us how the needs of the Japanese expatriates are being looked after?

SECRETARY FOR EDUCATION AND MANPOWER: Sir, the needs of the Japanese community are being looked after by the Japanese School.

MR. POON CHI-FAI (in Cantonese): Sir, will the Administration inform this Council how many students admitted to the international schools in the past two years were children of returned emigrants? And has the Administration made an estimate as to how many children of returned emigrants will study in these schools in the next two years?

SECRETARY FOR EDUCATION AND MANPOWER: Sir, as regards the first part of the question, I am afraid I do not have readily available statistics to show the precise number of children of returned emigrants. But I think we can mount an exercise and find out and I shall try and provide a written reply. (Annex V)

MR. PAUL CHENG: Sir, in a recent survey amongst international companies in Hong Kong, the respondents, by a ratio of 3:1, stated they project that there are inadequate places in Hong Kong today to accommodate the number of expatriate children that will be in Hong Kong in 1993. Will the Administration advise whether it will consider providing additional initiative and assistance beyond land grant and partial direct subsidies so that more international schools can be established?

SECRETARY FOR EDUCATION AND MANPOWER: Sir, as I have already mentioned in my main reply, the international schools will be invited to apply to join the direct subsidy scheme which will provide a degree of recurrent subsidy. In so far as the provision of additional assistance is concerned, I believe Mr. CHENG must be referring to capital assistance. At the present time, Sir, the Government has not taken a decision on whether or not to provide capital assistance for the construction of new international schools. I think we have to strike a careful balance between the needs of various sectors of the community in the allocation of the very limited resources available for education.

But subject to resources being available, I would hazard a guess that the Government would be prepared to consider the provision of capital assistance to international schools provided that two conditions are met. First, that there is clear evidence of substantial and permanent demand for places from those whom we are anxious to attract back to Hong Kong. And secondly, that substantial numbers of the parents concerned want an education for their children of a kind which the ESF cannot provide.

MR. TIEN: Sir, will the Administration consider converting or turning over some of the ESF schools to international school operators?

SECRETARY FOR EDUCATION AND MANPOWER: Sir, there is no real reason why ESF schools should be converted and turned over to international school operators when they are fairly fully used.

MR. MARTIN LEE: Sir, does the Administration realize that the provision of more places in international schools may have the opposite effect of making it easier for

parents, who are thinking of emigration, to get their children ready for that purpose?

SECRETARY FOR EDUCATION AND MANPOWER: I am not sure I would agree with Mr. LEE's evaluation of that effect, Sir, because these international schools are not by and large designed for locally domiciled children. These international schools cater primarily for children of expatriate families. Only very exceptionally do international schools cater for children of locally domiciled families for whom public sector education services -- government and aided school places -- are available.

MR. BARROW: Sir, regarding the brief answer on the Japanese School, could the Secretary inform this Council what else can be done to assist such schools, for example, by allowing them to have a Japanese doctor who could look after the Japanese children?

SECRETARY FOR EDUCATION AND MANPOWER: Sir, I am afraid I do not have the answer to that question. I will look into it and provide a written reply. (Annex VI)

MR. PAUL CHENG: Sir, will the Administration advise this Council if there are plans to utilize the facilities of the present St. George British School and the Stanley Fort School upon the withdrawal of the British Forces, and whether consideration can be given to converting these to appropriate international primary schools?

SECRETARY FOR EDUCATION AND MANPOWER: Sir, I will take up these worthwhile suggestions with the Director of Education.

Heritage items

5. MR. CHEUNG YAN-LUNG asked (in Cantonese): Will Government inform this Council of the number of heritage items in Hong Kong which are protected or under consideration for protection and what funds are available for their preservation, restoration and maintenance?

SECRETARY FOR HOME AFFAIRS: Sir, there are 39 monuments protected under the Antiquities and Monuments Ordinance. They include rock carvings, fortifications, temples, ancestral halls and even private residences. There is a continual process of reviewing historical buildings, and at present 10 potential monuments are being considered for protection under the Ordinance. In addition, over 400 historic buildings have been catalogued by the Antiquities and Monuments Office and notified to government departments so that early warning can be given if the buildings may be affected by development.

The financial arrangements for conservation of declared or deemed-to-be monuments vary according to whether the monument is in government use. The restoration and maintenance of monuments and historical buildings used by the Government or by the municipal councils, such as the Royal Observatory and the Law Uk Folk Museum (), are funded by the Architectural Services Department. In 1989-90, the Department has budgetted \$5.91 million for the restoration and maintenance of monuments, and \$4.21 million for historical buildings. For monuments which are not in government use, the Antiquities and Monuments Office has provision for just over \$1 million in the current financial year, subject to a limit on specific projects of \$300,000.

MR. CHEUNG YAN-LUNG (in Cantonese): Sir, the Secretary said that the provision for the year 1989-90 is \$1 million. Will the Secretary give us a breakdown of the estimated and actual costs for the preservation, restoration and maintenance of the antiquities and monuments? And will the present funding policy hinder the preservation of monuments?

SECRETARY FOR HOME AFFAIRS: Sir, I do realize that a \$1 million budget for property in private hands is a rather limited sum. However, it is difficult to justify expenditure of public funds on private properties. There is the further point, Sir, that government funds are not the only source of funds for this purpose; funds are available from time to time from charitable organizations such as the Royal Hong Kong Jockey Club and certain rural committees. There is no intention, Sir, at this stage of seeking more funds. However, when new projects are identified -- indeed two have been identified -- separate funds will be sought. Whether or not I will succeed in doing that is another matter, of course.

MRS. LAU (in Cantonese): Sir, will the Secretary inform this Council whether private

funds have been used in the restoration and maintenance of any protected antiquities and monuments? Has the Government encouraged more institutions to sponsor the protection of antiquities and monuments?

SECRETARY FOR HOME AFFAIRS: Sir, the answer to both parts of the question is yes.

MRS. FAN: Sir, the Secretary might have answered part of the question that I intend to ask. The Secretary indicated that for monuments not in government use a limit of \$300,000 is set for every specific project. However, the amount spent on every monument is dependent on a range of factors, for example, the size of the building itself; so the limit may or may not be sufficient to accommodate the work required. Could the Secretary further elaborate on what course of action he would take if he considers that a project is worthwhile and yet it has exceeded the limit, and whether there is any plan to review the limit in future?

