

OFFICIAL RECORD OF PROCEEDINGS

Wednesday, 13 October 1999

The Council met at half-past Two o'clock

MEMBERS PRESENT:

THE PRESIDENT

THE HONOURABLE MRS RITA FAN, G.B.S., J.P.

THE HONOURABLE KENNETH TING WOO-SHOU, J.P.

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

THE HONOURABLE DAVID CHU YU-LIN

THE HONOURABLE HO SAI-CHU, S.B.S., J.P.

THE HONOURABLE CYD HO SAU-LAN

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

THE HONOURABLE ALBERT HO CHUN-YAN

THE HONOURABLE MICHAEL HO MUN-KA

IR DR THE HONOURABLE RAYMOND HO CHUNG-TAI, J.P.

THE HONOURABLE LEE WING-TAT

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

THE HONOURABLE ERIC LI KA-CHEUNG, J.P.

THE HONOURABLE LEE KAI-MING, S.B.S., J.P.

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

THE HONOURABLE FRED LI WAH-MING, J.P.

DR THE HONOURABLE LUI MING-WAH, J.P.

THE HONOURABLE NG LEUNG-SING

PROF THE HONOURABLE NG CHING-FAI

THE HONOURABLE MARGARET NG

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

THE HONOURABLE RONALD ARCULLI, J.P.

THE HONOURABLE MA FUNG-KWOK

THE HONOURABLE JAMES TO KUN-SUN

THE HONOURABLE CHEUNG MAN-KWONG

THE HONOURABLE AMBROSE CHEUNG WING-SUM, J.P.

THE HONOURABLE HUI CHEUNG-CHING

THE HONOURABLE CHAN KWOK-KEUNG

THE HONOURABLE CHAN YUEN-HAN

THE HONOURABLE CHAN WING-CHAN

THE HONOURABLE CHAN KAM-LAM

DR THE HONOURABLE LEONG CHE-HUNG, J.P.

THE HONOURABLE MRS SOPHIE LEUNG LAU YAU-FUN, J.P.

THE HONOURABLE LEUNG YIU-CHUNG

THE HONOURABLE GARY CHENG KAI-NAM, J.P.

THE HONOURABLE SIN CHUNG-KAI

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

DR THE HONOURABLE PHILIP WONG YU-HONG

THE HONOURABLE WONG YUNG-KAN

THE HONOURABLE JASPER TSANG YOK-SING, J.P.

THE HONOURABLE HOWARD YOUNG, J.P.

DR THE HONOURABLE YEUNG SUM

THE HONOURABLE YEUNG YIU-CHUNG

THE HONOURABLE LAU KONG-WAH

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

THE HONOURABLE MRS MIRIAM LAU KIN-YEE, J.P.

THE HONOURABLE AMBROSE LAU HON-CHUEN, J.P.

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

THE HONOURABLE CHOY SO-YUK

THE HONOURABLE ANDREW CHENG KAR-FOO

THE HONOURABLE SZETO WAH

THE HONOURABLE TIMOTHY FOK TSUN-TING, S.B.S., J.P.

THE HONOURABLE LAW CHI-KWONG, J.P.

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

THE HONOURABLE FUNG CHI-KIN

DR THE HONOURABLE TANG SIU-TONG, J.P.

MEMBERS ABSENT:

THE HONOURABLE LEE CHEUK-YAN

THE HONOURABLE CHRISTINE LOH

THE HONOURABLE BERNARD CHAN

THE HONOURABLE LAU CHIN-SHEK, J.P.

PUBLIC OFFICERS ATTENDING:

THE HONOURABLE MRS ANSON CHAN, G.B.M., J.P.

THE CHIEF SECRETARY FOR ADMINISTRATION

THE HONOURABLE DONALD TSANG YAM-KUEN, J.P.

THE FINANCIAL SECRETARY

THE HONOURABLE ELSIE LEUNG OI-SIE, J.P.

THE SECRETARY FOR JUSTICE

MR MICHAEL SUEN MING-YEUNG, G.B.S., J.P.

