

1 HONG KONG LEGISLATIVE COUNCIL -- 17 October 1991

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OFFICIAL REPORT OF PROCEEDINGS

Thursday, 17 October 1991

The Council met at half-past Two o'clock

PRESENT

THE DEPUTY PRESIDENT

THE HONOURABLE JOHN JOSEPH SWAINE, C.B.E., Q.C., J.P.

THE CHIEF SECRETARY

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

THE FINANCIAL SECRETARY

THE HONOURABLE DAVID ALAN CHALLONER NENDICK, C.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 MRS SELINA CHOW LIANG SHUK-YEE, O.B.E., J.P.

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

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

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

THE HONOURABLE DAVID LI KWOK-PO, O.B.E., J.P.

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

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

THE HONOURABLE SZETO WAH

THE HONOURABLE TAM YIU-CHUNG

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

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

THE HONOURABLE MRS MIRIAM LAU KIN-YEE

THE HONOURABLE LAU WAH-SUM, O.B.E., J.P.

DR THE HONOURABLE LEONG CHE-HUNG

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

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

THE HONOURABLE ALBERT CHAN WAI-YIP

PROF THE HONOURABLE EDWARD CHEN KWAN-YIU

THE HONOURABLE VINCENT CHENG HOI-CHUEN

THE HONOURABLE MOSES CHENG MO-CHI

THE HONOURABLE CHEUNG MAN-KWONG

THE HONOURABLE CHIM PUI-CHUNG

REV THE HONOURABLE FUNG CHI-WOOD

THE HONOURABLE FREDERICK FUNG KIN-KEE

THE HONOURABLE TIMOTHY HA WING-HO, M.B.E., J.P.

THE HONOURABLE MICHAEL HO MUN-KA

DR THE HONOURABLE HUANG CHEN-YA

THE HONOURABLE SIMON IP SIK-ON

DR THE HONOURABLE LAM KUI-CHUN

DR THE HONOURABLE CONRAD LAM KUI-SHING

THE HONOURABLE LAU CHIN-SHEK

THE HONOURABLE LEE WING-TAT

THE HONOURABLE GILBERT LEUNG KAM-HO

THE HONOURABLE ERIC LI KA-CHEUNG

THE HONOURABLE FRED LI WAH-MING

THE HONOURABLE MAN SAI-CHEONG

THE HONOURABLE NG MING-YUM

THE HONOURABLE STEVEN POON KWOK-LIM

THE HONOURABLE HENRY TANG YING-YEN

THE HONOURABLE TIK CHI-YUEN

THE HONOURABLE JAMES TO KUN-SUN

DR THE HONOURABLE SAMUEL WONG PING-WAI, M.B.E., J.P.

DR THE HONOURABLE PHILIP WONG YU-HONG

DR THE HONOURABLE YEUNG SUM

THE HONOURABLE HOWARD YOUNG

ABSENT

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

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

THE HONOURABLE MARVIN CHEUNG KIN-TUNG

THE HONOURABLE MISS EMILY LAU WAI-HING

PROF THE HONOURABLE FELICE LIEH MAK, O.B.E., J.P.

IN ATTENDANCE

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

MR JOHN CHAN CHO-CHAK, L.V.O., O.B.E., J.P.  
SECRETARY FOR EDUCATION AND MANPOWER

MR ALISTAIR PETER ASPREY, O.B.E., A.E., J.P.  
SECRETARY FOR SECURITY

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

MR BOWEN LEUNG PO-WING, J.P.  
SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS

THE CLERK TO THE LEGISLATIVE COUNCIL  
MR LAW KAM-SANG

Papers

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

Subject

Subsidiary Legislation L.N. No.

Public Health and Municipal Services (Public Pleasure Grounds) (Amendment of Fourth Schedule) (No. 7) Order 1991.....	372/91
Public Swimming Pools (Designation) (No. 3) Order 1991.....	373/91
Revised Edition of the Laws (Correction of Errors) (No. 3) Order 1991.....	374/91
Rules of the Supreme Court (Amendment) (No. 2) Rules 1991.....	375/91

Solicitors (General) Costs (Amendment)

Rules

1991..... 376/91

Statutes of The Chinese University of Hong

Kong (Amendment) Statutes 1991

Corrigendum.....

377/91

Housing Ordinance (Amendment of Schedule)

Order 1991.....

378/91

Sessional Paper 1991-92

No. 1 -- Revisions of 1991-92 Estimates approved by  
Urban Council during the first quarter of the  
1991-92 Financial Year

No. 2 -- Regional Council's Estimates of Revenue and  
Expenditure for 1991-92 - Appendix III (Revised)

No. 3 -- Land Development Corporation  
Annual Report 1990-1991

No. 4 -- Report by the Trustee of the Correctional Services  
Children's Education Trust for the period  
1 September 1989 to 31 August 1990

No. 5 -- Hong Kong Export Credit Insurance Corporation  
Annual Report 1990-91

No. 6 -- Report on the Administration of the Fire Services  
Welfare Fund for the year ended 31 March 1990

No. 7 -- Hong Kong Housing Authority  
Annual Report 1990-91

No. 8 -- Hong Kong Sports Development Board  
Annual Report 1990-91

No. 9 -- School Medical Service Board  
Annual Report for the year ended 31 March 1991

No. 10 -- Hong Kong Tourist Association  
Annual Report 1990-91

Oath

Mr David Alan Challoner NENDICK took the Oath of Allegiance.

DEPUTY PRESIDENT: I would like to welcome Mr NENDICK to this Council. Before we start this afternoon's business I should like to say that it is an honour for me to preside over the Legislative Council as its first Deputy President. I should also like to express the hope, shared by all Members I am sure, that we shall have a successful Session.

Address by Member

Hong Kong Tourist Association Annual Report 1990-91

MR MARTIN BARROW: Mr Deputy President, I am pleased to table the Annual Report of the Hong Kong Tourist Association for the financial year 1990-91. Following a downturn in arrivals in the wake of events in China in June 1989, there was an encouraging recovery in visitor arrivals in 1990. Arrivals for last year surpassed our earlier estimates to reach 5.9 million, a 10% increase on the previous year.

Tourism receipts grew by 6.7%, to HK\$39 billion, and this figure once again reinforced the tourism industry's position as the territory's third largest earner of foreign exchange.

Arrivals for the first eight months of this year were down just 1.2% compared



with the same period last year. Tourism receipts however were down by 2.7% in the first half of the year indicating a continued disappointing expenditure level, although this is mainly due to the reduction in hotel rates.

These results however give us cause for cautious optimism. While 1990 produced a new record for tourism arrivals, I remain hopeful that 1991 will set yet another record, with total arrivals topping six million.

This means that Hong Kong is likely to retain its position as the leading travel destination in Asia. This year, Hong Kong's tourism industry has confronted two major obstacles to growth: the Gulf war, and recession in major markets. The outlook, however, is improving. For instance, the upswing in travel to China, from both long haul and short haul markets, is an encouraging trend because it benefits Hong Kong, and we look forward to increasing our co-operation with those involved in promoting China tourism.

Hong Kong is facing stiff competition from other regional destinations, many of which place a high priority on tourism in their plans for economic growth.

Locally, we have constraints which make the job of attracting visitors more difficult. High inflation is reducing visitor spending power, and the increased departure tax -- now one of the highest in the world -- affects Hong Kong's image as a low-tax, laissez-faire economy.

In addition, it seems that the possibility of a wholesale tax is still being discussed. In a recent poll of 50 Legislative Council candidates, 98% opposed the introduction of such a tax. Furthermore a research study conducted by a senior lecturer in economics at the University of Hong Kong demonstrated that such a tax is unlikely to stabilize tax revenue. For Hong Kong's tourism industry to grow, to keep up its foreign exchange earnings and to maintain its regional leadership, it requires commitment, creativity and hard work from all sectors of the industry.

Over the past years we have taken several initiatives to stimulate additional business. The high-profile "Hong Kong -- stay an extra day" campaign, which was devised two years ago, and which highlights Hong Kong's wide range of attractions, has been a cornerstone of our strategy to extend visitors' length of stay. The Annual Report describes in detail these activities undertaken to refine and expand the campaign.

The convention business makes a vital contribution to Hong Kong's tourism industry and the Association has worked hard to develop this lucrative sector. Our efforts continue to pay dividends; over the next few years, several prestigious Conventions are scheduled to be held in Hong Kong. These include the 1992 Lions Clubs International Convention and the 1992 Pacific Asia Travel Association Conference. Important events have even been secured for post-June 1997. They will reinforce Hong Kong's image as an international city and provide an opportunity to show-case Hong Kong's attractions and demonstrate our professional expertise in handling important events.

The rapid changes taking place in Eastern Europe offer potential to develop business, especially convention traffic from these regions. While appreciating the positive steps taken by the Government to ease visa restrictions, it must be stressed that more needs to be done to speed up visa formalities for citizens of Eastern European countries, as well as Taiwan, which is in fact Hong Kong's biggest visitor market. More of this in a moment in question time.

The Association is pleased about several developments which will have a positive impact on the tourism industry. First, the agreement reached on the construction of the new airport at Chek Lap Kok is a great confidence-booster. This means that Hong Kong can look forward to welcoming 10 million visitors and earning some HK\$140 billion in tourism receipts annually by around the year 2000.

The growth of the hotel sector and the profile of projects in the planning stage show concrete evidence of the private sector's confidence in the future of the tourism industry. Some 4 000 new hotel rooms will have opened this year and a further 4 000 are scheduled to open by the end of 1995.

Secondly, we are encouraged by the work being carried out to improve the environment -- one of Hong Kong's most valuable assets -- for the well-being of Hong Kong people in general, and for the tourism industry in particular.

Third, the decision to ease labour importation restrictions is to be applauded. This development is of particular significance for the hotel industry, but more flexibility is urged. If we are to maintain our service standards and reputation, that sector will need to have an adequate pool of human resources.

Meanwhile, the Association's continuing training programmes and the tourism employees recruitment schemes have helped to maintain and expand a number of trained members of staff for the tourism industry -- an industry which depends on high standards of service for growth and survival. Similarly, the Association's "Hong Kong Cares" courtesy programme has helped promote a higher degree of professionalism within the industry and a stronger awareness of the importance of courtesy amongst those who have direct contact with tourists and indeed amongst members of the community in general.

Fourthly, the introduction of a functional constituency of travel and tourism in this Council reflects the recognition of the vital role the industry plays in Hong Kong's economy. Now the industry has a direct voice on many matters of interest and concern to it. The Association looks forward to working closely with Mr Howard YOUNG.

While 1990 presented many challenges and 1991 has its share of problems, the industry has demonstrated flexibility and ingenuity in promoting travel to Hong Kong. We will continue our work to ensure that Hong Kong retains its position as Asia's number one travel destination.

I invite Members to study the Annual Report. It outlines comprehensively the range of activities the Association undertook on behalf of the industry and Hong Kong in the past financial year.

Oral answers to questions

Clinical psychologists

1. MR HUI YIN-FAT asked: In the White Paper on Social Welfare into the 1990s and Beyond, the Government has scheduled to provide 36 additional posts of Clinical Psychologists by 1999 to meet the rising need for services for family and child care. On the other hand, it is estimated that another 40 to 50 Clinical Psychologists will be required by 1999 in the rehabilitation services for the handicapped. In view of this increasing demand as well as the existing acute shortage of Clinical Psychologists, which is aggravated by the high wastage rate, will the Administration inform this Council what measures have been or will be taken to ensure an adequate supply of locally trained Clinical Psychologists?

SECRETARY FOR HEALTH AND WELFARE: Mr Deputy President, Clinical Psychologists are deployed in the Social Welfare Department, Department of Health, Hospital Services Department, Royal Hong Kong Police Force and Correctional Services Department. The qualifications for appointment are:

(i) a recognized Honours Degree in Psychology, plus at least two years' post-graduate experience in clinical psychology, or

(ii) a recognized Master's Degree in Clinical Psychology.

The Administration has experienced difficulties in recruiting sufficient Clinical Psychologists. Most of the appointees in recent years were holders of a Master's Degree in Clinical Psychology.