SECRETARY FOR HOME AFFAIRS: Sir, I would address the second part first. Certainly, we keep the limit under constant review to make sure that it is both appropriate and adequate. Secondly, should we find a worthwhile project and the limit is insufficient to deal with that particular project, we will create an "AA& I" item and go to the Finance Committee for funds.

MR. EDWARD HO: Sir, what arrangements are being made to investigate, and where appropriate to preserve, historical structures and sites which may be affected by the Airport and Port Development Programme?

SECRETARY FOR HOME AFFAIRS: Sir, I understand that there have already been voluminous correspondence between the various departments concerned.

MR. PETER WONG: Sir, should our classic Cantonese film stock be included amongst the items worth preserving for our heritage?

SECRETARY FOR HOME AFFAIRS: I doubt it, Sir.

MR. CHEUNG YAN-LUNG (in Cantonese): Sir, what measures does the Government take to enhance people's understanding of antiquities and monuments? Is there a need for extra funds for this purpose?

SECRETARY FOR HOME AFFAIRS: Sir, the Information Services Department carried out a Monuments Campaign last year, and also the Antiquities and Monuments Office organized something like 12 visits for a variety of people, and further publicity is arranged in schools. Beyond that, I think we would be prepared to consider any other plan that might be suggested.

MR. ANDREW WONG: Sir, will the Secretary inform this Council whether the old Legislative Council Chamber, with Members then sitting in it all appointed, not elected, was a historical relic? And if so, and I suppose it must be so, why has it been demolished? Does it not indicate that this present most historic Chamber might also be demolished come 1997?

HIS EXCELLENCY THE PRESIDENT: I think the building may be a matter for the Secretary for Home Affairs. I will ask him to attempt to answer that question.

SECRETARY FOR HOME AFFAIRS: Sir, it would be disrespectful of me to agree to Mr. WONG's suggestion about the old Chamber with all the Members sitting in it -- I cannot remember the adjective he used. Sir, neither that building nor the Chamber was ever classified or declared as a monument and therefore it has been demolished for other uses. As far as this building is concerned, it is a monument.

MRS. LAU (in Cantonese): Will the Secretary inform this Council whether the Government will offer compensations to owners or developers as a deal not to redevelop any historic sites? If not, what other measures will the Government take to preserve those historic sites which may otherwise be demolished and redeveloped by private developers?

SECRETARY FOR HOME AFFAIRS: Sir, in principle the Government would be prepared to consider compensation but the question of compensation has never arisen because the

Antiquities and Monuments Office has been sufficiently persuasive in prevailing on all owners of such buildings to allow restoration to be done and to be kept as a monument.

MISS LEUNG (in Cantonese): The Housing Authority will demolish all government low-cost housing estates and resettlement estates in 10 years' time. Will the Government consider preserving some of the typical buildings of each and every model as monuments of the development of public housing in Hong Kong?

SECRETARY FOR HOME AFFAIRS: Sir, I think I will say that the Government will consider almost anything.

MR. EDWARD HO: Sir, in his reply to my supplementary question the Secretary said that volumes of correspondence were passed between departments on the subject. Would he confirm that Government is determined to exercise maximum efforts in preserving historical structures in areas affected by the Airport and Port Development Programme?

SECRETARY FOR HOME AFFAIRS: Sir, I think the Antiquities and Monuments Office will do its very best to discover and then try to preserve any relics that might be found when the Airport and Port Development Programme gets under way. However, I suspect that these efforts will have to be balanced against the speed at which the airport will have to be built.

MRS. LAM (in Cantonese): Sir, I wish to follow up on the questions raised by my colleagues as to whether the Government has ever attempted to define an antiquity and a monument so that the public may know what they are; and as to how long a structure must have existed before it is considered an antiquity. It is a pity if the public demolish or destroy an antiquity without realizing it. My question is: will the Government educate the public so that they may identify antiquities and monuments either by their age or their unique style?

SECRETARY FOR HOME AFFAIRS: Sir, as I said earlier, some 400 articles or places have been identified and listed by the department concerned and visits have been conducted for a variety of members of the public. So I think that side of the house has already been covered.

Grants to ex-prisoners of war and their widows

6. MR. PETER WONG asked: Will Government inform this Council how many ex-prisoners of war and their widows are still receiving grants from the Government; whether reviews are made regularly to ensure that these grants are adequate for their circumstances; and whether consideration will be given to recognizing their contribution to the defence of Hong Kong by converting the grants to pensions?

SECRETARY FOR HEALTH AND WELFARE: Sir, there are 314 ex-prisoners of war and 193 war widows currently receiving grants or other forms of financial assistance under the Hong Kong War Memorial Fund. To ensure that the real purchasing power of these grants is maintained, the rates are reviewed annually and are adjusted in line with inflation. The grants currently being paid amount to \$2,460 per month for a single adult and \$4,140 per month for a married couple. Additionally, there are other allowances and benefits payable to meet specific needs.

Although it is not considered that there is a case for pensions as of right to be paid to ex-prisoners of war, the Government and the community as a whole have always recognized the special debt to those who served Hong Kong loyally during the war, including prisoners of war. The Hong Kong War Memorial Fund was established to ensure that ex-prisoners of war and their widows who were in need should be adequately provided for.

MR. PETER WONG: Sir, will the Secretary please explain why it is not considered that there is a case for pensions as of right for the ex-prisoners of war? Surely a grant conditional upon need smacks of charity and these are good people who put their own lives on the line for Hong Kong. Is charity good enough for them?

SECRETARY FOR HEALTH AND WELFARE: Sir, I do not think it is right to think in terms

of charity; it is a commitment entered into by the Hong Kong Government. The question on whether grants can be converted to pensions implies the removal of the need criterion, that is to say, the removal of the income threshold. I might point out, Sir, that it was examined in great detail by a select committee of this Council as recently as 1986. The report indicated that the need criterion should continue to apply to new applicants; this has been accepted by the Government. In the absence of new factors emerging -- and I do not expect new factors to emerge -- conversion of the grant to pension is a departure from the existing policy and it is difficult to justify, Sir. It is because in the matter of disbursement of funds we must first of all establish consistency of approach and also constancy of commitment.