SECRETARY FOR CONSTITUTIONAL AFFAIRS

MR GORDON SIU KWING-CHUE, J.P.
SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS

MR NICHOLAS NG WING-FUI, J.P.
SECRETARY FOR TRANSPORT

MR DOMINIC WONG SHING-WAH, J.P.
SECRETARY FOR HOUSING

MR JOSEPH WONG WING-PING, G.B.S., J.P.
SECRETARY FOR EDUCATION AND MANPOWER

MISS DENISE YUE CHUNG-YEE, J.P.
SECRETARY FOR THE TREASURY

MR DAVID LAN HONG-TSUNG, J.P.
SECRETARY FOR HOME AFFAIRS

DR YEOH ENG-KIONG, J.P.
SECRETARY FOR HEALTH AND WELFARE

MRS REGINA IP LAU SUK-YEE, J.P.
SECRETARY FOR SECURITY

MR LEE SHING-SEE, J.P.
SECRETARY FOR WORKS

MRS REBECCA LAI KO WING-YEE, J.P.
SECRETARY FOR FINANCIAL SERVICES

CLERKS IN ATTENDANCE:

MR RICKY FUNG CHOI-CHEUNG, J.P., SECRETARY GENERAL

MS PAULINE NG MAN-WAH, ASSISTANT SECRETARY GENERAL

MR RAY CHAN YUM-MOU, ASSISTANT SECRETARY GENERAL

PAPERS

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

Subsidiary Legislation	<i>L.N. No.</i>
Noise Control Ordinance (Exemption from Sections 4, and 13) (Millennium Celebrations) Order 1999	248/99
Dangerous Drugs Ordinance (Amendment of Second Schedule) (No. 2) Order 1999	249/99

Sessional Papers

- No. 1 — Environment and Conservation Fund
Trustee Report 1998-99
- No. 2 — Revised list of works of the Provisional Regional Council for the 1999/2000 financial year (during the first quarter ended 30 June 1999)
- No. 3 — Revised list of works of the Provisional Urban Council for the 1999/2000 financial year (during the first quarter ended 30 June 1999)
- No. 4 — Schedule of revisions to the 1998/1999 Estimates approved by the Provisional Urban Council during the first quarter of the 1999/2000 financial year
- No. 5 — Clothing Industry Training Authority
Annual Report 1998
- No. 6 — Report of changes to the approved Estimates of Expenditure approved during the first quarter of 1999-2000 (Public Finance Ordinance : Section 8)

- No. 7 — Report by the Trustee of the Prisoners' Education Trust Fund for the period 1 April 1998 to 31 March 1999
- No. 8 — The Land Registry Trading Fund Hong Kong Annual Report 1998-99
- No. 9 — Report No. 33A of the Director of Audit
A follow-up review of the year 2000 problem
- No. 10 — The Government Minute in response to the Report No. 32 of the Public Accounts Committee dated July 1999
- No. 11 — Estate Agents Authority
Annual Report 1998/1999

ADDRESS

PRESIDENT (in Cantonese): Address. The Chief Secretary for Administration will address the Council on the Government Minute in response to the Report No. 32 of the Public Accounts Committee dated July 1999. Rule 21(6) of the Rules of Procedure stipulates that no debate may arise on the address. Members who wish to ask short questions for the purpose of elucidating the content of the address should first seek my permission.

The Government Minute in response to the Report No. 32 of the Public Accounts Committee dated July 1999

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): Madam President, laid on the table today is the Government Minute responding to Report No. 32 of the Public Accounts Committee (PAC). The Minute sets out the measures the Administration is taking on the conclusions and recommendations contained in the Report.

The Honourable Eric LI, Chairman of the PAC, spoke in this Council on 7 July when tabling the Committee's Report. He highlighted a number of issues which I will deal with momentarily. But first, let me comment on one important aspect.