In the past academic year (1990-91), Master's Degree courses in Clinical Psychology were provided at the University of Hong Kong and the Chinese University of Hong Kong. The former has recently decided to suspend the intake to its course for one year in 1991-92 because of a lack of qualified and interested candidates. The University and Polytechnic Grants Committee has recently supported the continuation of the Master's Degree programme in Clinical Psychology at the Chinese University of Hong Kong and will provide funding for it at least until 1994-95.

One of the main problems facing the Master's Degree programmes at the two universities is that there are insufficient qualified students enrolling for the programmes. Measures will be taken to publicize the career prospects of Clinical Psychologists in Government and the subvented sector.

The Administration will also explore the possibility of providing opportunities for graduates with an Honours Degree in Psychology to gain working experience in clinical psychology so as to qualify for appointment as Clinical Psychologists. One possibility is to create a new rank to train graduates with an Honours Degree in Psychology for appointment to the Clinical Psychologist rank.

MR HUI YIN-FAT: Mr Deputy President, one of the factors causing the existing problem is the high wastage of Clinical Psychologists. Could the Administration inform this Council how it plans to lower the wastage rate, say, by offering better career

prospects and further training so that experienced personnel and expertise in the service could be retained?

SECRETARY FOR HEALTH AND WELFARE: Mr Deputy President, it is true that the recruitment does not match the wastage rate. Whilst resignation in the service is largely a matter for personal decision, the grade is a very specialized grade. According to information available to me, the wastage rate is due to some Clinical Psychologists resigning their posts in order to emigrate; and the perception that the promotion prospects are not too good. The current ratio of Senior Clinical Psychologist post to Clinical Psychologist post is 1 : 7.6. Unless we have an expanded base, that is, more demand for such professionals, the numbers overall will not attract people to the grade.

DR LEONG CHE-HUNG: Mr Deputy President, is the Administration aware of a recent recommendation by the Medical Development Advisory Committee (MDAC) to increase the ratio to one Clinical Psychologist to some 4 000 psychiatric out-patients and one Clinical Psychologist to some 300 acute psychiatric beds. This means that at this point in time there need to be 70 Clinical Psychologists against the existing 15 in the service. Will the Administration take these recommendations into earnest consideration and, if so, what other concrete steps will be taken to increase the supply of Clinical Psychologists?

SECRETARY FOR HEALTH AND WELFARE: Yes, Mr Deputy President. The MDAC ratio is a very attractive one and will remain our guide. But the reality is that we cannot attract enough people to the grade. Indeed, based on the MDAC ratio, the Hospital Services Department and the Department of Health remain in combination the largest employer of Clinical Psychologists within the Government. In this very specialist area, I understand that there is at present no policy for the co-ordinated recruitment and training of Clinical Psychologists. I intend to set up an inter-departmental working group consisting of the user departments and the relevant branches to study the demand, the supply and the training of Clinical Psychologists. The fact that I stand here to reply to this question is an indication of my happiness and willingness to undertake this very important role.

DR YEUNG SUM (in Cantonese): Mr Deputy President, the Secretary has just mentioned that the two universities do have difficulties in recruiting students. I believe there are indeed cases where students really want to enrol in the Master's Degree Programme, but are discouraged to do so for lack of assistance or scholarship from the Government. Has the Administration found a way of encouraging as many eligible students as possible to take the course?

SECRETARY FOR HEALTH AND WELFARE: Yes, Mr Deputy President. Both the Social Welfare Department and the Correctional Services Department do provide sponsored candidates for training.

MRS RITA FAN: Mr Deputy President, Mr HUI outlined to us in his question that there would be a shortage of about 70 to 80 Clinical Psychologists. Can the Secretary inform us whether it is possible for the two universities to manage that output so that the demand will be totally satisfied and, if not, what other measures, apart from the measures she has mentioned in her main answer, can be considered ?

SECRETARY FOR HEALTH AND WELFARE: I think it will be quite apparent from my main answer that the number of undergraduates or graduates undergoing training is in fact dwindling and our demand indicates that in the next three years we would have an additional demand in Government for Clinical Psychologists in the region of 79 additional posts. So it is unlikely that in the next three years we can satisfy demand. As I said earlier, I see the difficulty in this area as mainly threefold -- the "before", "during" and "after". I think, on the "before" period, that is, before people take up the profession, the importance of this profession ought to be stressed through publicity so that people will be aware of the need of society for specialists of this grade. Secondly, I think during the period where students are being trained it must be appreciated that it will be a long haul. They will need to have a B.A. Honours Degree and thereafter to undergo two years clinical psychology training. As I said in the main answer, we are trying to do something to help psychologist graduates to be trained up in clinical psychology. The third area, which is much more distant, relates to the question of the job market. Until we expand the base in the line-up of jobs, I am afraid students will not understand the demand. Our first prong of attack is really to enhance awareness of the demand for Clinical Psychologists, so that more postgraduate students can be attracted to this very important area of work.

MR MICHAEL HO (in Cantonese): Mr Deputy President, the Secretary mentioned in her reply that there would be publicity on the career prospects of Clinical Psychologists in the Civil Service and the subvented sector. Will the Administration inform this Council how it will go about doing that? Apart from the advancement to the post of Senior Clinical Psychologist, what are the other career prospects for the grade? What is the difference, in terms of career prospects, between Clinical Psychologists and other professionals such as doctors?

SECRETARY FOR HEALTH AND WELFARE: This, as I said, is a very important area and before I go flat-footed into publicity, the first step I will take is to consult the Clinical Psychologists themselves. This I intend to do very shortly.

Medical and health services in Tai Po and North District

2. MR TIK CHI-YUEN asked (in Cantonese): Will Government inform this Council whether there are any plans to improve and develop the medical and health services in Tai Po and the North District of the New Territories, so as to cope with the rapid population growth in those districts?

SECRETARY FOR HEALTH AND WELFARE: The present population in Tai Po and North District together is 0.38 million. This is expected to increase to 0.52 million by 1998.

To anticipate demands from population growth, three new hospitals are being planned. These are the Tai Po Nethersole Hospital, the Tai Po Infirmary and Convalescent Hospital and the North District Hospital. In addition, the facilities in Tai Po Jockey Club Clinic will be improved and the Fanling Maternal and Child Health Centre will be reprovioned. Sites have also been reserved for two new clinics, one in Tai Po and the other in North District.

Apart from these, the reforms to be introduced in hospitals and primary health care services should further improve quality of medical and health services in the territory, including Tai Po and North District.

MR TIK CHI-YUEN (in Cantonese): Mr Deputy President, as far as I know, the Tai Po Hospital will not be completed until 1997 and the North District Hospital not until 1999. Given that the two hospitals will be completed in phases, does the Administration have any plan of an early provision of some of the services, such as out-patient and accident and emergency services, so as to ease the shortage of medical services in the New Territories North region?

SECRETARY FOR HEALTH AND WELFARE: According to present plans, the Tai Po Nethersole Hospital and Tai Po Infirmary Convalescent Hospital providing additional 642 and 1 020 beds respectively would both be completed by 1996. The North District Hospital which provides some 1 258 beds would be available a few years later. In the meantime, we do intend to effect an early improvement to the Tai Po Jockey Club Clinic and reprovisioning of the Fanling Maternity and Child Health Centre to be completed by 1992-93. No dates, however, have been fixed for the construction of the two new clinics although sites have been reserved. In the matter of planning, we are constantly reviewing our need, the timing and scope of all medical and health projects to take into account local community demands and also changing needs in the community.

DR LEONG CHE-HUNG: Mr Deputy President, we know very well that many new health facilities, such as hospitals and clinics, in Hong Kong cannot run to full capacity because of shortage of staff. Can the Administration inform this Council how these proposed new facilities in New Territories North could be staffed when they are built and in commission?

SECRETARY FOR HEALTH AND WELFARE: This is in fact one of our planning aims. Before we plan a capital works project, we have to consider other related needs such as the need to have enough staff to service hospitals and the need for training, and also the better utilization of resources all round.

MR EDWARD HO: This is a follow-up question to Mr TIK's question. Referring to the second paragraph of the Secretary's reply, I have the feeling that most of the projects are not committed projects except probably the Tai Po Nethersole Hospital. Could the Secretary perhaps tell this Council in writing later on the scheduled commencement



dates of these projects and when they are expected to be commissioned?

SECRETARY FOR HEALTH AND WELFARE: Yes, Mr Deputy President. (Annex I)

DR HUANG CHEN-YA (in Cantonese): Before the three planned hospitals are operational, the shortage of hospital beds will be 1 500 in Tai Po and the New Territories North region, and 1 000 in the New Territories East region. By 1998, demand for beds will be over 2 000. What kind of interim measure will the Administration take to meet the present shortfall of hospital beds? And how can we forestall such a problem in the long run; in other words, how can we ensure that our medical development will keep pace with population growth?

SECRETARY FOR HEALTH AND WELFARE: Mr Deputy President, the deficiency of hospital beds, if any, is more a matter of perception. Let me perhaps make two points. First of all, in the North Territory East region, the number of general out-patient clinics in fact surpasses the number in other regions of the territory because of the particular nature of its geographic spread, not only its population spread. This demonstrates that the ready accessibility to hospital care is indeed provided. The second point I would like to make which is more important is that in Hong Kong we tend to be mesmerized by numbers of hospital beds. I think it has been said, rightly or wrongly, in some quarters that the wealth of a nation is not measured by the number of Rolls Royces one sees in the street. So, the health of a nation is not counted by the number of hospital beds. Indeed, the healthier the population, the less beds are needed. Internationally, therefore, the trend is moving towards primary health care. We want to keep the people healthy. We want wellness, not illness. We want to keep people out of hospital, rather than shut people in the hospital. That of course does not mean we do not plan ahead. We do plan ahead and our overall ratio at present is 4.28 : 1 000 population, which is far better than the 3.7 beds per 1 000 population in Singapore.

DR CONRAD LAM (in Cantonese): Will the Administration inform this Council what the ratio of doctors is in relation to the population of Tai Po and the North District? How many of them are in private practice and how many of them are employed by the Government? Do these figures meet the requirements laid down by the Medical

Development Advisory Committee?

SECRETARY FOR HEALTH AND WELFARE: Mr Deputy President, I shall provide the statistics in writing. I have not got them available today. (Annex II)

MR MICHAEL HO (in Cantonese): Mr Deputy President, my question is a follow-up to the reply to Dr LEONG's question. Given the shortage of nursing staff, coupled with considerable difficulties in the recruitment of student nurses, the extension to the Queen Mary Hospital and the new Tuen Mun Hospital cannot be commissioned as scheduled. Will the Administration inform this Council what specific measures it will take to ensure that the North District Hospital will have an adequate supply of nurses in the next few years and that it can be put in commission on schedule?

DEPUTY PRESIDENT: Secretary for Health and Welfare, are you able to answer this question, because it seems to go beyond the scope of the original question which is restricted to Tai Po and the North District ?

SECRETARY FOR HEALTH AND WELFARE: I would perhaps venture to answer the question in writing. I think to be fair to the question it will need some thorough analysis. (Annex III)

REV FUNG CHI-WOOD (in Cantonese): Mr Deputy President, according to the initial announcement, the date of completion for the Tai Po Hospital and the North District Hospital would have to be deferred for two years, that is, until 1997 and 1999 respectively. Will the Administration inform this Council if completion could be advanced by two years; if not, will the hospitals be completed on schedule at the present pace of work; if not, when are they expected to be completed?

SECRETARY FOR HEALTH AND WELFARE: As far back as 1990, I said in this Council that the timing and scope of provision of medical and health services facilities would be regularly reviewed and would need at least five years lead time, because of the very complicated planning procedure which would require not only physical construction of buildings but also parallel provision of manpower. It would not be fair to have a new hospital with no back-up in terms of manpower resources. Reviews

therefore of major medical and health projects are necessary as part of the management process and will be looked at almost every year. As Members who were here last Session when we enacted the Hospital Authority Ordinance will recall, the Hospital Authority is due to take over public hospitals and will be introducing hospital management reforms. The benefit of this will be to achieve more efficient distribution of resources and more optimal utilization of facilities. The HA will also be reviewing the provision of public hospitals. The outcome of this review may impact on the timing and the scope for the provision of various physical facilities in Tai Po and North region.