MR. MCGREGOR: Sir, would the Secretary accept that public perception of the record of the Government in dealing with this issue over many, many years is that the Government has been insensitive, mean, unsympathetic, unnecessarily bureaucratic and altogether unhelpful -- possibly even dishonourable? If so, can this issue now be given sympathetic and urgent reconsideration?

SECRETARY FOR HEALTH AND WELFARE: Yes, I am aware of all the very many points made by Mr. MCGREGOR because there have been allegations of Government being terribly bureaucratic, of broken promises, of many changes over time. But I think all these accusations and allegations are more imaginary than real, based more on misinterpretation than on fact. The fact remains, Sir, that the Government is committed to the War Memorial Fund through subvention from the public purse, not only now but also in the future.

I would also like to add to what I have just said, a point which, I believe, is often remembered by the community of Hong Kong, that we owe those who served Hong Kong loyally during the war a special debt of gratitude. The question is, of course, how the debt is to be discharged and gratitude expressed. This brings us to the method of disbursement of maintenance grants and the levels of grants. What is the criterion of need which has been applied? Is the criterion fair? As to the level of the grant, this is reviewed and updated every year and it is inflation-proof.

As to the criterion of need, this income criterion is the most generous yardstick that we have ever used in Hong Kong and it compares very favourably with yardsticks employed elsewhere in the Hong Kong system of welfare. I think it would be relevant

also to point out, Sir, that although there has been criticism, notably periodic letters of complaint to the press, that the Government has been unfair and bureaucratic, we have nevertheless received many letters of gratitude and, indeed, many good wishes, particularly during New Year time -- if I might take correspondence from beneficiaries as a possible indication of adequacy of the grant.

And I might also add, as a citizen of Hong Kong and as someone indebted to those who have been very loyal to Hong Kong and who have served Hong Kong with their lives, that we must not only think in terms of financial maintenance but must show respect for the living and remembrance for the dead. Confucius in his teaching on filial piety said that:

"Importance of respect is higher than that of maintenance".

So, I believe, the whole community of Hong Kong will continue to be indebted to the prisoners of war and to show their gratitude through annual subvention to the War Memorial Fund.

MR. MARTIN LEE: Sir, bearing in mind that pension is given to all retired government servants as of right and without any means test and that the old-age allowance is also paid to people over 70 without any means test, will the Administration consider, particularly on this auspicious day, which is both your birthday, Sir, and St. Valentine's Day, showing a little more love and consideration for our ex-prisoners of war and their widows by abolishing the very unpopular means test, since most if not all of them are over 70, so that we can be consistent and can proudly say that we honour our dead by caring for the living?

HIS EXCELLENCY THE PRESIDENT : I thank you, Mr. LEE, for the "auspicious". I think there is something in Standing Orders about bringing extraneous matters into questions.

SECRETARY FOR HEALTH AND WELFARE: I can confirm, Sir, that the Special Needs Allowance, which is also one of the allowances payable to the prisoners of war, would be non-means tested. Similarly, the Old Age Allowance in Hong Kong for those above 70 would be non-means tested.

MRS. TU: Sir, may I ask the Secretary for Health and Welfare what insurance there is that the existing grant will continue after 1997?

SECRETARY FOR HEALTH AND WELFARE: Under the Sino-British Joint Declaration, I have no reason to think that the future Hong Kong Special Administrative Region Government would not continue to honour the obligation and the commitment entered into by the Hong Kong Government.

PROF. POON : Sir, Mr. LEE has partly asked my question. Would the Secretary inform this Council what the other allowances and benefits which the Secretary has referred to in the first paragraph of her primary answer are and also the rates of these allowances?

SECRETARY FOR HEALTH AND WELFARE: Sir, the grants and other benefits available to ex-prisoners of war under the Hong Kong War Memorial Fund include:

1. a maintenance grant payable to ex-prisoners of war at the rate of \$2,460 per month for adults and at the rate of \$4,140 per month for a married couple;
2. a maintenance grant of \$2,460 per month payable to war widows;
3. a special needs allowance of \$620 per month payable to those ex-prisoners aged over 60 and not in employment or business;
4. a dependant child's allowance of \$1,390 per month payable to each dependant child under 21 years of age;
5. a dependant parent allowance of \$1,180 per month;
6. free medical treatment at government clinics and hospitals; in addition, hospital maintenance charges which are heavily subsidized for ex-prisoners of war. These are reimbursable on application. We also reimburse dental charges at specific subvented clinics;

7. and assistance with certain tuition fees for dependant children.

MRS. FONG: Can the Administration inform this Council whether or not these ex-prisoners of war and war widows will continue to be entitled to their grants and financial assistance if they migrate overseas? And if so, what is the reasoning behind this?

SECRETARY FOR HEALTH AND WELFARE: These are already payable to specified groups of people under the law overseas, Sir. So I do not think these can change.

Category III films

7. DR. TSE asked (in Cantonese): Will Government inform this Council whether there has been any trend of marked increase in the exhibition of Category III films in Hong Kong since the implementation of the three-tier film classification system in November 1988; and whether any assessment has even been made by the Government on the social impact of such films on our community?

SECRETARY FOR HOME AFFAIRS: Sir, since the existing film classification system came into force in November 1988, 682 films, representing 48% of the total number of films passed, have been issued with certificates under Category III. There is an apparent downward trend in more recent figures. Film distributors have re-submitted films which were banned or severely cut under the previously, more restrictive system. We expect the proportion of Category III films to drop gradually as this backlog is cleared.

The number of cinemas showing Category III films varies between 9% to 33%. The situation is very much affected by the supply of films and the commercial viability of the films themselves.

Sir, the current classification system has been in force for just over a year. I doubt if it would be possible in such a short time to assess whether and what social impact Category III films have had on our community. We are however, satisfied that

the twin objects of the film classification system, that is a wider choice for the adults and the protection of minors, are being achieved.

DR. TSE (in Cantonese): In his reply the Secretary pointed out that Category III films accounted for 48% of the movies censored so far. Since almost half of the films fall into Category III, would the Secretary advise whether he agrees that the proliferation of pornographic films has reached alarming proportions and whether this situation had been within the original expectation of the Government?

SECRETARY FOR HOME AFFAIRS: Sir, as I said, the reason for this high figure probably lies in the backlog of films which were either banned or were severely cut previously, and which are being re-submitted for re-classification under the new system. I do not agree that this particular figure, as it stands at this moment, is a reflection of the situation as described by Dr. TSE.