In its many years of valuable work in ensuring efficiency and economy in the use of public resources, the PAC, and its successive Chairmen, have time and again referred to the constructive co-operation between the Committee and the Administration. As the extensive and regular reporting of the action taken by the Administration in response to PAC's recommendations has clearly demonstrated, the Administration attaches great importance to the input of the Committee. We readily accept criticisms and strive for improvement. However, we expect to be treated fairly. The latest Report and the remarks made by the Chairman in tabling the Report contain certain allegations of corruption and condemnations of our former and current civil service colleagues which have caused concern. In fairness to the concerned parties, we would ask the PAC to give those concerned the opportunity to defend themselves. I note that the Committee has subsequently explained that it was not their intention to condemn individual officers indiscriminately. I hope the Committee will ensure that such incidents do not recur in future.

Mr LI has referred to three significant considerations that featured prominently in PAC's Report No. 32. These are the need to monitor closely public works projects, the need to ensure that government systems and projects follow the best practices of internal controls and corruption prevention, and the need to pursue privatization and outsourcing of government activities in order to achieve better value for money. The Administration is in full agreement with the PAC that these are essential requirements to ensure that all government departments and agencies are discharging their functions in a fair, open, efficient and cost-effective manner.

In seeking approval for funding of public works projects, Mr LI has reminded us of our undertaking to provide Members with all relevant information and to keep the Finance Committee informed of significant slippage, cost overruns and other major departure from the funding submissions in respect of major government projects. Let me assure Members that we have not been lax

in ensuring compliance. In this respect, the Secretary for the Treasury has recently issued a circular to remind all Bureau Secretaries and Controlling Officers to provide sufficient information in their submissions to the Finance Committee, Public Works Subcommittee and Establishment Subcommittee for Members to make informed decisions on the Administration's proposals. Taking account of suggestions made by a few Members in the last Session, the circular has also advised that bureaux should always consult the relevant Legislative Council Panel on proposals involving significant cost or public concern well ahead of submission to the Finance Committee and its Subcommittees. Bureaux are reminded that allowing sufficient time for consultation with the relevant Panel will ensure that any supplementary information sought could be provided in time to assist Members to consider funding submissions.

The Administration fully appreciates the need to assess critically the risks and costs involved in the management of major public works projects such as the Strategic Sewage Disposal Scheme (SSDS) Stage I. The Works Bureau is reviewing its procedures in the light of the Committee's recommendations and will make changes as and when necessary. I hope Members who had been fully briefed on the technical aspects of the SSDS Stage I would appreciate the difficulties of the tunnelling work. I am happy to report that good progress has been made on the remaining tunnelling work. The Director of Drainage Services is monitoring the works very closely to ensure early completion without compromising safety. We will report regularly on the progress to the relevant Panel of this Council.

As regards the Kwai Chung Viaduct project, the Administration accepts that detailed design should normally be completed before the works are put to tender. We have reminded officers dealing with projects to adhere to the existing guidelines on this requirement. We will also make every effort to resolve early any potential interface problems between different contractors working on the same or related projects.

On the Committee's observations in relation to internal controls and corruption prevention, we are committed to maintaining a high level of integrity in the Civil Service. Our internal rules and regulations and departmental work

procedures are reviewed regularly to avoid potential conflict of interest. In the case of control of obscene and indecent articles, we accept that there is room for improvement in the enforcement of the Control of Obscene and Indecent Articles Ordinance by the Television and Entertainment Licensing Authority (TELA), but there was certainly no *prima facie* evidence that insufficient enforcement action by TELA staff was caused by corruption as alleged.

The Administration appreciates the grave concern of the community about protecting public moral and our young people from the harmful effects of obscene and indecent articles. The Government Minute tabled today sets out our measures to strengthen enforcement work. We will be consulting the public on the review of the Control of Obscene and Indecent Articles Ordinance and welcome views on how to improve regulation and enforcement. I must, however, stress that enforcement action alone is not sufficient. We need the concerted efforts of the community at large. Publishers can help by taking responsibility for content; vendors by not selling indecent articles to children and young people; schools by strengthening their guidance and support to both students and parents; and parents by being more vigilant in exercising parental guidance.