DR LEONG CHE-HUNG: Mr Deputy President, we are talking about new medical services in New Territories North and I agree with the Secretary that Rolls Royces can be compared with hospital beds and perhaps MTR can be compared with primary health care. Can the Administration inform this Council whether there are any demographic studies of the New Territories North to ensure the proper priority of development of the different aspects of health care services in New Territories North?

SECRETARY FOR HEALTH AND WELFARE: The Census and Statistics Department does census and bi-census periodically and we do relate to that when we plan our provision so that we know the spread of young people versus the elderly people in a certain district.

MR FRED LI (in Cantonese): As the Hospital Authority will be established shortly, will the Secretary for Health and Welfare inform this Council whether the Administration will propose any improvement measures to the new hospital projects in Tai Po and the North District that we mentioned earlier?

SECRETARY FOR HEALTH AND WELFARE: I shall look to the advice from the Hospital Authority

DR HUANG CHEN-YA (in Cantonese): As regards the numbers of hospital beds, the Secretary for Health and Welfare may say that the views on it are somewhat subjective. Will the Administration inform this Council, without subjectivity, how long the

waiting time is for admission into hospitals in Tai Po and the New Territories North region, apart from casualty and diagnostic cases?

SECRETARY FOR HEALTH AND WELFARE: I think before I provide statistics in writing on the waiting time -- I have no available statistics today -- I would like to inform this Council that in the New Territories eastern region, which includes Tai Po and other areas, we have five hospitals with 2 092 beds and also 16 general out-patient clinics and 12 maternal child health care centres. That compares favourably with the numbers in other regions, certainly in terms of the number of beds. The region is looking forward to some eight hospitals, including the three I have just mentioned, by 1998 and also 19 general out-patient clinics, 14 maternal and child health centres. All these combined do not indicate there is a desperate shortage. I will endeavour to provide the statistics on the waiting time, if available. But there are other hospitals and people are not debarred from being treated in other hospitals. So one finds there is a lot of movement between regions. Hong Kong after all is not that big a place.

Visa requirements for foreign visitors

3. MR MARTIN BARROW asked: Will the Government inform this Council whether it intends to waive or simplify visa requirements for foreign nationals who require a visa to enter Hong Kong and, in particular, whether or not there will be a change of policy towards those from the Soviet Union?

SECRETARY FOR SECURITY: Mr Deputy President, we review our visa requirements regularly. In the past two years we have relaxed restrictions on visitors from the former Soviet Bloc; the effect has been both to reduce the visa processing time and to permit tourist visits by the nationals of most such countries. We are also at present negotiating visa abolition agreements with Czechoslovakia, Hungary, and Poland.

As regards the former Soviet Union, we are now reviewing our visa requirements with a view to further relaxation, with the specific aim of streamlining procedures and reducing the processing time for the issue of visas.

MR MARTIN BARROW: It is disappointing to learn that this issue still remains in the review basket and that we continue to proceed at such a cautious pace rather than accept the need for radical change. Is the Secretary aware that increasing numbers of citizens of the Soviet Union are able to visit China and Southeast Asia with very little difficulty and could he not agree with immediate effect on a target of reducing the time taken to issue visas from six weeks to, say, 10 working days as he has managed to achieve for visitors from Vietnam?

SECRETARY FOR SECURITY: Mr Deputy President, there has been no delay. We always move at this deliberate pace. The situation in the Soviet Union and in Eastern Europe has been a rather fluid and changing one and we have had to take account of events as they happened. We are reviewing it and, as I said, it will be our aim to reduce the visa processing time to something of the order that Mr BARROW mentions. But I cannot give a time table for that.

MR HOWARD YOUNG (in Cantonese): In its review on streamlining the visa application procedure and reducing the processing time for the issue of visas, will the Government consider visitors from Taiwan as well, taking into account the fact that currently it takes nearly two weeks before a visa can be issued to a person from Taiwan, and that if no improvement is made to such situation, Hong Kong's tourist industry will be affected?

SECRETARY FOR SECURITY: Mr Deputy President, we have in the last year or 18 months considerably simplified the visa application procedure for persons from Taiwan. It does take about two weeks to obtain an initial visa but that can be a visa for multiple visits of up to two years now and such visas can be renewed within a matter of two or three days. We, as I said in my main answer, do keep our visa requirements under regular review but we have no immediate plans to change the arrangements for Taiwan.

MR MAN SAI-CHEONG (in Cantonese): In the past three years, how many people from the Soviet Union and Eastern Europe who intended to come to Hong Kong for cultural exchanges were unable to obtain a visa? And does the Authority concerned have a set of immigration procedure for the purpose of encouraging cultural exchanges with these

countries?

SECRETARY FOR SECURITY: Mr Deputy President, I do not think I can answer a question about our policy for cultural exchanges with the Eastern bloc. It is completely outside my portfolio.

DEPUTY PRESIDENT: Would you like to rephrase your question, Mr MAN?

MR MAN SAI-CHEONG: Can I ask whether there is flexibility to allow the incoming of visitors from the Eastern bloc and the Soviet Union so that we can make it easier for people coming to Hong Kong for cultural purposes?

SECRETARY FOR SECURITY: Mr Deputy President, I now understand the question better. Yes, people coming for cultural visits are well within the present policy and visas can be issued for such purposes.

MR JAMES TO (in Cantonese): Mr Deputy President, several months ago, visas were issued by the overseas British consulates or the Home Office to some overseas Chinese students for them to come to Hong Kong for the purpose of attending a meeting for academic exchanges on the domestic situations in China and the global conditions of human rights. But they were refused entry into Hong Kong by the Government for political reasons. Since the British authority concerned had learned of the purpose for which they came before issuing the visas and the students were nevertheless refused entry by the Hong Kong Government, can the Government inform this Council whether there was any inconsistency or lack of mutual understanding between the two parties in these incidents? Can the Government also explain to those who intend to apply for visas to come to Hong Kong under what circumstances the Government will, for political reasons, refuse entry to people who are issued with visas? Also, has the Government considered amending the Immigration Ordinance to the effect that channels for appeal will be provided to those who are refused entry into the territory?

DEPUTY PRESIDENT: Mr TO, I think your question goes well beyond the scope of the

original question and is in so many parts that it might be difficult to answer satisfactorily. Would you like to have a further try at bringing your question within the ambit of the original question and to make it as simple as possible?

MR JAMES TO (in Cantonese): Mr Deputy President, I would like to try to simplify my question. Can the Government inform this Council under what circumstances the Government will, for political reasons, refuse entry to people who are issued with visas?

SECRETARY FOR SECURITY: Mr Deputy President, I think I can best answer that question by saying that the issue of a visa does not confer an automatic right of entry. We do and will continue to reserve the right to refuse entry even to people who are issued with visas. This is necessary particularly because many visas issued abroad are issued without reference to Hong Kong and we may well have reasons here nevertheless to refuse entry.

PROF EDWARD CHEN: Mr Deputy President, I have a three-part question. Will the Government inform the Council, first, whether the relaxation of restrictions on visitors applies to all categories of visitors, for example, tourists, government officials, journalists, academics, students and professionals, or whether the relaxation is confined to a certain category of visitors; secondly, whether the relaxation of restrictions will also be applied to visitors coming from Vietnam, Burma, and North Korea which were formerly Asian members of the Soviet bloc; and thirdly, whether the relaxation of restrictions is equally applied to the issuing of work permits to people coming from these countries?

DEPUTY PRESIDENT: The first two parts of the question appear to be facets of the same thing but the third part appears to go beyond. Secretary for Security, are you able to answer the third part of the question?

SECRETARY FOR SECURITY: I do not think I am, Mr Deputy President. I think I can answer the first two. With regard to the first part on whether the relaxation applies to all categories of visitors, the answer in general terms is yes. But there are some exceptions to this. We do not allow tourist visits at present by nationals of Albania,

Cambodia, Cuba, Laos or North Korea. With regard to the second part on whether it applies to all countries, that is a very big question. We at the moment have a very liberal visa regime. In general we have stringent visa requirements only on 20 countries, 15 of them former Soviet bloc countries and five of them Middle Eastern countries. The relaxations that we have introduced in the last 18 months have applied to most of the former Soviet bloc countries but not all of them.

MR CONRAD LAM (in Cantonese): Mr Deputy President, what are the criteria that the Government used for issuing visas to visitors from foreign countries? Assuming that double standard does exist, will it be due to racial discrimination, political discrimination or the need to have prior consultation with China?

DEPUTY PRESIDENT: This appears to go considerably outside the scope of the original question. But to the extent that you are able to answer, Secretary for Security, will you please do so.

SECRETARY FOR SECURITY: Yes, Mr Deputy President. There are no precise criteria. We base our judgement on whether a particular country may have an interest in using Hong Kong as a base for activities directed against us or against other nations, having regard to broad political and security considerations. We do adopt our own independent visa policy; but we are of course guided by foreign policy considerations which are the responsibility of the United Kingdom Government.

MRS PEGGY LAM (in Cantonese): Mr Deputy President, part of my question has been asked by my colleagues. What I would like to ask now is whether citizens of the Commonwealth countries are allowed to visit Hong Kong without visas?

SECRETARY FOR SECURITY: For the purpose of visits, tourist visits for example, I believe the answer is yes, but not of course for employment.

MR PANG CHUN-HOI (in Cantonese): Mr Deputy President, with regard to visitors who come to Hong Kong regularly and are granted visas every time they come, will the



Secretary inform this Council of the shortest possible time for them to get a visa?

SECRETARY FOR SECURITY: Mr Deputy President, nationals of the overwhelming majority of countries are allowed to visit Hong Kong without visas. For those countries that do require visas, the processing time in most cases is about two weeks. In some cases, it can be longer than that. It can be up to six weeks in some cases.

MR EDWARD HO: Mr Deputy President, arising from the relaxation of visa requirements for visitors from Europe, is the Government doing anything to negotiate with countries in Europe such as Germany and France to abolish their visa requirements for Hong Kong Passport holders?

DEPUTY PRESIDENT: We seem to be going well beyond the ambit of the original question which Mr BARROW asked with a particular viewpoint. Are you prepared to answer that question, Secretary for Security?

SECRETARY FOR SECURITY: Yes, Mr Deputy President. In broad terms, it is true that I think only some 70 to 80 countries allow visa free access to Hong Kong BDTC or BNO holders, which is rather less than what we allow on a reciprocal basis. Reciprocity is of course an important aspect of all visa arrangements and we do frequently seek to obtain visa free access from those countries, for example, the countries that Mr HO mentioned that do not allow Hong Kong residents visa free access now. But in the final analysis, reciprocity is not an overwhelming consideration and we have to take also into account our own economic interests and, as Mr BARROW has pointed out, the interests of our tourist industry.

MR HOWARD YOUNG: Mr Deputy President, referring to the negotiations mentioned in the reply on visa abolition agreements with Czechoslovakia, Hungary and Poland, can the Secretary confirm to this Council that these negotiations are in fact on the basis of reciprocity and, if so, that not just BNO and BDTC holders but the interests of Certificate of Identity holders will also be taken into account?

SECRETARY FOR SECURITY: They are on the basis of reciprocity, though I think the reciprocity would only extend to BDTCs and BNOs.

MR SZETO WAH (in Cantonese): Mr Deputy President, will the Secretary explain what is meant by the "Former Soviet Union" being referred to in the second paragraph of his main reply?

DEPUTY PRESIDENT: That is not something the Secretary for Security can elucidate as it was part of Mr BARROW's question.

MR CHEUNG MAN-KWONG (in Cantonese): Mr Deputy President, I would like to follow up Dr Conrad LAM's question. My question relates to those persons being denied entry into the territory because their admission was considered by the Government as possibly detrimental to the relations with the neighbouring regions. In fact, three members of the United States Congress claiming to be concerned with human rights and democratic situations in China have recently visited China via Hong Kong whereas some overseas Chinese students who had been invited by the Hong Kong Federation of Students to speak at conferences on democracy in China were refused entry into the territory. I think the Government has adopted a double standard in handling these matters as those coming from the United States, in spite of their proclamation that might be regarded as detrimental to the relations between China and Hong Kong, were allowed to enter Hong Kong while the overseas Chinese students with similar situations were refused entry?

DEPUTY PRESIDENT: Mr CHEUNG, I will disallow that question because this goes totally beyond the scope of the original question. This may be legitimate material for an independent question which you may like to formulate and put at another sitting. But I think for the purpose of the original question I have got to rule your supplementary out of order.