MR. DAVID CHEUNG: Sir, the Secretary in his answer referred to the previously more restrictive censorship system. Does it imply that the present censorship system is much more lax, since we can hear dirty language in the conversation and there are also sexual organs being shown on the screen?

SECRETARY FOR HOME AFFAIRS: Sir, the object of the new system is to liberalize the regime; it is to give people a greater choice and to give adults the choice which they should have by right. The only precaution we have to take, of course, is against exposure to minors and this we have done, I think, successfully in the past year or so.

MR. ARCULLI: Sir, in view of the question asked by my honourable friend, Mr. David CHEUNG and the answer given by the Secretary, perhaps the Secretary will clarify whether in his answer he was referring to a "wilder" choice for adults, or a "wider" choice?

SECRETARY FOR HOME AFFAIRS: The latter, Sir.

MRS. TAM (in Cantonese): Sir, could Government inform this Council if it is aware that some Category III films have been reproduced into video tapes or laser discs and are readily available for hire on the market? If yes, will Government consider tightening the existing legislation in order to improve the situation and to protect young people from exposure to undesirable influence?

SECRETARY FOR HOME AFFAIRS: Sir, films are dealt with under the Film Censorship Ordinance. Reproductions of films in tape or disc form are subject to the Indecent and Obscene Publications Ordinance. Once a film has been classified by the censors, and if it is then turned into a tape or a disc, then that tape or disc shall have the classification given to the original film version. The point about this, Sir, is that there is an inter-relationship between films and other forms of reproduction. Where the film is classified as Category III, the Obscene Articles Tribunal is likely to classify it as indecent and therefore it would not be available to minors.

MR. ANDREW WONG (in Cantonese): Would the Secretary advise whether he is aware that certain cinemas specialize in screening Category III or adult films? If yes, could Government consider limiting cinemas screening Category III movies to particular districts or areas, while disallowing other cinemas to show such films?

SECRETARY FOR HOME AFFAIRS: Sir, a cinema which shows Category III films only shows them inside the cinema itself. The advertisements outside the cinema, which is material exposed to public view, is subject to a different standard of control. There is no danger that what is being shown inside the cinema would be exposed to the outside, and therefore there is no reason to limit cinemas in particular areas.

DR. TSE (in Cantonese): Sir, as far as I know, foul language is currently in vogue in the production of Category III films. What standard does Government apply to evaluate if this new breed of films which use foul language as an attraction are suitable for screening?

SECRETARY FOR HOME AFFAIRS: Sir, the certificate is issued in various categories

according to what the Commissioner for Television and Entertainment Licensing regards as the prevailing community standard. He gathers information and does surveys to determine what is the prevailing standard. A survey was done a couple of years ago and another one is being conducted in this financial year.

Illegal immigrants from China

8. MRS. TU asked: Will Government consider reviewing the policy of prosecuting illegal immigrant workers from China on their first offence of illegal landing and remaining in Hong Kong on the following grounds:

(a) natural justice and human rights;

(b) unnecessary pressure on prison accommodation?

SECRETARY FOR SECURITY: Illegal immigration is regarded by most countries as a serious offence. In the particular circumstances of Hong Kong it has been necessary over the last 10 years particularly to strengthen anti-illegal immigration measures. These have proved successful in curbing illegal immigration and the Administration does not intend to review its existing policies. These include the prosecution of illegal immigrants from China who have committed offences under the Immigration Ordinance by landing or remaining in Hong Kong without the permission of the appropriate immigration authority -- for example, those who evade capture on entry and who are later found at places of employment in Hong Kong.

Illegal immigrants, whether from China or anywhere else, have the same rights and privileges as any other person brought before the courts.

The number of illegal immigrants from China imprisoned in Hong Kong at any one time varies according to the level of prosecutions and the number of prisoners released for repatriation to China. In the 12 months up to the end of 1989, illegal immigrants from China accounted for some 25% of the total prison population. Even though the pressures on prison accommodation remain serious, there has recently been some reduction and the occupancy rate has dropped from a high of 130.5% last October to 123.8% at the end of last month.

MRS. TU: Sir, in his reply, the Secretary for Security says that all illegal immigrants have the same rights and privileges. Would the Secretary therefore explain how many illegal immigrants from China have been imprisoned for 15 months; whether any illegal immigrants from Vietnam, the Philippines, Thailand and other countries have also been charged and imprisoned as criminals for 15 months; and whether most non-Chinese illegal immigrants are voluntarily or involuntarily repatriated?

SECRETARY FOR SECURITY: Sir, I think it is important to recognize that there are fundamental differences between the illegal immigrants from China and Vietnamese boat people from Vietnam. They are dealt with under separate sections, to a large extent, of the Immigration Ordinance and their cases are quite different, as are the arrangements for their return to their respective countries of origin.

I do not have the precise figures, Sir, on the numbers of illegal immigrants who have been imprisoned for 15 months. These are figures which I can obtain and I shall be happy to provide those in writing. (Annex VII)

MR. MCGREGOR: Sir, will the Government recognize that this sad matter is a result of the very large local demand for labour from China? If so, will the Government reconsider its policy towards immigrant labour since many of those people serving time could be working honourably in Hong Kong enterprises?

SECRETARY FOR SECURITY: Sir, I disagree with the premise upon which Mr. MCGREGOR has based his question. I do not recognize that this is the result of the labour shortage in Hong Kong. Indeed, 10 years ago when we had our greatest influx for the last generation of illegal immigration from China, it was not at the time of a labour shortage in Hong Kong.

MR. MICHAEL CHENG (in Cantonese): Sir, why does Government not apply the principle of equity in handling illegal immigrants from different countries? Why is there immediate prosecution as well as imprisonment against illegal immigrants and workers from China, whereas the same is not applied on Vietnamese boat people entering Hong Kong illegally?

SECRETARY FOR SECURITY: Sir, not all illegal immigrants from China are immediately prosecuted and imprisoned by any means. In fact the vast majority are repatriated to China under the existing agreement with China. Those who are prosecuted are those who are found in groups, who have evaded capture, and who are found in groups on construction sites. We are not prosecuting single persons who are found on construction sites, or those who are not involved in crimes and offences other than illegally remaining in Hong Kong, or illegal immigrants in self-organized groups who are not brought in by snake-heads, or multiple evaders who have previous records of illegal entry into Hong Kong. So it is not a blanket prosecution policy.