On the subject of footbridge connections between five commercial buildings in Central District, we will continue to work with the parties concerned to facilitate construction of the footbridges and monitor progress. We are glad to report that the footbridges across Wyndham Street and across Queen's Road Central east of Pedder Street are being constructed. They should be in place by 2001. We are also exploring with the Mass Transit Railway Corporation the feasibility of an underground pedestrian walkway which should help improve pedestrian flow in the busy sections in Central.

I welcome the Committee's support for privatization and outsourcing of government services, and the advice that we need to act with caution and fairness *vis-a-vis* staff likely to be affected in exploring options.

Whether these initiatives are pursued in the context of major service reorganization exercises such as the Housing Department's estate management and maintenance services or across-the-board under the Enhanced Productivity Programme, we will certainly bear in mind the Committee's advice.

On the management of telecommunications services under the 1988 Technical Services Agreement (TSA), I would like to first reiterate that there is no relationship whatsoever between the TSA and the surrender of the exclusive telecommunications licence of Hong Kong Telecom International Limited, now renamed as Cable and Wireless HKT. The TSA is a service contract between the Government and the Cable and Wireless HKT for the provision of electronic and telecommunications services. It does not represent a monopoly, nor is it an exclusive licence. According to the existing agreement, the Government is free to decide whether new services should be incorporated into the TSA or be procured from other sources.

We have taken prompt action to implement the recommendations of the PAC to improve the cost-effectiveness of the TSA services. Firstly, user departments, particularly the Civil Aviation Department and the Radio Television Hong Kong, have put in place effective measures to monitor the use of TSA services, to reduce overtime and to review the extension of TSA to non-telecommunications services. Taking account of the likely effect of these measures and the scope for better economy of resources, we expect to be able to reduce the level of total provision for TSA services by some \$50 million next year.

In August 1999, the Administration concluded the review of the administration charge with Cable and Wireless HKT. This has resulted in the rate being reduced from 17.8% to 12% of the total TSA staff cost with effect from 1 January 1998. Such a reduction will bring down the total administration charge for 1998-99 by about \$11 million. Similar savings will be achieved annually in the five-year period to which the reduced rate applies. Looking ahead, with the current TSA due to expire in 2006, we have enlisted the help of the Management Services Agency to conduct a study to identify alternative means for providing telecommunications services to existing users under the TSA.

The Committee has, in the light of its deliberations on the usefulness of the School Administration and Management System (SAMS) in schools, urged the Government to have regard for the needs and views of schools in planning the use of information technology in education. In the Government Minute laid on the table today, we have provided a full account of the progress made by the Education Department in implementing the five-year IT in education strategy. Members will notice that through assistance and flexibility given to schools, good progress has been made.

Madam President, the Administration is grateful to the Chairman and members of the PAC for their valuable comments. We will continue to co-operate and respond to the Committee in a positive and constructive spirit.

ORAL ANSWERS TO QUESTIONS

PRESIDENT (in Cantonese): Questions. Question time normally does not exceed one and a half hours, with each question being allocated about 12 to 15 minutes. When asking supplementaries, Members should be as concise as possible, and should not ask more than one question or make statements. To do so would contravene Rule 26 of the Rules of Procedure.

After a Member has asked a main question, other Members who wish to ask supplementary questions will please indicate their wish by pressing the "Request-to-Speak" button.

If a Member wishes to follow up and seek elucidation on an answer, or raise a point of order, please stand up to so indicate and wait for me to call before speaking.