Police equipment, arms and ammunition

4. MRS PEGGY LAM asked (in Cantonese): Will Government inform this Council:

(a) how much better in quality and function are the new-style bullet-proof vests recently used by the police, compared with the old-style vests; and

(b) whether there are any plans to provide police officers with more bullets and high speed bullet loading equipment, so as to enhance their self-defence and fight-crime capacity in case of imminent danger?

SECRETARY FOR SECURITY: Mr Deputy President, the old-style bullet resistant vests were able to stop ammunition from all types of handguns used by criminals in Hong Kong at the time they were purchased. The vests have, however, proven less effective against the steel jacketed 7.62mm bullet now used by some violent criminals in Hong Kong. Some 400 new vests, of a design which offers adequate protection against the 7.62mm bullet, have been acquired and are now in use. These new vests are also more comfortable to wear.

Some 1 200 officers have been issued with ammunition additional to the six rounds loaded in their revolvers. Most have also been issued with a bullet loading device to assist them in speed reloading. This is a trial scheme, during which different types of speed loading equipment will be tried and evaluated, as will be the need to issue additional ammunition to the remainder of the police force.

MRS PEGGY LAM (in Cantonese): In his reply, the Secretary for Security mentioned that some 400 new bullet resistant vests, which can provide adequate protection against 7.62mm bullets, have been acquired. But information reveals that the number of police officers who need to wear such vests is around 30 000. That being the case, some policemen who have not been issued with such vests have to purchase them out of their own pockets. Could the Secretary inform this Council of the exact number of vests we are short of at present, and whether such vests are available in all police stations?

SECRETARY FOR SECURITY: Yes, Mr Deputy President, I think I should make it clear that bullet proof or bullet resistant vests are only worn in certain circumstances. They are worn on occasions when there is reason to believe that there is a likelihood of apprehending criminals with firearms. They are not worn by the normal policemen on

the beat and indeed they would be, I think, far too hot and heavy and cumbersome for someone to wish to wear during the course of an eight-hour beat patrol. In addition to the 400 new standard vests, there are something like 500 old style vests still in use. Those will be replaced as soon as possible. Bullet resistant vests are available in all police stations and they are also carried on mobile patrol and emergency unit vehicles.

MR JIMMY MCGREGOR: Mr Deputy President, could the Secretary see whether automatic pistols could be issued to police officers, using multi-cartridge magazines rather than revolvers because the automatics permit much faster firing and reloading?

SECRETARY FOR SECURITY: Mr Deputy President, the police do keep under very regular review the adequacy of their firearms and their other equipment and will continue to do so. But at the moment I believe they have no plans to replace the existing revolvers.

MRS MIRIAM LAU: Mr Deputy President, can the Secretary inform this Council how many of the 1 200 officers referred to in the second paragraph of his answer have been issued with bullet speed loading device and how long is the trial scheme likely to last before a decision could be taken to extend the scheme to the remainder of the force?

SECRETARY FOR SECURITY: I regret that I do not have the specific information to answer those questions but I will try and give Mrs LAU a written reply. (Annex IV)

MRS RITA FAN: Can the Secretary also inform us of the criteria for judging whether the trial scheme is successful or not?

SECRETARY FOR SECURITY: Mr Deputy President, I think I probably should give a written reply to that as well. I think clearly it will have to be judged having regard to how many times it was necessary to use this equipment, whether it was effective, which was the most effective of various different types of equipment being used and an

assessment of how many people would need to use such equipment.

MR RONALD ARCULLI: Mr Deputy President, I am tempted to ask the Secretary for Security whether Members of this Council would be issued with bullet proof vests. But on the serious note, could he perhaps explain to Members of this Council what is meant by bullet resistant vests and whether the new ones are bullet resistant or more resistant or just bullet proof?

SECRETARY FOR SECURITY: Mr Deputy President, my understanding is that bullet resistant means that it will protect from serious injury or death from a bullet. It will not necessarily protect from certain amount of bruising and soreness. But it will certainly protect from serious injury.

MRS PEGGY LAM (in Cantonese): Mr Deputy President, according to latest information, new bullet resistant vests should be equipped with protective ceramic inserts as they offer protection against internal injuries that may be caused by bullets. Could the Secretary inform us if the Administration would consider acquiring such vests?

SECRETARY FOR SECURITY: Mr Deputy President, I think that what is being referred to is the ability which the new vests have for additional ceramic plates to be inserted which give additional protection against rifle bullets as opposed to merely handgun ammunition. The new vests have this ability and the police have acquired the necessary inserts for them.

DR YEUNG SUM (in Cantonese): Mr Deputy President, bullets are from guns and many firearms have found their way into Hong Kong through smuggling. May I ask the Secretary if the authorities concerned have had any discussion with the Chinese Government on how to prevent the smuggling of firearms into the territory? If yes, what is the progress?

DEPUTY PRESIDENT: Dr YEUNG, I fear that question is very much outside the scope of the original question. It is one which you might like to formulate and put in a

separate sitting of the Council. I have to rule this one out of order.

MRS RITA FAN: I will appreciate if the Secretary for Security will give me a written answer on the criteria that I asked about. May I also ask whether the Secretary will take into consideration the possibility of getting feedback from those 1 200 officers who are issued with such additional ammunition and bullet loading devices, particularly whether they feel more confident after having such additional devices?

SECRETARY FOR SECURITY: Yes, Mr Deputy President, I said I would give a written reply (Annex V). The trial scheme, let me make clear, is being conducted by the police, not by me. I am sure that they will be seeking the views of their own staff and particularly those who have been issued with the equipment.

Inflation and taxation

5. REV FUNG CHI-WOOD asked (in Cantonese): In view of the serious problem of a high inflation rate in Hong Kong, will Government inform this Council what measures will be taken to curb the inflation rate and, in particular, will Government consider increasing the personal allowance for salaries tax to not less than \$57,000 and raising the profits tax rate by 1% for the coming financial year?

FINANCIAL SECRETARY: Mr Deputy President, the Reverend FUNG Chi-wood's question has two aspects -- inflation and taxation.

Let me first deal with the taxation aspect. The level of personal allowances and the rate of tax to be levied on business profits are among the taxation matters reviewed each year in the preparation of the annual Budget. This year will be no exception. I should, however, like to point out that both economic and fiscal considerations have to be taken fully into account in the consideration of taxation matters. Any change to existing levels of concessions or any particular tax rate cannot therefore be considered in isolation. We have to assess carefully the effect such a change would have on taxation revenue, as this will in turn affect the extent to which we can fund important policy programmes.

As an aside, Mr Deputy President, taken in isolation, and I stress, taken in isolation, increasing the level of personal allowance for salaries tax might, paradoxically, itself be inflationary. More disposable income in the hands of taxpayers could increase consumption levels.

Turning now to the second aspect of the question, I fully accept that inflation is an issue of major concern to our community. Although the package of measures to curb inflationary expectations announced in May has had some impact, and the rate fell from a high of 13.9% in April to 12.7% in August, we are still experiencing uncomfortably high inflation.

The current inflationary situation is a complex one involving a number of factors. Important among these factors are an overheated residential property market and constraints in the supply of labour.

High property prices coupled with speculative activity in the property market are causing concern. As Members know, the Sino-British Land Commission agreed last week to increase the supply of residential land by 5.9 hectares in this financial year. This should assist the situation.

Furthermore, as Members may recall, we announced in August a series of measures aimed at deterring speculative activity and unruly behaviour in the purchasing of uncompleted flats. The Secretary for Planning, Environment and Lands will deal with this aspect in greater detail in his answer to a later question. I can assure you, Mr Deputy President, that the Administration is fully aware of the need to discourage property speculation whilst protecting the interests of genuine home buyers.

Shortages of manpower in some crucial sectors have created bottlenecks in the economy and thus impeded economic growth. They have also added to inflationary pressures. As Members are aware, we are considering an expansion of the current scheme to import workers for those sectors where labour constraints are most acute. There is, though, no question of massive importation. The interest of local workers will continue to be protected. For the new airport and related projects, a special labour importation scheme is also in hand.

Members can be assured that the Government will continue to do what it can to bring down inflation. To this end, an internal task force under the chairmanship of the Financial Secretary has been formed to examine the issue in depth. It will

also consider what are the most appropriate responses within the constraints of Hong Kong's economic and financial situation. The Financial Secretary will cover the issue of inflation in greater detail in his response in the debate on the Governor's address. However, as has been said on a number of previous occasions, we must face the fact that there can be no easy or quick cure to this complex problem.

REV FUNG CHI-WOOD (in Cantonese): Mr Deputy President, the Financial Secretary has given no answer as to whether personal allowances and the profits tax rate will be raised. Last year, personal allowances were raised by only 4.9% while no increase was granted the year before last; the inflation rate hovered around 10% in the last couple of years and has notched 12.7% lately; the quality of life of the grassroots people has been declining steadily; and there has not been any rise in the profits tax rate in the past three years. In view of these facts, will the Government inform this Council why it keeps adding to the burden of the grassroots people and thus widening the gap between the rich and the poor?

FINANCIAL SECRETARY: Mr Deputy President, I appreciate the public's and this Council's concern about the question of personal allowances for salaries tax purposes, and also the corporation tax. But I think it would be very undesirable to debate the issues in the context of this question. This is something which is carefully considered, as I said in my main answer to the question, in the context of the preparation of the Budget; we do take account of both social and economic issues when designing the Budget package and there will be an opportunity for Members of this Council to debate the proposals in the course of the Budget debate.

MR TIK CHI-YUEN (in Cantonese): Referring to part of the Rev FUNG's question on taxation, I would not single out personal allowances or profits tax for comment. As many people have been saying that it is imperative for the Government to carry out a comprehensive review on the existing taxation system so as to ensure a more equitable distribution of social resources, will the Government inform this Council whether there is any plan to conduct a comprehensive review of the existing taxation system?

FINANCIAL SECRETARY: Mr Deputy President, the basis of taxation is kept under regular review and, as I have already said, there will be careful consideration of



all issues in the course of preparing the Budget proposals for the coming year.

MR VINCENT CHENG: Mr Deputy President, would the Financial Secretary consider including people from outside the Civil Service in the anti-inflation task force he just mentioned?

FINANCIAL SECRETARY: Mr Deputy President, the task force is in fact an internal task force of Government, consisting of the Policy Secretaries most involved, the Director of the Office of the Exchange Fund and the Government Economist. But certainly we take account of views of persons and groups outside the Civil Service, and I believe that we are looking forward to a report to be submitted to Government shortly by a group consisting largely of economists who have been commissioned to address the subject. Obviously we will consider that carefully when we receive it.

MR TAM YIU-CHUNG (in Cantonese): Mr Deputy President, unlike the Governor who in his policy address put the whole blame on labour shortage, the Financial Secretary has mentioned soaring property prices as a major contributory factor to inflation. I am taking great comfort from what he has said. In considering the policy to expand the labour importation scheme, will the Government take into account the repeated extension of the deadline for labour importation applications earlier this year and the less than enthusiastic response from employers? Besides, loopholes in the supervision system have come to light after the arrival of foreign workers who have been, as a result, mercilessly exploited, whereas local workers, especially those who are old and unskilled, face the threat of unemployment or underemployment. Will the Government care to give an explanation?

DEPUTY PRESIDENT: Some of this impinges on a question to come later. Financial Secretary, you will no doubt take that into account.

FINANCIAL SECRETARY: Yes, Mr Deputy President. The Secretary for Education and Manpower will, I think, be addressing some of the question. But let me just reiterate what I said in my main answer, and that is that we are not talking in terms of massive importation but that I was addressing the question of shortages of workers in specific

areas of the economy, not across the whole economy, and that any schemes will be devised to address the areas where there are labour constraints.

MR LEE WING-TAT (in Cantonese): Mr Deputy President, in the main reply the Administration has admitted that inflation is still raging and that one of the reasons for it is the hefty increases in fares, fees and charges of the public utilities. In the past few years, the fare increases of the two bus companies, that is, the Kowloon Motor Bus Company and the China Motor Bus Company, have been in excess of the going inflation rate. Will the Government inform this Council whether it has considered freezing or limiting the fare increases of the two bus companies to below the inflation rate in the next 12 months?