As regards Vietnamese boat people, Sir, here again, as I have said earlier, we are talking about two quite different categories of people. The Vietnamese boat person who comes to Hong Kong comes here for resettlement elsewhere; he is not looking towards Hong Kong as a place of work or a place of ultimate settlement. Those who come here from China are looking for work and settlement in Hong Kong if they could possibly obtain it.

MR. TAI: Sir, in respect of the possible course of action by the Government against illegal immigrants and having regard to government policy and practices, does the Government give different treatment to illegal immigrants from China vis-a-vis those from other countries?

SECRETARY FOR SECURITY: Yes, Sir, indeed we do. We send illegal immigrants from China straight back across the border if they do not fall into the categories which I have mentioned as justifying prosecution.

MR. MARTIN LEE: Sir, since the adoption of a policy of prosecuting illegal immigrants from China found at places of employment in Hong Kong, has the Government also prosecuted their employers, particularly employers of a number of illegal immigrants from China on construction sites? And if so, could we have the figures, please?

SECRETARY FOR SECURITY: Yes, Sir. In 1989 there were 63 such prosecutions of employers, 41 of which were instituted by the police and 22 by the Immigration Department.

MRS. TU: Sir, in the answer, the Secretary for Security said that other countries prosecute illegal immigrants. Could the Secretary name any other country which has invariably sentenced illegal immigrants to 15 months' imprisonment?

SECRETARY FOR SECURITY: Offhand, Sir, I could not. Here again, I shall look into this matter and let Mrs. TU have a reply in writing. (Annex VIII)

MR. MCGREGOR: Sir, I am a little puzzled: what is the moral or legal difference between groups and individuals? The intention and the offence is surely the same, and surely they should be treated in a similar way.

SECRETARY FOR SECURITY: No, Sir. In this long-standing matter of illegal immigration from China we have to be eminently practical about the way thousands of people a year are handled. The Administration takes a more serious view of organized entry and this is primarily the reason for the prosecution of persons in groups who indicate some form of organization.

MR. ARCULLI: Sir, in respect of the illegal immigrants who are found on construction sites, is any assistance given to them by the Government to recover whatever wages they might have earned?

SECRETARY FOR SECURITY: Sir, if it comes to the attention of the Government that matters of this sort are outstanding, the Government will look into them. I have not to my knowledge received any such cases myself nor have such cases been brought to my attention. If there are any, they will be looked at but I cannot give an assurance to Mr. ARCULLI that having earned money in an illegal way the employee would receive his wages.

Written answers to questions

Duty-related death/injury benefits and criminal injury compensation

9. MR. POON CHI-FAI asked: Will Government inform this Council what kind of assistance is available to civil servants and their dependants if the officers die or sustain injuries in the course of duty; and likewise, what kind of remedy is provided for the good citizens and their dependants if they die or sustain injuries while helping to fight crime; when these measures were introduced; and whether any review on these measures would be conducted to provide improvements and to cater for actual needs?

CHIEF SECRETARY: Sir, if an officer dies whilst on duty, his dependants will be eligible for --

(a) a death gratuity;

(b) ex-gratia payment for untaken leave;

(c) entitlement under either the Widows' and Children's Pension Scheme or Widows' and Orphans' Pension Scheme if he has been a contributor;

(d) a dependant's pension if the deceased officer is survived by spouse, children or parents or lump sum compensation payable under the Employees Compensation Ordinance; and

(e) funeral expenses of \$23,300.

An officer who has been injured on duty will be given paid sick leave and free medical treatment. If permanently injured and if his capacity to contribute to his own support becomes impaired at or after retirement because of the injury, an additional pension is payable on retirement. The injured officer can opt for lump sum compensation under the Employees Compensation Ordinance in lieu of the additional pension.

The existing provisions of duty-related death and injury benefits for civil servants have been in place since 1949. The level of benefits has however been subject to periodic reviews and adjustments. A full scale review of dependant pensions and related benefits for civil servants is in progress at present. The aim is to update the provisions and to remove anomalies in the light of present day circumstances. It is premature to say at this stage what improvements specifically

will be brought about as a result of the review.

The Criminal and Law Enforcement Injuries Compensation Scheme provides ex-gratia criminal injury compensation and law enforcement injury compensation both to those who are injured, disabled or killed as a result of a crime of violence and to those who are accidentally injured, disabled or killed by a law enforcement officer using a weapon in the execution of his duty. The scheme is non-means tested. Payments under the scheme are made from public funds.

This scheme is administered by the Social Welfare Department through the Criminal Injuries Compensation Board and the Law Enforcement Injuries Compensation Board.

Cash compensation is paid in the case of death or injury of victims as a result of:

- (a) effecting an arrest or attempted arrest of an offender or suspected offender; or
- (b) preventing or attempting to prevent the commission of a crime; or
- (c) giving help to any police officer or other person who is engaged in either of the two activities in (a) and (b) above.

The rates of payment in these cases are based on those payable to victims of natural disasters under the Emergency Relief Fund. The amount payable depends on individual case circumstances (such as whether there are other wage earners in the family and the number of dependants) and the gravity of injuries sustained, ranging from a minimum of \$270 for injury resulting in only one day's sick leave, to a maximum of \$87,170 for death. Both the Criminal and Law Enforcement Injury Compensation Boards have the discretionary power to increase the "normal" rate of compensation by up to 100% if the incident is considered by the Boards as a "courageous act" in assisting in the prevention and detection of crime.

The Criminal and Law Enforcement Injuries Compensation Scheme was introduced in May 1973. The rates of compensation are revised from time to time, usually on an annual basis, to keep pace with inflation and the increase in the average wages of manufacturing workers. A special review of the scheme has been completed recently and recommendations for improvements are being considered. (One of these is to

extend the scope of the Board's discretion to include victims who, subsequent to the event giving rise to a claim, have made exemplary efforts, in the face of personal embarrassment, inconvenience or danger to assist the police in the arrest and prosecution of an offender or suspected offender. This extension of the discretion would be consistent with the rationale for existing discretion.)