Information on Cases of Suicide

1. **MR LEUNG YIU-CHUNG** (in Cantonese): *Madam President, the authorities revealed to this Council in January this year that they hoped to establish a system for collecting from various organizations comprehensive information on cases of suicide. In this connection, will the Government inform this Council of:*

- (a) *the progress with regard to the system; whether it has used the information collected by the system to analyse the relationship of suicidal behaviour to the economic downturn and unemployment; if so, of the findings;*
- (b) *the services currently provided to the unemployed to prevent them from committing suicide; whether it has assessed the effectiveness of these services; if such services are not available, of the reasons for that; and*

- (c) *the services currently provided to the families of persons who have committed suicide; whether it has assessed the effectiveness of these services; if such services are not available, of the reasons for that?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President,

- (a) Earlier this year, an interdepartmental Working Group comprising representatives from the Health and Welfare Bureau, Social Welfare Department (SWD), Hospital Authority (HA) and the Department of Health was set up to examine how statistics and information on suicide cases should be collected and analysed. A new information system was introduced in April this year. The HA records the number of deaths in its hospitals resulting from suicide. The Department of Health keeps statistics on the number and causes of all deaths in Hong Kong. The SWD collects information on suicide cases handled by social workers in all Family Service Centres and its medical social work units. The SWD focuses on identifying the underlying factors which may have contributed to individuals committing or attempting suicide. Information is exchanged between the relevant parties and analysed.

The system has only been in place for six months and therefore only an initial analysis is available. To draw any inference on the relative contribution of individual factors, more time is required to collect longitudinal information in order to conduct in-depth analysis of the prevalence of individual factors.

- (b) The Government, in collaboration with subvented non-governmental organizations (NGOs), provides a wide range of services aimed at helping individuals and families overcome their problems, which may include unemployment. These include remedial counselling and supportive services such as providing information about the job market, organizing programmes to equip the unemployed with job search skills, arranging for social security payments, housing assistance, and so on. Counselling services are also provided by clinical psychologists, where necessary.

These services are widely publicized as are telephone hotlines which provide immediate counselling services to those in urgent need.

In addition, the Hong Kong Council of Social Service (HKCSS) operates a "District-based Network Employment Support Programme" to provide employment support services to persons in need. The project has assessed over 2 700 clients and made some 950 job referrals between January and June this year.

In addition to the above measures, the Government has always endeavoured to create more job opportunities, equip the unemployed with the necessary skills to keep them competitive, and help them re-enter the labour market.

- (c) Medical social workers in hospitals and family caseworkers in Family Service Centres will always provide ready assistance to families of individuals who have committed or attempted suicide. They provide counselling services to the families to help them come to terms with the situation. Practical assistance in the form of financial assistance is provided to needy families, and referrals for residential care or other community support services such as home help services are arranged as appropriate. Clinical psychological service or psychiatric treatment is available for those who require more intensive intervention assistance.

Family caseworkers liaise closely with the clients and their family members to evaluate the progress and success of the treatment plan. The effectiveness of the services provided is also assessed on the basis of the ability of the affected individual to resume their normal pattern of life.

MR LEUNG YIU-CHUNG (in Cantonese): *Madam President, in his reply the Secretary said that the system has only been in place for six months and that an initial analysis is available. Unfortunately, I am very disappointed that he has not provided us with the relevant information today. I wonder if he could give us the information afterwards. With regard to the second part of the question, he said that the Government, in collaboration with subvented NGOs, has provided a*

range of services. As these services are actually additional services, may I ask the Secretary whether additional resources will be provided for them in future?

PRESIDENT (in Cantonese): Mr LEUNG Yiu-chung, you should ask only one supplementary at a time, but you have asked two in succession. However, to save Members' time, I will ask the Secretary for Health and Welfare to reply as far as possible.

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, we can provide the initial information to Legislative Council Members. Indeed, the services provided by subvented NGOs can help the unemployed in various ways. We will have to examine how the existing resources are being utilized and whether we can improve the effectiveness of the services provided. (Annex I)

MR LEUNG YIU-CHUNG (in Cantonese): *Could the Secretary tell us explicitly whether additional resources will be provided? He said he will have to look at the effectiveness. If so, when will he be able to tell us the findings?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, as far as the effectiveness of our services is concerned, the figures presented by me just now can show that the services are useful to the unemployed. That said, we have to review them together with the NGOs to see how they can be enhanced.