FINANCIAL SECRETARY: Mr Deputy President, I think, again, a lot of that question which relates to transport policy falls outside my area of responsibility. But as I have already said, the question of inflation is a complex one; there are no simple answers. One can always think of specific solutions to part of the problem but they may in themselves create further problems, and I think it has to be looked at very carefully as a whole. And as I said in my main answer, the Financial Secretary will be addressing the whole issue of inflation in his response to the Governor's opening address. There are no quick and easy answers but where certain factors have contributed to inflation they will be looked at carefully.

MR FREDERICK FUNG (in Cantonese): Mr Deputy President, I have a two-part question. Mr NENDICK said a moment ago, and indeed the Governor had also mentioned, that one of the major contributory factors to inflation is property prices, which incidentally is also the finding of a number of surveys. Has the Government reviewed the effectiveness or otherwise of the seven-point proposal put forward by the Consumer Council after implementation of same? It has been suggested by some quarters that a tax on the pre-sale of uncompleted flats be levied in substantial measure in order to curb the soaring property prices. Any transfer of a flat before issue of the occupation permit will trigger this levy. Has the Government ever considered this approach? The second part of the question relates to the linked exchange rate which is a subject rarely canvassed by either Mr NENDICK, the Governor or government departments. Has the Government ever done any study on the bearing that the linked exchange rate might have on inflation and the effects that might follow; if yes, will

the study yield any result and what course of action does the Government have in mind? (Of course, Mr NENDICK might just say that he would have to wait until the Financial Secretary returns to give an answer.)

DEPUTY PRESIDENT: I think because the original question was a very wide one, it has allowed scope for many questions which are within the scope of the original question. But I think to be realistic about the sort of answers that can be given at the supplementary stage, Members will bear in mind that the Financial Secretary may be able to give only very superficial answers. And if the matter is to be pursued, it may be that the present forum of a question is not the best way of doing it.

FINANCIAL SECRETARY: Mr Deputy President, I think on the more specific question in relation to the factors affecting the property market, these will be more appropriately addressed by the Secretary for Planning, Environment and Lands in his answer to a later question. The question of some form of duty, be it stamp duty or some sort of tax, on the pre-sale transactions is an interesting one which we will consider. I do not think there is anything more I should say at this stage on that. As far as the linked exchange rate is concerned, Government remains firmly convinced that this is appropriate for Hong Kong, that it serves Hong Kong well and will continue to serve Hong Kong well. I think analysts would agree that in the present situation the linked exchange rate has little effect on the present inflation rate anyhow.

MR MARTIN BARROW: Mr Deputy President, in the light of the wide ranging supplementary questions on this point so far, would the Secretary confirm that Government will sustain its overall political policy of positive non-intervention and avoid temptations of launching expensive programmes or introducing controls which will be inefficient and less effective in helping the needy than in ensuring general economic prosperity? And would he take steps to explain this to the community?

FINANCIAL SECRETARY: Mr Deputy President, I think the answer to that question is yes.

MR FRED LI (in Cantonese): I have a simple three-part question. First, the Government has proposed on numerous occasions to curb inflation; does the Government have a

target in mind, that is to say, what timescale and what extent is the Government setting to itself in its attempt to curb inflation? Secondly, if the inflation rate still stays at double digit in the next few months, will the Government continue with the nine-month freeze on fees and charges? Thirdly, the Financial Secretary said a moment ago that the Government keeps the taxation system under regular review; will the Government consider conducting a comprehensive taxation review coupled with a public consultation exercise?

FINANCIAL SECRETARY: Mr Deputy President, I do not think from the very nature of inflation that it is possible to have any timescale against which one can work. I have already made it clear that Government does consider that the present inflationary situation is a serious one and that we are seeking to address it. We are looking at various ways of relieving the situation, and I do not think that it would be appropriate at this stage to be more specific. On the question of how quickly one can get down inflation, it is probably true to say that if one wanted to one could remove inflation overnight, but that would cause very, very serious problems to the economy and I do not think that Members would wish us to use those sort of draconian measures. They might seem to address short-term problems but they would create a large number of long-term problems for the economy; so we must go about it in a sensible and considered way. As regards the last part of the question on taxation review, I do not think it would be appropriate for me to give any definitive response to that question but I will convey that question to the substantive Financial Secretary on his return.

MR JIMMY MCGREGOR: Mr Deputy President, given the very difficult nature of the inflationary problems we face, would the Secretary not consider expanding the internal task force to take into that group some input from recognized economic and financial experts in the private sector?

FINANCIAL SECRETARY: Mr Deputy President, as I said earlier, we are only too ready to accept input from the private sector. There is, as I say, this study which is shortly to be provided to Government and we will certainly take very careful note of what that has to say. If there are other suggestions, then we would welcome them.

MR RONALD ARCULLI: Mr Deputy President, in the fifth paragraph of his reply, the Financial Secretary attributed an overheated residential market to an important contributory factor. Would he agree that this overheating is really a fairly recent phenomenon, and if he does, then would he agree that it in fact does not have too material an impact on our current inflation problem? If he does not agree that it is recent, then how long does he say this overheated residential market has been in existence?

FINANCIAL SECRETARY: Mr Deputy President, I would agree that it is a fairly recent phenomenon but I would not agree that it is not a contributory factor to the current inflation rate.

HOS and privately developed flats

6. DR LAM KUI-CHUN asked: Will the Administration inform this Council:

(a) of the average monthly income of the middle and lower income groups;

(b) of the average monthly mortgage repayment for an average Home Ownership Scheme (HOS) flat at the current interest rate; and

(c) whether Government has any plan to control the rising price of privately developed property which is 25% to 40% more expensive than HOS flats of equivalent sizes?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Mr Deputy President, we do not have a generally agreed definition on the lower and middle income groups in Hong Kong. For the purpose of this reply I have assumed that the top 10% of households in terms of income distribution belong to the higher income group; the next 30% the middle income group; and the remaining 60% the lower income group. These groupings are broadly compatible with those used in compiling the Consumer Price Indices.

On the basis of the results of the General Household Survey conducted earlier this year, the median monthly household income of the middle income group and lower income group was \$17,800 and \$7,200 respectively.

The average price of a HOS flat under Phase 13B, where sales are in progress, is \$680,000. Assuming a downpayment at 10% of the flat price, and repayment spread over 20 years at the current mortgage rate of 10% per annum, the monthly mortgage repayment is about \$5,900. Different downpayment and repayment periods will of course produce a different result.

Turning to the third part of the question, I should first clarify that it is not the Administration's policy to control the price of privately developed properties. Hong Kong's prosperity and economic competitiveness are very much based on its being a free market economy. The prices of our goods and commodities, including that of property, are principally set by market forces.

However the Administration has for some time been determined to deter unscrupulous trading in, and prevent public disorder at, the sale of uncompleted residential flats, as well as protecting the interest of genuine home buyers. We aim to achieve these objectives through better regulating the sale procedures, more dissemination of information to the public, and ensuring an adequate supply of land to meet demand.

In this connection, the Administration introduced two batches of measures in December last year and August this year after a series of consultation with various parties concerned, including Members of OMELCO. They include requirements on the developers to make available early information on the number and prices of flats for sale, register potential flat purchasers, increase the amount of deposits and forfeitures, ballot the order of selecting flats for purchase, and so on. Further measures, such as disclosure of information on confirmor sale and restriction on re-sale of flats allocated privately by the developers, are being considered.

With regard to the supply of land, on average 100 hectares were made available for both public and private housing each year over the last five years. This year, about 90 hectares of land are being supplied for the purpose. Responding to recent public concern, the Land Commission also agreed last week that an additional 5.9 hectares of land should be included in this year's Land Disposal Programme for private residential use. I should add here, Mr Deputy President, that when we address the issue of land supply and residential units to be produced, the area of land to be made available is not the only consideration, and due account must be given to the development density permitted on the sites. Looking ahead, the Administration is confident that enough land with the appropriate development density will be made

available to produce around 70 000 residential flats per year for the next five years to satisfy public demand, and these should have a significant effect in stabilizing the prices of residential properties.

DR LAM KUI-CHUN: Mr Deputy President, if we take the figure for the lower income group which is the relevant one for purchasing HOS flats, then we have here a repayment rate of \$5,900 a month against an income of \$7,200 a month; that is 82% of the purchaser's entire income for a continued period of 20 years. Could the Government give this Council an idea of the affordability of the HOS flats by further informing this Council of the state of sales of the HOS flats expressed as:

(1) the median time to sell all the new HOS flats in the last two years, and

(2) whether this median time of sales of these new HOS flats has lengthened in the last two to four years?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Mr Deputy President, of course when setting the price of an HOS flat, the Housing Authority's Home Ownership Committee has given careful consideration to the question of affordability. Under current assumptions, a flat is considered to be affordable if on average a family does not have to spend more than 40% of its income on monthly mortgage repayments. With regard to the median time to sell HOS flats over the last two years, my understanding is that all the flats are actually over-subscribed, sometimes by as many as ten times, and therefore actually no time was required to sell the flats all at once.

MR NG MING-YUM (in Cantonese): Mr Deputy President, the current situation of the property market indicates that the anti-speculative measures introduced by the Government recently have failed to contain unscrupulous trading in the sale of flats. Could the Government inform this Council whether a capital gains tax will be introduced as a further measure to curb these speculative activities?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): Mr Deputy President, capital gains tax falls within the scope of the Government's financial and taxation policy which, I should say, is outside my portfolio. But I presume the Financial Secretary might like to help.

DEPUTY PRESIDENT: Are you able to assist, Financial Secretary?

FINANCIAL SECRETARY: Mr Deputy President, merely to say what I have said earlier and that is that I think this is something which should be debated in the context of the Budget debate rather than now.

MR RONALD ARCULLI: Mr Deputy President, in his answer to the question, the Secretary for Planning, Environment and Lands has told us that there have been a series of consultations with various parties regarding the measures that Government has announced. Will the Secretary kindly confirm that private sector developers, either individually or through the Real Estate Developers Association, have actually co-operated with the Administration by entering into discussions, and indeed have come up with useful and constructive suggestions despite what sometimes appears to be a basic difference of opinion on legal and other issues?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Mr Deputy President, I can confirm that the Real Estate Developers Association was one of the parties with whom we consulted. Other parties included the Consumer Council and Members of this Council, and we also discussed with professional groups and institutions. I can also confirm that during our consultations and discussions with the Real Estate Developers Association, both towards the end of last year and in the course of this year, we did receive a number of suggestions from the Association. Part of these suggestions have in fact been implemented at the earlier part of this year, that is, in about January or February this year, but part of the suggestions on which we could not reach an agreement were not implemented. But I should take this opportunity to assure Members that the parties concerned, including property developers, have been part of the process of consultation.

DR HUANG CHEN-YA (in Cantonese): Mr Deputy President, according to government statistics, the annual demand for residential units within the period 1990-95 would be around 59 000. Based on these figures, it is believed that the accumulated shortfall of residential units over the last five years has been in the region of 210 000. At present, the aggregate demand for housing should be around 270 000 units.



Under these circumstances, the Government, instead of allocating more land for residential use, has reduced its supply, resulting in the annual production of residential units being limited to 70 000. Could the Government advise this Council why it considers the present land policy will not add fuel to the ever-rising property prices?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): Mr Deputy President, reviews on housing demand and land supply are conducted on a yearly basis. Projections on future demand are based on past production trends, public demand for housing as well as statistics on demography and changes in family structure. The annual demand for residential flats in the next five years, by projection, will be over 60 000. Moreover, I have pointed out in the main reply that the area of land to be available does not necessarily reflect the actual supply of residential flats; due account must be given to the development density on the sites. It is the intention of the Government that, in future land sales, lots set aside for residential use will be mostly of high development density. So although the total area of land for sale may appear to have diminished, the development potential is greater to the extent that actually nearly 70 000 flats will be produced. Furthermore, experience tells us that, if and when necessary, some private developers can increase the number of flats to be produced by about 10%. We therefore believe that there should be an adequate supply of land and residential flats to meet public needs over the next five years.