Chinese as a medium of instruction

10. MR. POON CHI-FAI asked: It has been five years since recommendations were made in the Education Commission Report No. 1 published in October, 1984 that the use of Chinese as a medium of instruction in individual secondary schools should be encouraged. Will Government inform this Council of the number of secondary schools in which Chinese is being used as the medium of instruction at present and how does that compare with the figure in October, 1984, what measures or plans the Government has adopted to encourage the use of Chinese as a teaching medium in secondary schools; whether any review has ever been conducted on the effectiveness of such measures or plans and whether any review has ever been made to find out if the use of Chinese as a medium of instruction has brought about marked improvements in the performance of students, if so, what are the findings of these reviews, and if not, when such reviews will be conducted?

SECRETARY FOR EDUCATION AND MANPOWER: In October 1984, 57 secondary schools in the public sector used Chinese as the medium of instruction. Following the introduction in September 1988 of the policy to encourage the greater use of Chinese, a further 69 public-sector secondary schools have increased the amount of Chinese used in teaching in their schools. The total number of such schools is therefore at present 126.

Various language improvement measures which discriminate in favour of the use of Chinese as the medium of instruction, and which at the same time strengthen the teaching of English and Chinese, have been implemented since September 1986. These include --

(a) the setting up of a Chinese Textbooks Committee in May 1986 to encourage publishers to produce good quality textbooks in Chinese: this has resulted in the production of 59 additional sets of such books for use in secondary schools in a wide

range of subjects, with a further 16 sets now being developed for pre-vocational schools;

(b) the publication of handbooks with technical terms in both English and Chinese for 19 subjects by the Advisory Inspectorate of the Education Department towards the end of 1986;

(c) the modification of all teacher training courses since September 1986, so as to provide for a wider use of Chinese as the medium of instruction and the organization of in-service training courses for teachers to assist them to cope with the change in the medium of instruction; and

(d) the provision since September 1988 of additional resources to those public-sector secondary schools which have opted to increase the use of Chinese as the medium of instruction, in the form of:

(i) additional teachers of English;

(ii) funds for partitioning of classrooms to create smaller rooms for split-class language teaching;

(iii) a secondary wirefree induction loop system for language teaching; and

(iv) a one-off library grant for the purchase of additional reading materials as well as other teaching/learning aids.

These additional resources are provided on a scale related to the extent to which individual schools opt to use Chinese as the medium of instruction.

Research on the change of medium of instruction in secondary schools has been carried out by the Education Department since September 1988. This research is a three-year project, designed to study the effects of the change of the teaching medium on the academic standards of students and on other variables, such as operational aspects in classroom situations and students' attitudes towards learning.

The sample for this study comprises 11 schools which have opted to change the teaching medium from English to Chinese, matched against a further 11 control schools. Sampling criteria include the SSPA performance of the Secondary I entrants and the

geographical locations of the schools, to ensure comparability of academic and socio-economic background of students.

The first year of the study indicates that the Secondary I pupils in the 11 sample schools as a whole have shown improved academic performance and more positive learning attitudes than their counterparts in the control schools. The effects of the change of the teaching medium, with the concomitant use of instructional and reference materials written in the pupils' familiar language, might have contributed to the observed differences between the two groups. However, as the study has only been in progress for one year, it is too early at this stage to draw firm conclusions.

A working group within the Education Department carried out a comprehensive review of language improvement measures in 1989. Among the 78 recommendations of the working group's report are several relating to the development of Chinese-medium secondary education.

Specifically, the working group has recommended that each student be educated through the language medium most likely to lead to his or her maximum cognitive and academic development, that English should only be used as medium of instruction where students can benefit from it, that funds should continue to be provided to strengthen the teaching of English in schools in which Chinese is the medium of instruction, that English and Chinese be equally effectively used as media up to and including Advanced-level courses, and that schools should be encouraged to adopt clear-cut policies of language use -- that is, whether a particular class is to use English or Chinese for all subjects.

The working group's report has been issued for public consultation and all views expressed will be taken into account by the Government in determining the possible future direction of language policy. This will include consideration of whether and to what extent the policy relating to the medium of instruction in schools should be further developed.

First Reading of Bills

HONG KONG COUNCIL FOR ACADEMIC ACCREDITATION BILL 1990

GAS SAFETY BILL 1990

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

Secong Reading of Bills

HONG KONG COUNCIL FOR ACADEMIC ACCREDITATION BILL 1990

THE SECRETARY FOR EDUCATION AND MANPOWER moved the Second Reading of: "A Bill to provide for the establishment and the functions of the Hong Kong Council for Academic Accreditation as a body corporate and for matters incidental thereto."

He said: Sir, I move that the Hong Kong Council for Academic Accreditation Bill 1990 be read the Second time.

Sir, in your address to this Council in October 1987, you announced the Government's intention to create a body whose main function would be to assess and accredit degrees awarded by local non-university institutions. The task of advising the Government fell to the Provisional Hong Kong Council for Academic Accreditation. The Provisional Council has completed this task and we are now ready to establish the Hong Kong Council for Academic Accreditation (HKCAA) as a legal entity. This is the purpose of the present Bill.

The main function of the HKCAA will be to assess the academic standing of degree courses at our non-university institutions, with the aim of ensuring that the degrees they award will be of a sufficiently high standard to enjoy recognition world-wide. The HKCAA will replace Britain's Council for National Academic Awards, on whose services we have relied over the past decade. Our intention is that the two Polytechnics, the Baptist College, the Open Learning Institute and the Academy for Performing Arts will make use of the services and support to be provided by the HKCAA. Other institutions of higher learning, regardless of whether or not they are supported with public funds, will also have access to the services of the Council subject to the consent of the Governor.

The creation of the HKCAA has come at an opportune time as the Government embarks on its plan to increase significantly the provision of degree level places. As a locally based body, the Council will be better placed than overseas organizations to advise, assess and accredit degree courses. As a professional body that has already established extensive overseas contacts under the Provisional Council, the

HKCAA will have access to knowledge and expertise needed to safeguard the international standing of Hong Kong's degrees. This is of the utmost importance in ensuring that the expansion of our tertiary education is not achieved at the expense of quality.