MR TAM YIU-CHUNG (in Cantonese): *Madam President, according to the findings of some overseas and local studies, and from the cases that I have personally handled, as many as three quarters of the elderly who committed suicide had consulted a doctor shortly before they killed themselves. May I ask the Secretary whether the Government has plans to enhance the training of medical professionals, including doctors and nurses, in order to strengthen their ability to identify such cases and help patients to deal with the crises and difficulties they face, or provide additional resources for psychiatric services?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, according to the findings of some surveys, nearly 70% of people tend to reveal to their family or friends that they are suicidal before committing suicide. In this connection, much has to be done to make family members and friends alert to such crises so that they can offer assistance and keep social workers or doctors informed. Mr TAM mentioned a study conducted in Hong Kong which shows that about 40% of old people who committed suicide had consulted a doctor before they committed the act. However, they might not have revealed their suicidal tendency to the doctors. Generally, these old people consulted a doctor on their ailments, such as chronic diseases. We will conduct further analysis with our medical staff and see how communication with patients can be improved so that these cases can be identified even if suicidal tendency is not revealed.

DR LEONG CHE-HUNG (in Cantonese): *Madam President, I am more concerned about the problems faced by the surviving orphans and family members of the suicides as well as their state of mind and reaction. In his main reply, the Secretary pointed out that medical social workers in hospitals provide service and assistance for them, and financial assistance is also provided. May I ask the Secretary whether the Government will consider introducing a special bereavement service?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, some hospitals already have such preliminary plans. The services we provide aim not only at relieving the suffering of the families of the suicides, but also at the aftermath of attempted suicides by patients in hospital. We will consider how the kind of services mentioned by Dr LEONG can be enhanced in future. We agree that this is rather important.

MR CHAN WING-CHAN (in Cantonese): *Madam President, in his main reply, the Secretary said that the system has been in place for six months only and therefore only an initial analysis is available. He added that more time is required to collect information in order to analyse the causes of suicide. How long does he mean by "more time"?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, please allow me to explain why more time is needed. The reason is that the factors contributing to suicides are usually complicated, involving such questions as the individual's personality, mental state, family background and whether there is anyone giving him support. These cases usually involve more than one factor. For a case which involves several different factors, unemployment might not play a significant part in it if the person concerned has no financial problems. However, in another case where unemployment is also involved, the affected person might still be suicidal even if he is financially sound because he cannot bear the blow of losing his job. Having examined the initial information, we found that it involved more than one factor in most suicide cases so we have to identify the main factor. Also, we wish to find out if suicidal tendency is on the rise from year to year. If we make comparisons on a year-to-year basis, we will be able to grasp the average picture. Obviously, it is better if we can have the statistics for a longer period, say 10 years. Nevertheless, we can still compare this year's statistics with those of next year to see if there is such a tendency and whether different factors are involved.

MR CHAN WING-CHAN (in Cantonese): *Madam President, among the suicide cases, how long does it take at the most for follow-up actions before finding out the reasons for the suicide?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, with regard to these cases, normally, social workers will ask the family members of the deceased whether they think there was anything affecting the suicides before they committed the act. Having obtained the information, they will analyse the case to find out the more crucial factors. If we want to know exactly whether the suicides have anything to do with unemployment, we will have to examine the unemployment rate in Hong Kong each year, for example, drawing comparisons on a year-to-year basis to see if there is any increase in the number of suicides among the unemployed. Therefore, we can do analysis in a number of ways. One is to visit the family members to collect information and alternatively, we may make comparisons on a year-to-year basis with reference to the external factors.