MR LEE WING-TAT (in Cantonese): The Secretary has mentioned in his main reply that the average price of an HOS flat is \$680,000. But, to my understanding, this applies only to flats in Tuen Mun and Sheung Shui districts. The price of an urban HOS flat is, in most cases, around \$800,000 to \$1,000,000. Given the present income limit of \$14,500, the purchaser will have to spend 60% to 70% of his household income on monthly mortgage repayments. Would the Government not agree that such a mortgage commitment will drastically lower the quality of living of the family concerned, and that HOS flats will be made more affordable to white form applicants who are in need of housing if their prices are not set relative to the current market price?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): Mr Deputy President, only a third of the HOS applicants -- the white form applicants -- are subject to

an income limit which is set at \$14,000 per month. Green form applicants are exempted from this rule. However previous sales exercises indicated that in general the most popular flats were those of the highest price which were sold out most quickly. The Housing Authority therefore came to the conclusion that the so-called affordability would not be so much of a problem. The Authority also gathered from experience that many sitting tenants may like to pay more with their savings in the form of down-payment so as to reduce their monthly mortgage repayments. In July this year, the Authority conducted an overall review on the scheme and arrived at the conclusion that the present policy on Home Ownership Scheme should remain unchanged except that upward adjustment be made annually to the applicants' household income limit so that more will become eligible.

MR FRED LI (in Cantonese): Recently, many property developers have stressed that an increase in land supply is the only and the best way to relieve and stabilize flat prices. Does the Government agree with the private developers on this point?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): We have already said that, given an increased supply of land, it will still take roughly two and a half to three years for flats to be produced and ready for accommodation. Nevertheless, a greater supply of land may somehow have a psychological effect on the public in that a purchaser, anticipating that there will be more flats on sale, will stop short of rushing for one, thus cooling off the overheated property market.

MR TAM YIU-CHUNG (in Cantonese): Thank you, Mr Deputy President. Given a greater supply of land for tender and sale, would the Government advise this Council how it will guard against profiteering by private developers who, having successfully acquired the land, might choose to hoard up residential flats for sale at a better price in the future?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): I do not think this will be the case as it is laid down in the conditions of sale that, in relation to land set aside for a particular purpose, successful tenderers, upon acquisition of the land, shall be responsible for its development within a fixed period of time. That is to say, the private developer or the landowner will be required to complete

construction of the housing units before a certain target date; failing which, the party concerned will be subject to punishment either in the form of a fine or resumption of land by the Government.

MR JIMMY MCGREGOR: Mr Deputy President, given the rather sad fact that it would appear that about 60% of Hong Kong people in the lower income group cannot possibly buy an HOS flat, will the Government consider speeding up the schemes by which public housing is sold to tenants at discounted prices?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Mr Deputy President, I believe the period for public housing tenants to consider whether to buy their flats or not is still in process. I believe next week will be the end of that period, after which the Housing Authority will certainly review the situation. So I am unable to comment on that matter at today's session; I do believe I am going to reply to a similar question next week.

Importation of labour

7. MR PANG CHUN-HOI asked (in Cantonese): In view of the rising unemployment rate in Hong Kong and the fact that the importation of foreign labour since 1989 has given rise to various problems including short payment of wages, poor living conditions, premature termination of contracts by employers and disappearance of imported workers after their arrival in Hong Kong, will Government inform this Council:

(a) whether consideration will be given to stopping further importation of foreign labour;

(b) how many foreign workers have had their contracts terminated prematurely by their employers since 1989, how many have been found missing after arrival and how many such workers' whereabouts are still unknown; and

(c) what measures will be taken to prevent employers from violating relevant regulations, so as to safeguard the interests of the imported workers?

SECRETARY FOR EDUCATION AND MANPOWER: Mr Deputy President, on the first part of Mr PANG's question, as the Governor said last week in his Address to this Council, we are considering an expansion of our controlled scheme to import workers from overseas -- but only in those sectors of the economy where the labour shortage is most acute. No conclusions have yet been reached on how this might be done.

On the second part of Mr PANG's question, a total of about 13 700 workers has been imported since 1989. Of these, 915 have had their contracts terminated prematurely by their employers. Up to now 52 imported workers have been reported missing: six of them have since been found and repatriated and efforts to locate the remaining 46 are continuing.

As regards the third part of Mr PANG's question, the Government has stepped up its efforts towards ensuring compliance with the conditions of the labour importation schemes and safeguarding the interests of imported workers. The Labour Department has recently set up an additional Special Enforcement Team to increase the frequency of inspections. Labour inspectors of the Special Enforcement Teams visit imported workers not only at their places of work but also at their places of residence to verify wage records, check accommodation standards and ensure that employers meet all the requirements. Particular emphasis has been placed on measures to prevent the underpayment or unlawful deduction of wages. Consideration is being given to strengthening the sanctions against such malpractices. In the meantime, to ensure that all imported workers are fully aware of their contractual rights, copies of actual employment contracts are being distributed to individual workers together with a leaflet setting out the workers' statutory and contractual rights and two 24-hour telephone hot-lines through which they can lodge complaints.

MR PANG CHUN-HOI (in Cantonese): The Secretary has mentioned that the Administration is considering an expansion of the controlled scheme to import workers from overseas -- but only in those sectors of the economy where the labour shortage is most acute. I would like to know what those sectors are. Also the Secretary has mentioned in the third paragraph of his reply that the Administration has stepped up its efforts towards monitoring the implementation of the labour importation scheme. I remember that in the last session the Manpower Panel had repeatedly asked whether it was possible for the Administration to release the list of employers who employed imported workers for public scrutiny.

SECRETARY FOR EDUCATION AND MANPOWER: Mr Deputy President, as I said in my main reply, no conclusions have yet been reached on how we might expand our controlled scheme to import workers from overseas. I am therefore unable to give a reply to the first part of Mr PANG's supplementary question because no conclusions have been reached on which sectors will be involved. As regards the second part of Mr PANG's supplementary question, this is something that I shall be quite prepared to consider.

MR TAM YIU-CHUNG (in Cantonese): Mr Deputy President, could the Administration inform this Council how many of the 915 workers who have had their contracts prematurely terminated by their employers had their contracts terminated after having lodged a formal complaint with the Labour Department and were subsequently repatriated?

SECRETARY FOR EDUCATION AND MANPOWER: Mr Deputy President, employers and employees are not required, under the conditions of the labour importation scheme, to disclose the reasons for which premature termination of contracts occurs from time to time. We have been able to check from employers and the sort of reasons given for premature termination of contracts include items such as poor performance, health reasons, urgent family affairs, absence from duty and so forth. As far as I am aware, there have been no cases where an imported worker has had his contract terminated because he had made a complaint to the Labour Department, but this is as far as I am aware.

MR LAU CHIN-SHEK (in Cantonese): Mr Deputy President, I have a five-part question to ask:

(1) The inflation rate remained at a high of 12% to 13% despite the importation of some 10 000 foreign workers in 1990. On the other hand, the actual wages of workers in 1991, when compared with that of 1990, dropped by 1.2%. Could this Council be advised, in view of the above, whether it is true that importation of labour has not contained inflation at all but instead has lowered the living standard of workers?

(2) The Administration has expressed its intention to conduct an overall review on its policy of importation of labour. Could this Council be advised as to when the Administration will disclose the findings of the review?

(3) Before launching the scheme of importation of foreign workers, the Administration claimed that it would only be a short-term measure as employers here would be required to provide training programmes for their employees. Could this Council be advised whether provision of these training programmes is a pre-condition for being permitted to import foreign workers?

(4) Could this Council also be informed whether the Administration will consult this Council, the Labour Advisory Board and labour organizations should there be an expansion of the scheme?

(5) Apart from advising employers to pay their imported workers by autopay, will the Administration introduce legislation to impose penalty on those employers who act against this advice?

DEPUTY PRESIDENT: Can you answer all five points, Secretary for Education and Manpower?

SECRETARY FOR EDUCATION AND MANPOWER: Mr Deputy President, I hope I have got down all the five supplementary questions. On the first one, it has always been the Government's position that the importation of workers is not aimed at holding down or tackling inflation, or at least such is not the sole aim; the basic aim of the importation of labour is to remove a constraint on economic growth and to provide the necessary resources to enable the economy to expand. On the question of the review of the implementation of our existing importation of labour schemes, this review is in progress and is in fact an integral part of the consideration to which I referred in my main reply, that is to say, consideration of an expansion of our limited scheme for importation of labour. When a decision has been taken on this it will be announced publicly. On the third question, I believe the question was whether employers are required to provide training as a pre-condition for being permitted to import labour. The answer is that this is not a condition of the existing importation schemes, but that training facilities are provided by the Vocational Training Council and these are freely and openly available. On the fourth question as regards whether there will be consultation with this Council, the Labour Advisory Board and so on before decisions are taken on the further importation of labour, I would say that I think the views of all the interested parties on this issue have already become very clear to us over the last couple of years. Finally, on the

question of whether legislation will be considered to prevent underpayment of wages or similar irregularities, I have said in my main reply that we are considering increasing the sanctions against malpractices.

MR LEE WING-TAT (in Cantonese): Mr Deputy President, according to the data released by the Census and Statistics Department, labour shortage in the construction industry had dropped from 30 000 in March 1990 to 1 048 in March this year. Under such circumstances, does the Administration think that the problem of labour shortage in the construction industry has basically been reduced? Moreover, could the Administration inform this Council if priority would be given to the employment of local workers for infrastructural projects?

SECRETARY FOR EDUCATION AND MANPOWER: Mr Deputy President, when we look at the question of importation of labour, we do not just look at historical or present rates of vacancies and so forth. We would also need to take a view as to the likely requirements of the economy and the continuing need for labour resources. As regards the second part of Mr Lee's question, the approach by this Government is indeed that local workers should be given priority and that in fact the importation of workers from overseas should not result in the job opportunities of the local workforce being adversely affected. It is only where there are shortages which cannot be met from local sources that we would consider the importation of workers.

MR HENRY TANG: Mr Deputy President, on Mr PANG's question regarding rising unemployment, will the Administration please inform this Council of its latest unemployment figures as compared to last year's and to our neighbouring countries, such as Singapore and Taiwan?

DEPUTY PRESIDENT: Secretary for Education and Manpower, do you have the figures readily available?

SECRETARY FOR EDUCATION AND MANPOWER: Mr Deputy President, as far as the latest figures are concerned, I believe that some of the figures have just been released a moment ago. My understanding is that the current unemployment rate -- or the

unemployment rate at the end of June -- was 2.4%. The figures for the third quarter of 1991 are: unemployment 2%, and under-employment 1.5%, which were in both cases lower than in the second quarter of 1991. I am afraid I do not have figures for other countries or territories.

MR MARTIN BARROW: Mr Deputy President, is the Secretary aware that the vast majority of employers are responsible people who would welcome tougher sanctions against abusers of the current schemes? And would he advise what level of fines he has in mind?

SECRETARY FOR EDUCATION AND MANPOWER: Mr Deputy President, I welcome the indication given by Mr BARROW. As regards the level of penalties, I think what we are contemplating at the moment -- but this is no more than a preliminary consideration -- is to increase penalties at least ten times.

MR JAMES TO (in Cantonese): Mr Deputy President, part of my question has been asked by Mr LAU Chin-shek. But I still wish to know how many of the 10 000 or so quota under the previous scheme of importation of foreign labour had been used? What would the Administration do with the remaining quota? What is the relationship between the remaining quota and the further importation of foreign workers which the Administration says may be implemented?

SECRETARY FOR EDUCATION AND MANPOWER: Mr Deputy President, the total quota available for allocation under the 1990 scheme was 12 700. The total number of applications received was 4.53 times that figure and at the end of the day, all the 12 700 jobs were allocated.

MR ALBERT CHAN (in Cantonese): Mr Deputy President, the Secretary mentioned in the third paragraph of his reply that a Special Enforcement Team had been set up. Could the Administration inform this Council of the strength of the team, the number of factory inspections it can carry out per month since it has been formed, and whether it has enough power to monitor employers who are in breach of the relevant regulations? If it fails to do that, does the Administration have any other measures to further



monitor these employers?

SECRETARY FOR EDUCATION AND MANPOWER: Mr Deputy President, the Special Enforcement Team consists of six members of the Labour Department. During the first nine months of 1991 -- and bearing in mind that there was only one Special Enforcement Team for most of the period and the second one was added fairly recently -- the number of inspections paid to places of work was 1 406, and the number of accommodation visits made was 585. The Government is, as I indicated in the third part of my reply, continuing to look at ways to improve the implementation of the labour importation scheme and to ensure that the interests of the imported workers are safeguarded.