The HKCAA will thus be an indispensable component of our educational infrastructure. The Council will initially undertake course-by-course validation of new degree courses and re-validation of existing ones at our non-university institutions. The Council will also undertake some institutional reviews to determine whether and to what extent certain institutions are capable of sustaining degree programmes. I expect the Council will gradually widen the scope of its work by helping the more mature institutions to validate and re-validate their own degrees. I envisage that the HKCAA will play a key role in facilitating the development of credit unit systems at our tertiary institutions. This would be in line with the recommendation in the Education Commission's third report, and would provide both the institutions and their students with a degree of choice and flexibility. I also see the HKCAA developing links with academic accreditation agencies elsewhere for purpose other than to acquire knowledge and expertise. Clearly, the linking of systems of credit transfer is an important means of furthering international recognition of local academic qualifications.

The HKCAA will have a maximum of 22 members, including distinguished local and overseas academics, as well as leading representatives of our professions, industries and commerce. It will be serviced by an Executive Director, who is already in post, and supported by a secretariat.

The Bill before us, Sir, has been drawn up on the advice of the Provisional Hong Kong Council for Academic Accreditation. I would like to place on record the Government's appreciation of the preparatory work it has done over the past two years. The Bill gives the HKCAA the necessary powers to carry out its functions and provides the organizational structure for an independent, publicly accountable body.

Sir, I move that the debate on this motion be now adjourned.

Question on the adjournment proposed, put and agreed to.

THE SECRETARY FOR ECONOMIC SERVICES moved the Second Reading of: "A Bill to control, in the interests of safety, the importation, manufacture, storage, transport, supply and use of gas, and to provide for matters incidental thereto or connected therewith."

She said: Sir, I move that the Gas Safety Bill 1990 be read the Second time.

The Bill seeks to provide a framework for comprehensive safety legislation with respect to fuel gases. The Bill covers both liquefied petroleum gas (LPG) and town gas, as well as other gases, such as natural gas and biogas, that may be used as fuel sources in future. Provision is made for all aspects of fuel gas importation, manufacture, storage, transport, supply and use to be controlled in the interests of safety.

The main provisions of the Bill include the appointment of a public officer as the Gas Authority to oversee the implementation of the legislation. A Gas Safety Advisory Committee is also provided for to advise the Gas Authority on matters relating to fuel gas safety. The Bill provides for the Advisory Committee to be chaired by the Gas Authority and to comprise members who are not public officers, to be appointed by the Governor.

The detailed technical requirements and registration schemes necessary to ensure fuel gas safety will be contained in regulations made by the Governor in Council. Powers to make the required regulations are set out in the Bill. Six sets of regulations have already been prepared and approved in principle by the Executive Council, with a view to implementation after enactment of the Bill.

These regulations provide for the following: safety specifications on the physical properties of fuel gases; safety requirements on the design, construction, operation and maintenance of facilities, vehicles and other equipment used in relation to the supply of fuel gases; registration schemes for gas supply companies, gas contractors and gas installers; safety requirements on the installation and use of gas fittings, including domestic gas appliances; and approval by the Gas Authority of safe flexible gas tubing.

The Bill also provides for the Gas Authority to draw up and approve codes of practice containing the detailed technical practices to be followed by the various sectors of the gas industry in order to meet the safety requirements of the

legislation.

The Gas Authority is empowered by the Bill to appoint inspectors to carry out duties arising from the legislation. Provision is made for these inspectors to have suitable powers of entry, search and seizure. In addition, there are provisions to enable the Gas Authority to obtain information related to the exercise of his functions.

Lastly, the Bill provides for the establishment of appeal boards to hear appeals against specified decisions or actions of the Gas Authority. Each appeal board is to comprise eight members, one of which is a public officer, while the other seven members are to be drawn from specified categories of person appointed to an appeal board panel. Provision is made for the panel to include: representatives of consumers; corporate members of the Hong Kong Institution of Engineers; and representatives from the various sectors of the gas industry.

This legislation has its roots in the findings of a consultancy study on gas safety in the early 1980s which was commissioned by the Government following a spate of fuel gas-related fatalities. As a result of that consultancy study, the Government established a Gas Advisor's Office (since renamed the Gas Standards Office), which has instigated wide-ranging safety measures with the voluntary co-operation of the gas industry. In large measure the provisions of the gas safety legislation will give legislative backing to the measures already adopted by the local gas industry and ensure their continued implementation.

The legislation has been widely circulated in draft form to interested bodies outside the Government such as the Hong Kong Institution of Engineers and the Consumer Council. It has also been the subject of line by line consultation with the local gas industry. This consultation and the practical experience gained since 1982 in improving gas safety has resulted in legislation which is tailor-made to local circumstances. Furthermore, as a result of measures instigated and overseen by the Gas Standards Office such as the drawing up of codes of practice and the training of LPG installers, the fuel gas industry as a whole is now geared up to meet the requirements of this wide ranging legislation, which represents a major advance for gas safety in Hong Kong.

Sir, I move that the debate on this motion be adjourned.

Question on the adjournment proposed, put and agreed to.

COMPANIES (AMENDMENT) (NO. 2) BILL 1989

Resumption of debate on Second Reading which was moved on 10 January 1990

Question on Second Reading proposed.

MR. PETER WONG: Sir, the Companies (Amendment) (No.2) Bill 1989 is a commendable effort to rationalize the fines and punishments for the transgressions of the Companies Ordinance. Since we accountants are dealing on a regular basis with company directors who have to comply with these regulations, generally it falls on us to explain the details.

Regrettably the track record of government departments applying increased penalties has been perceived by the accounting profession as one of uncaring bureaucracy -- I need only mention the penalties for late filing of annual returns and late filing of tax returns.

I would implore the Registrar of Companies to publicize these fines, some of which are not insubstantial -- a company failing to have two directors can be fined \$5,000 plus a daily fine of \$200. This can easily happen in a family company when one of the two directors passes away. This is but one of the many regulations that must be brought to the attention of company directors.

Section 89(4) provides for a punishment of \$25,000 and a daily default fine of \$500 if a company fails to keep a register of charges or fails to notify the Registrar where the register of charges is kept. Whilst this may be fitting to a company which has purposely tried to hide a charge from its creditors, it is not uncommon for directors to be ignorant about the need to upkeep a register of charges until the omission is pointed out to them at the time of the audit. It would be very unfair to levy the full fines in such circumstances.

The new Twelfth Schedule comprises 155 heads and I cannot say that I have considered each head at length to see if they have all been applied in an appropriate manner and that there are no unforeseen or unexpected results. We will only see the full effects when these fines are actually levied in practice.

I would implore the authorities to treat these fines with respect and that they should be applied with care.