MR SZETO WAH (in Cantonese): Mr Deputy President, if there is no mistranslation, I heard just now the Secretary said that the main aim of importation of labour is to achieve economic growth rather than to hold down inflation. Is his view on inflation and importation of labour contradicting what the Governor said in his policy address last week?

DEPUTY PRESIDENT: Can you confirm, Secretary for Education and Manpower, that there was no mistranslation of your answer, that the answer was correctly understood by Mr SZETO Wah?

SECRETARY FOR EDUCATION AND MANPOWER: Mr Deputy President, I am afraid I did not listen to the translation; so I am not able to confirm whether it was correct. But I think I can say in reply to Mr SZETO's question that to the best of my understanding and belief there is no inconsistency whatsoever between what I said and what the Governor said.

REV FUNG CHI -WOOD (in Cantonese): Mr Deputy President, in reply to Mr PANG Chun-hoi's question, the Secretary has mentioned that the expansion of the scheme to import workers from overseas would only be confined to those sectors of the economy where the labour shortage is most acute. What are those sectors he referred to and on what basis can we judge which sectors are having the most acute labour shortage? Since the community is deeply divided on the issue of importation of labour, will the

Administration consider taking the initiative to consult the public, for instance, by way of publication of a Green Paper or holding a briefing session for the public?

SECRETARY FOR EDUCATION AND MANPOWER: Mr Deputy President, I believe I have answered both questions in my earlier answers.

DEPUTY PRESIDENT: It has been a very long time ago; could you just remind us what the two answers were?

SECRETARY FOR EDUCATION AND MANPOWER: Yes, Mr Deputy President. As regards which sectors are involved, I do not wish to pre-judge in any way the outcome of the Government's consideration. As regards the question of public consultation, I said earlier that I believed the views of all the interested parties had already become very clear to us.

Central Provident Fund

8. MR LAU CHIN-SHEK asked (in Cantonese): In view of the concern expressed by a majority of the 1991 Legislative Council direct election candidates in favour of the introduction of a Central Provident Fund Scheme to provide retirement protection for employees, will Government inform this Council whether it will reconsider setting up a Central Provident Fund or introducing other measures to provide retirement security for employees?

SECRETARY FOR EDUCATION AND MANPOWER: Mr Deputy President, the question of a Central Provident Fund was last debated in this Council on 10 July 1991. In that debate I gave a detailed explanation of the Government's position. This was that the Government did not favour a Central Provident Fund or similar compulsory retirement schemes. Our major reservation was that, while such schemes would benefit those who have been in steady employment with a reasonable income, they would be unlikely to be of much assistance to those who have the greatest need for retirement protection. We were also concerned about the possible impact of a Central Provident Fund or similar compulsory schemes on the financial market and on the economy as a whole.

The Government continues to have major reservations about a Central Provident Fund. At the same time, the Government recognizes, and has done so for some time, that there is a need to ensure that people in retirement or in their old age should have sufficient financial means to maintain a reasonable standard of living for themselves. To this end, the Government has since 1987 introduced a series of measures to enhance our services for the elderly, to improve the Long Service Payment scheme, to encourage the voluntary establishment of provident funds or retirement schemes in the private sector and to institute arrangements for the prudential regulation of occupational retirement schemes. These efforts will continue.

MR LAU CHIN-SHEK (in Cantonese): Mr Deputy President, the Legislative Council debated the issue of Central Provident Fund on July 10 which was before the direct elections. Most of the candidates standing for election expressed their support for the establishment of a Central Provident Fund and their disaffection over the Administration's decision. They believe that there is a strong demand for such a fund. Private provident funds and Long Service Payment Scheme are in fact not designed to provide retirement security for employees. Will the Administration inform this Council whether it is because high-ranking government officials will have pension upon retirement that they have seen fit to avoid responsibility by pointing to the above two arrangements which are in fact not even remotely connected with retirement security; or whether it is because they do not know how badly it would hurt that they have come up with numerous excuses to deny workers retirement security? Although I feel strong resentment, I will still ask one more question. Will the Administration conduct a survey of the employees to ascertain their views on retirement security and Central Provident Fund, and establish a working group to devise feasible retirement security arrangements?

DEPUTY PRESIDENT: The Standing Orders provide for the making of statements to be as short as possible in order to make intelligible the question. The question is intelligible. I will ask the Secretary for Education and Manpower to answer, but much of that statement was not really necessary for the question.

SECRETARY FOR EDUCATION AND MANPOWER: Mr Deputy President, as I said in my main reply, the Government continues to have major reservations about the idea of a Central Provident Fund. I also said that the Government has recognized for some time that

there is a need to ensure that people in retirement or in their old age should have sufficient financial means to maintain a reasonable standard of living for themselves. I note Mr LAU's view that these measures are inappropriate but I think that as far as the Government is concerned the measures which I have outlined do serve the purpose at which we aim. And if, of course, there are any ideas, any means by which we can secure our objectives without at the same time incurring the same problems as we see over a Central Provident Fund, then the Government would be very willing to examine them and we are very willing to hear views on this subject.

MR MAN SAI-CHEONG (in Cantonese): Mr Deputy President, has the Administration conducted a systematic statistical survey of retiring employees or people to get their views on private retirement security schemes and a Central Provident Fund? If not, will the Secretary inform this Council when such a survey and study will be conducted?

SECRETARY FOR EDUCATION AND MANPOWER: Mr Deputy President, I think I will wish to consider this question before giving an answer. Before we go out to consult the public on something, I think we ought to be very clear what it is about which we are consulting.

DEPUTY PRESIDENT: Will you be able to give a written answer after you have had time to consider this?

SECRETARY FOR EDUCATION AND MANPOWER: Yes, Mr Deputy President. (Annex VI)

DR SAMUEL WONG (in Cantonese): The Secretary has pointed out in his main reply that a Central Provident Fund or similar compulsory retirement schemes may affect the financial market and the economy as a whole. I believe what he means is the difficulty of managing such a huge amount of money. Will the Administration consider using the money as part of the financing for future large-scale infrastructural projects?

DEPUTY PRESIDENT: That is not strictly within the scope of the question. In fact I will have to disallow it because it really has nothing to do with the main question.

MR FRED LI (in Cantonese): Mr Deputy President, Hong Kong is in fact one of the top 20 wealthiest places in the world. Our neighbouring southeast Asian countries, such as Indonesia, Taiwan, Malaysia and so on have already introduced contributory central retirement security schemes. Will the Administration inform this Council of the special circumstances in Hong Kong which make it undesirable to introduce such a system?

SECRETARY FOR EDUCATION AND MANPOWER: Mr Deputy President, I think this is a very complex question which would probably require a very long time to reply, even if I were in a position to do so. I think situations in different countries and different territories are a very complex combination of diverse elements, and it will be very difficult indeed to compare the situation in one with another and to give a simple answer as to why certain things which can happen elsewhere cannot happen here and vice versa. I think I can say, Mr Deputy President, that in terms of our labour legislation, in terms of protection of the interests of workers, in terms of the social provision that we make for our population, Hong Kong does not suffer at all in comparison with many of our neighbouring countries and territories.

MR LEE WING-TAT (in Cantonese): Mr Deputy President, only 20 000 organizations in Hong Kong have introduced private provident fund schemes but there are still 180 000 organizations which have not done so. Is the Administration aware that sticking to the present timetable will mean that it will be years before all the organizations can implement such schemes, possibly when all of us here will have been dead already? Does the Administration have any other alternatives to further encourage the establishment of provident fund schemes in private organizations?

SECRETARY FOR EDUCATION AND MANPOWER: Mr Deputy President, according to figures that I have available, there are at the moment nearly 20 000 organizations providing private provident fund arrangements for their employees. There are something like 10 370 private provident funds covering 707 000 employees, or one-third of the workforce. I accept that this is far from complete coverage and the Government has been and will continue to be taking steps to propagate the advantages of provident fund arrangements, and to encourage the private sector to set up these arrangements. One of the things which we are doing and which we hope will indirectly bring this about is to continuously improve the Long Service Payment

Scheme.

MR TAM YIU-CHUNG (in Cantonese): As regards the issue of retirement security, the Administration has hitherto failed to find some ideal and radical solutions. Will the Administration take the initiative in inviting employees, employers or professionals to express their views?

SECRETARY FOR EDUCATION AND MANPOWER: Mr Deputy President, the answer is yes, and I do so now.

Written answers to questions

Appointment of Special Managers to assist the Provisional Liquidator

9. MR PETER WONG asked: When the Official Receiver, acting as Provisional Liquidator, recommends the appointment of Special Managers to assist him, what criteria relating to qualifications and competence does he apply in deciding on such recommendations; and how is value for money assessed in relation to the fees charged by such Special Managers?

SECRETARY FOR MONETARY AFFAIRS: Mr Deputy President, when the Official Receiver is appointed by the Court to be a Provisional Liquidator of a company where a Winding-Up petition has been filed, he has the power under section 216 of the Companies Ordinance (Cap. 32) to apply to the Court to appoint a Special Manager to assist him in his capacity as Provisional Liquidator.

Special Managers have to give an acceptable security, which is normally by way of an insurance bond in an amount appropriate to the assets and liabilities of a company of which the Official Receiver is the Provisional Liquidator.

Special Managers are also usually required to provide an Affidavit of Fitness to act, which must be sworn by another professional person, such as a lawyer, testifying to the integrity and expertise of the nominated person. This Affidavit is then filed in Court.

In those cases where the Official Receiver, acting as the Provisional Liquidator, applies to the Court for the appointment of a Special Manager he will take into account the qualifications and experience of the proposed Special Manager and his track record in previous insolvency cases, as well as the ability of his firm to provide the necessary staff and resources, including if necessary international resources, to deal with the particular liquidation. The Official Receiver will also take into account any potential conflict of interest before making the application.

The order of appointment of a Special Manager fixes the level of his and his staff's remuneration, which is usually on a time-cost basis. A Special Manager will present his bills to the Official Receiver on a periodic basis, and if approved by the Official Receiver, they are sent to the Court for taxation of his fees. If the Official Receiver is not satisfied with the performance of a Special Manager and the staff he is employing on an individual company liquidation, he may tell the Court that he is refusing to pay the bill and may apply to withdraw the appointment and appoint another Special Manager to act in his place.

The performance of Special Managers in terms of value for money can be properly assessed only in relation to the specific requirements of individual liquidations. However, relevant factors might include whether the realization and collection of assets for distribution to creditors is carried out expeditiously; whether a timely and thorough assessment is made of the extent of the liabilities of the company concerned, and the handling of any investigation into the conduct of directors. A Special Manager is required to file accounts of receipts and payments with the Official Receiver and will report to and meet the Official Receiver on a regular basis. In the course of carrying out his work, a Special Manager undertakes similar responsibilities to those of a liquidator and has a similar general duty of care to the liquidator, the company, the creditors and the contributories. Section 276 of the Companies Ordinance protects the interests of creditors and contributories by providing for them to seek redress through the Court for any misfeasance or breach of duty by a liquidator or receiver in relation to the company being wound up. The term "liquidator" in this context is wide enough to cover a Special Manager employed by a Provisional Liquidator.

Dredging of Hong Kong's coastal waters

10. MR PETER WONG asked: Will the Government inform this Council what plans there

are for the dredging or borrowing of Hong Kong's coastal waters, and, in implementing these plans, what steps are being taken to avoid damaging Hong Kong's recreational facilities and the environment?

SECRETARY FOR WORKS: Mr Deputy President, several recent major reclamations have been carried out using sand dredged from the sea. Dredged sand has proved not only to be significantly cheaper than the traditional technique of cutting into hillsides to provide fill, but also has significantly less impact on the environment, particularly with the new techniques of dredging that are being insisted on by Government.

The success of these projects has led the designers of future reclamations, particularly those associated with the new airport, to choose dredged sand as the reclamation material. The extent of these reclamations is very large, and approximately 300 million cu m (over 400 million tonnes) of sand will be required during the next ten years.

In 1989 the Government recognized the growing demands for scarce fill materials and established the Fill Management Committee (FMC) which investigates and manages fill sources, allocating them as needed to individual projects. All interested branches and departments are represented on the FMC, including the Environmental Protection Department. The FMC also receives submissions from the private sector and authorities such as the Industrial Estates Corporation, incorporating these into a total fill management strategy.

Consultants appointed by FMC are part way through a major drilling investigation to find the best places to dredge sand. Already several promising areas have been identified, of which Mirs Bay offers the best potential, but other areas have been gazetted during the past two years as possible dredging areas. These include the seabed between Lantau and the mainland, south of Tsing Yi, around the Soko Islands and the Po Toi Islands, the Tathong Channel area east of Hong Kong Island, and an area towards the Nine Pins.

As well as drilling into the seabed, the investigations in these areas include environmental assessments. Some of these environmental assessments have been completed and have shown that no major adverse effects will result from dredging. In others they are still underway, because potential environmental impacts have to be more fully assessed. In the case of Mirs Bay, a full Environmental Impact Assessment



(EIA) is underway which will take due account of the existing coral reefs and sea floor fauna. The availability of EIA at the feasibility planning stage enables the FMC to give detailed consideration to the effects of possible dredging activities on recreational facilities and on the environment before allocating the site in question.

After completing earlier investigations, the FMC has already prioritized and allocated sand borrow areas for certain reclamations. These include an area north of Lantau for the airport, an area west of the Sokos for the North Lantau Development, the area south of Tsing Yi for Container Terminal 8, an area in Tathong Channel for the third industrial estate in Tseung Kwan O, and the area west of the Nine Pins Islands for West Kowloon Reclamation.

Dredging at Mirs Bay is not on the current priority list, pending the FMC receiving the EIA and deliberating upon its content.

#### Control of public utilities

11. MR LEE WING-TAT asked: Concerning the various control schemes for public utility and transport companies in Hong Kong, will the Government inform this Council:

- (i) when are the current agreements due to expire;
- (ii) will the Administration carry out a review of the basic principles of the Schemes of Control agreements;
- (iii) what criteria and procedures will the Administration adopt in negotiating new Schemes of Control agreements with the existing and new companies; and
- (iv) will the public be consulted in the process; will the Chinese authorities be consulted or their agreement sought on the terms of the new agreements?

SECRETARY FOR ECONOMIC SERVICES: Mr Deputy President,

(i) At present there are six scheme of control agreements (SCAs) in force. The companies concerned and the relevant expiry dates of the agreements are:

(a) China Motor Bus Company Limited -- 31 August 1993;

(b) China Light and Power Company Limited and Exxon Energy Ltd., together with their three wholly owned generating companies -- 30 September 1993;

(c) The Hongkong Electric Company Limited -- 31 December 1993;

(d) Hong Kong Air Terminal Services Limited -- 31 December 1996;

(e) Hong Kong Air Cargo Terminals Limited -- 27 June 1997; and

(f) Kowloon Motor Bus Company (1933) Limited -- 31 August 1997.

With the exception of those with the power companies, the above SCAs form part of the company's franchise which expires at the same time as the agreement. The power companies do not hold any franchise.

The SCA with Hong Kong Telephone Company Limited lapsed on 31 March 1991. Alternative regulatory arrangements will be formulated in the course of the current review of telecommunications policy.

(ii) The basic principles governing the operation of SCAs are two-fold. First, they are intended to assist the Government in ensuring that consumers of utility services provided by private sector companies receive an efficient and reliable service at reasonable cost. Secondly, they are intended to ensure that the investors in the company receive a reasonable return and are thus encouraged to continue to make the investments necessary to meet growing demand and improvement in service standards.

The Administration have reviewed the basic principles and consider that, in the main, the current SCAs have fulfilled these objectives. We keep under close scrutiny the performance and efficacy of individual agreements. Most SCAs contain provisions for regular interim reviews of their operation, when mutually agreed modifications to the agreement may be made.

(iii) The criteria and procedures adopted by the Administration in negotiating SCAs depend in part on the nature of the Company's services and obligations. Where a utility company has been granted exclusive rights by Government to provide a service

it would first be necessary to determine whether or not to grant or extend the franchise before determining the need for a Scheme of Control Agreement. In considering the need for a franchise the factors to be considered would include :

(a) the desirability of encouraging greater competition in order to meet consumers' aspirations;

(b) the operating performance during the current franchise;

(c) the operating environment facing the franchisees, such as the potential for growth and the prospects for competition; and

(d) the need to attract more investment to meet growth in demand and improve services.

The specific criteria adopted in negotiation of an SCA might include:

(a) whether it is in the public interest for the service in question to be monitored through such an arrangement (generally speaking this will be appropriate only if the company is enjoying exclusive rights or a de facto monopoly in the provision of a particular service); where a competitive market exists the Government generally prefers to let market forces dictate pricing and profit levels;

(b) what specific features should be included in the agreement to ensure that it is tailored to suit the particular circumstances of the company and the service that it is providing;

(c) what safeguards in terms of financial and technical monitoring procedures should be incorporated to ensure that the interests of consumers are protected; and

(d) what return to shareholders would be reasonable and necessary to encourage continuing investment.

In the light of these criteria the Government will enter into negotiations with the company concerned with a view to reaching agreement in detail on the terms of the SCA. Such negotiations are normally conducted in confidence as matters of commercial sensitivity must be discussed. All agreements are subject to the approval of the Executive Council following which they are published in English and in Chinese.

(iv) There is no general rule on the question of public consultation during the process of negotiation of SCAs. In practice each case is and will be considered on its merits;

Arrangements have been agreed in the Joint Liaison Group to keep the Chinese side informed of major franchises extending beyond 1997 and to give them an opportunity to express views on them. These encompass the various franchises and SCAs applicable to the public utilities.

#### First Reading of Bills

CRIMES (AMENDMENT) (NO. 2) BILL 1991

HOUSING (AMENDMENT) BILL 1991

RABIES BILL

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

#### Second Reading of Bills

CRIMES (AMENDMENT) (NO. 2) BILL 1991

THE ATTORNEY GENERAL moved the Second Reading of: "A Bill to amend the Crimes Ordinance in order to make fresh provision with respect to forgery, counterfeiting of notes and coins and related offences and to provide for matters incidental thereto."

He said: Mr Deputy President, I move that the Crimes (Amendment) (No. 2) Bill 1991 be read a Second time.

This Bill is designed to modernize and simplify the law relating to forgery, counterfeiting of bank notes and coins, and related criminal offences. It is modelled substantially on the English Forgery and Counterfeiting Act 1981, which repealed the forgery Act 1913. Our current forgery and counterfeiting laws in Hong Kong are in fact based on the 1913 Act.

Under the existing law there are a large number of offences carrying different maximum penalties, depending on the nature of the document forged. This multiplicity of offences is not warranted. The Bill will replace these numerous forgery provisions with three basic forms of criminal conduct. These are making a false instrument; making a copy of a false instrument; and using a false instrument.

The Bill will abolish the old common law offence of forgery which has fallen into disuse. The new statutory offence of forgery is defined as the making of a false instrument with the intention that it be accepted as genuine to cause somebody who so accepts it to act to his or another's prejudice. The Bill defines "instrument" so as to include not only documents, but any device on which information is recorded or stored by mechanical, electronic, optical or other means. The law will thus not only embrace such items as cheques and letters of credit, but will be apt to include modern forms of information technology.

The Bill brings together the various provisions on counterfeiting currency notes and coins into a single offence. There are corresponding offences of passing a counterfeit note or coin, possessing a counterfeit note or coin, and possessing an implement for the manufacture of such counterfeits.

The Bill will give the Secretary for Monetary Affairs a discretion to permit the reproduction of Hong Kong currency notes and coins. This will, for example, enable the legitimate production of imitation or theatrical money, which may be made without any criminal intent.

In line with the simplification of offences, the Bill rationalizes the system of penalties. In general terms, a maximum penalty of 14 years imprisonment is prescribed where there is an intent to use as genuine the forged instrument or counterfeit note or coin; and three years imprisonment where such intent is not proven. Some offences currently carry a maximum penalty of life imprisonment. In abandoning this penalty, the Bill recognizes that current sentencing principles render the imposition of such sentences extremely unlikely. There is no known example in modern times.

Existing powers of search and forfeiture are retained in a modernized form. There is a saving provision for powers of search and forfeiture in respect of offences or suspected offences committed before the new provisions come into force.

Mr Deputy President, I move that the debate on this motion be now adjourned.

Question on the adjournment proposed, put and agreed to.

#### HOUSING (AMENDMENT) BILL 1991

THE SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS moved the Second reading of: "A Bill to amend the Housing Ordinance."

He said: Mr Deputy President, I move that the Housing (Amendment) Bill 1991 be read a Second time.

Under section 17AA(1) of the Housing Ordinance, the Director of Housing may stipulate, by notice in the Gazette, that documents relating to the sale of Home Ownership Scheme and Private Sector Participation Scheme flats shall be subject to the terms, covenants and conditions mentioned in the Schedule to the Housing Ordinance. The intention is that such notice is administrative rather than legislative in nature. To remove any doubt as to the status of a notice of a stipulation made by the Director of Housing, the Bill adds a sub-section to the Ordinance to clearly provide that the notices in the Gazette relating to the stipulations are not subsidiary legislation.

Mr Deputy President, I move that the debate on this motion be now adjourned.

Question on the adjournment proposed, put and agreed to.

#### RABIES BILL

THE SECRETARY FOR ECONOMIC SERVICES moved the Second Reading of: "A Bill to provide for the prevention and control of rabies, to make provision for the control of certain animals, and for related matters."

She said: Mr Deputy President, I move that the Rabies Bill be read a Second time.

Rabies is a viral disease which can affect any species of mammal. It can be spread widely and rapidly from animal to animal and from animal to man and is fatal once symptoms develop. It is therefore important to do everything possible to prevent

the disease from being introduced into Hong Kong and, in the event of an outbreak, to react swiftly with firm measures to control the spread of the disease and eradicate it.

The existing provisions for the suppression of rabies are found under two Ordinances, namely, the Dogs and Cats Ordinance and the Public Health (Animals and Birds) Ordinance. A review has found that these provisions are inadequate to ensure that the threat posed by rabies can be dealt with effectively and efficiently.

The Bill consolidates the existing provisions for the suppression of rabies into a single piece of legislation and introduces such additional measures as are necessary to deal comprehensively with the threat of rabies. The additional measures fall into three main categories.

First, controls are to be made more uniform and specific. The rabies control provisions of the Dogs and Cats Ordinance do not apply to other mammals. Although the prevention of rabies among dogs, cats and most other mammals is provided for under the Public Health (Animals and Birds) Ordinance, the provisions are too general to allow specific situations to be dealt with effectively during a rabies outbreak. The Bill therefore provides for all these mammals to be subject to the same set of more specific controls. It is intended that these controls should include, in regulations authorized to be made by the Bill, an import permit system applicable to all mammals, irrespective of their place of origin. One consequence will be to bring the importation of animals from China under the same degree of control as applied to other countries.

Secondly, additional powers are to be given to the Director of Agriculture and Fisheries and officers authorized by him to facilitate the suppression of a rabies outbreak. For example, the Director is to be empowered to declare rabies control areas and to control the movement of animals within, to and from such areas. Authorized officers are to be empowered to issue directions in the interests of rabies prevention and control, to request information, to seize, detain and destroy animals and articles associated with them and to arrest when necessary.

Thirdly, greater responsibility for rabies prevention and control is to be placed upon keepers of animals and the general public. Stiffer penalties are proposed for violations of control measures. Certain acts which might facilitate the spread of rabies and which were previously not offences, such as the abandonment of an animal and the feeding of animals by persons who are not their keepers in such places as

may be specified by the Director of Agriculture and Fisheries, are now made offences.

Mr Deputy President, these measures are proposed in the interests of public safety. They will not affect those who keep animals under proper care and control. They will ensure that the public is better protected against the threat of rabies and that the Government will be able to react to any outbreak of this deadly disease more effectively and efficiently.

Mr Deputy President, I move that the debate on this motion be adjourned.

Question on the adjournment proposed, put and agreed to.

Adjournment and next sitting

DEPUTY PRESIDENT: In accordance with Standing Orders I now adjourn the Council until 2.30 pm on Wednesday, 23 October 1991.

Adjourned accordingly at ten minutes to Five o'clock.

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