FINANCIAL SECRETARY: Sir, I thank Mr. Peter WONG for his comments on the Bill. He has raised two matters upon which I would like to address this Council.

First, the penalties proposed in the Bill are in many cases considerable. I wish to point out that the increased penalties are intended to provide a more effective deterrent and to take account of inflation since the last revision in 1984. I would remind Mr. WONG that they are maximum penalties. It is for the Court to decide upon the appropriate level of penalty in the light of all the circumstances.

Secondly, it is the responsibility of company directors to acquaint themselves fully with their duties under the Companies Ordinance, and to be aware of the penalties involved for failing to fulfil those duties. Mr. WONG mentioned the provision under section 89(4) which requires a company to keep a register of charges. This provision is necessary because up-to-date information relating to a company's charges and the whereabouts of the register must be available to the public at all times. This information is particularly relevant to creditors and shareholders.

On the question of publicity, a press release will be issued to inform the public of the new penalties. In addition, there are booklets available at the Companies Registry on selected provisions of the Companies Ordinance with special reference to the documents required to be filed with the Companies Registry.

Sir, I beg to move.

Question on the Second reading of Bill put and agreed to.

Bill read the Second time.

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

HONG KONG SPORTS DEVELOPMENT BOARD BILL 1989

Resumption of debate on Second Reading which was moved on 10 January 1990

Question on Second Reading proposed.

MR. CHEUNG YAN-LUNG (in Cantonese): Sir, the purpose of the Bill introduced to this Council today is to establish a statutory body known as the Hong Kong Sports Development Board. This reflects the increasing importance that is being attached by the Government to upgrading the quality of life of the general public and the unceasing efforts in promoting the development of sports and physical recreation in Hong Kong.

As the Chairman of the Regional Council and a member of the Provisional Sports Development Board, I understand that in establishing the Hong Kong Sports Development Board, the Government fully recognizes the significant role played by the two municipal councils in promoting sports and recreational activities. As a matter of fact, the Bill does not provide for any interference or control by the Hong Kong Sports Development Board upon the powers of the Regional Council on matters relating to recreation and sports. Nor will the existing functions of the Regional Council be undermined with the establishment of the Sports Development Board.

Furthermore, in his letter to the Chairman of the Urban Council dated 13 July 1989 concerning the establishment of the Sports Development Board, the Chief Secretary clearly stated that the Sports Development Board would not infringe upon or duplicate the work of the two municipal councils. Instead, they would be in support of and perfecting the work of each other.

I hope the Sports Development Board can effectively co-ordinate the use of resources for the development of sports and recreation in Hong Kong. I am sure the Board, the two municipal councils and the various sports and recreational organizations will, on the basis of mutual respect, make concerted efforts in promoting the awareness and participation of the public in sports and recreational activities and enhance the status of Hong Kong in the international sporting field by grooming and training athletes who are with exceptional potential.

With these remarks, Sir, I whole-heartedly welcome and support the Bill.

SECRETARY FOR HOME AFFAIRS: Sir, I would like to thank Mr. CHEUNG Yan-lung for his support for the Bill.

The development of sport in Hong Kong has reached the stage where a statutory body with executive powers will need to be established to co-ordinate the various efforts and initiatives. Hence, the proposal to establish the Sports Development Board. The role and contribution of the two Municipal Councils in the development of sport and physical recreation in Hong Kong, particularly at the district and regional level, has always been, and will continue to be, recognized. I can assure Mr. CHEUNG that the Sports Development Board will seek to interface with and support the two Councils' work, without duplication or infringement.

Sir, I beg to move.

Question on the Second reading of Bill 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.

COMPANIES (AMENDMENT) (NO.2) BILL 1989

Clauses 1 to 4 were agreed to.

Schedule was agreed to.

HONG KONG SPORTS DEVELOPMENT BOARD BILL 1989

Clauses 1 to 4, 6 to 11, 15, 16 and 18 were agreed to.

Clauses 5, 12 to 14 and 17

SECRETARY FOR HOME AFFAIRS: Sir, I move that the clauses specified be amended as set

out in the paper circulated to Members.

Proposed amendments

Clause 5

That clause 5 be amended --

(a) in subclause (2), by deleting "情況" and substituting "原則";

(b) in the Chinese version, by deleting subclause (2)(r) and substituting --

"(r) 自行或聯同其他人從事發展局的活動或行使發展局的權力⑨".

Clause 12

That clause 12 be amended, in subclause (1)(a), by deleting "單據" and substituting "付款憑單".

Clause 13

That clause 13 be amended, by deleting "注意節約" and substituting "符合經濟原則".

Clause 14

That clause 14 be amended, in subclause (1), by deleting "的節約及講求效率" and substituting "是否符合經濟原則及講求效率的".

Clause 17

That clause 17 be amended --

(a) in subclause (1), by deleting "以善意" and substituting "真誠";

(b) by deleting "不作爲" wherever it appears and substituting "錯失".

Question on the amendments proposed, put and agreed to.

Question on clauses 5, 12 to 14 and 17, as amended, proposed, put and agreed to.

Schedule

SECRETARY FOR HOME AFFAIRS: Sir, I move that the Schedule be amended as set out in the paper circulated to Members.

Proposed amendments

Schedule

That schedule be amended --

(a) in paragraph 1, by deleting "須享有永久延續權及須備" and substituting "是永久延續的法團(1)並";

(b) in paragraph 5(1), by deleting "任何" wherever it appears and substituting "有關的";

(c) in paragraph 6(c), by deleting "行爲" and substituting "履行職務";

(d) in paragraph 12, by deleting "決定性證據" and substituting "確證".

Question on the amendments proposed, put and agreed to.

Question on schedule, as amended, proposed, put and agreed to.

Council then resumed.

Third Reading of Bills

THE ATTORNEY GENERAL reported that the

COMPANIES (AMENDMENT) (NO. 2) BILL 1989

had passed through Committee without amendment and the

HONG KONG SPORTS DEVELOPMENT BOARD BILL 1989

had passed through Committee with amendments. He moved the Third Reading of the Bills.

Question on the Third Reading of 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 p.m. on Wednesday 21 February 1990.

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

Note: The short titles of the Bills/motions listed in the Hansard, with the exception of the Hong Kong Sports Development Board Bill 1989, have been translated into Chinese for information and guidance only; they do not have authoritative effect in Chinese.