MR HO SAI-CHU (in Cantonese): *Madam President, as the Secretary said just now, the HKCSS and other organizations can also provide assistance. In fact, I believe that, as Mr TAM Yiu-chung has said, very often it is the labour organizations which can most easily have direct contact with unemployed people with suicidal tendency because they will come across many of such cases. Has the Government considered stepping up the preventive work through the trade unions or providing guidance for them on how to deal with these problems?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): *Madam President, I believe that we have to work in various aspects insofar as counselling is concerned. For instance, the Labour Department provides guidance for the unemployed on retraining, on how to face the anxieties of unemployment and on how to enhance their job search skills in order to help them find a new job. However, we believe that in most cases, it depends on family members and colleagues to prevent suicides among the unemployed. It is because if they should reveal their suicidal tendency before committing suicide, they will most likely reveal it to their close friends rather than strangers.*

PRESIDENT (in Cantonese): *Members, I know that a number of Members would also like to ask supplementaries. But since we have already spent 16 minutes on this question, we have to proceed to the second question.*

Residence Requirements for Applying for Public Housing Allocation and CSSA

2. **MISS CHAN YUEN-HAN** (in Cantonese): *Madam President, Article 36 of the Basic Law stipulates that Hong Kong residents shall have the right to social welfare in accordance with law. It is learnt that newly arrived Hong Kong residents are subject to residence requirements when applying for public housing allocation and Comprehensive Social Security Assistance (CSSA). In respect of public housing allocation, the majority of the applicant's family members must have lived in Hong Kong for seven years; for CSSA applications, the applicant must have resided in Hong Kong for 44 weeks. In this connection, will the Government inform this Council:*

- (a) *of the legal basis for subjecting such persons to residence requirements in their applications for public housing and CSSA; and*
- (b) *whether it has assessed if the above requirements are in breach of Article 36 of the Basic Law; if the outcome of the assessment is affirmative, of the time it will amend such requirements; if the outcome is in the negative, of the justifications for that?*

SECRETARY FOR HOUSING (in Cantonese): Madam President, the legal basis for the residence requirement for the CSSA Scheme and for the allocation of public rental housing is, in both cases, Article 62 of the Basic Law, which provides, *inter alia*, that the Government of the Hong Kong Special Administrative Region (SAR) shall have the power and function to formulate and implement policies and to conduct administrative affairs. As resources for both CSSA and public housing are limited in relation to demand, there is a need to set priorities.

Imposition of the one-year residence requirement for CSSA applicants is consistent with the provisions of the Basic Law, including Article 36 which specifically relates to social welfare. The Director of Social Welfare is empowered to exercise discretion, under exceptional circumstances, to grant CSSA to deserving persons who do not satisfy the residence requirement.

On the other hand, we consider that Article 36 of the Basic Law does not relate to public housing. The Government has always treated housing policies and social welfare policies separately.

Members will wish to know that the Housing Authority (HA) is reviewing the residence requirement so that a family will fulfil one of the eligibility criteria for the allocation of public rental housing if at least half of its members meet the seven-year residence rule; and that non-adult children born in the Mainland to parents who has resided in Hong Kong for seven years will be treated the same as those born in Hong Kong. The HA expects to decide on this matter very soon.

MISS CHAN YUEN-HAN (in Cantonese): *Madam President, in connection with the second and fourth paragraphs of the main reply given by the Secretary for Housing just now, I would like to ask him, or the Secretary for Health and Welfare sitting beside him, why he said in the fourth paragraph of the main reply that the Government would consider giving non-adult children born in the Mainland to parents who are Hong Kong residents the same treatment as those born in Hong Kong with respect to housing but not to CSSA?*

PRESIDENT (in Cantonese): Which Secretary would like to answer?

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, I believe the needs for housing and CSSA are different. Insofar as health and welfare services are concerned, we have relaxed the residence requirement already. In the past, applicants would need to fulfil the five-year residence requirement before they could apply for CSSA. Now they can lodge applications after having lived in Hong Kong for one year. We are of the view that new immigrants should be well prepared to deal with problems pertaining to their livelihood before coming to Hong Kong. Furthermore, the Director of Social Welfare is empowered to exercise, under exceptional circumstances, discretion in granting CSSA to deserving persons.

MISS CYD HO (in Cantonese): *Madam President, we did receive, through the Complaints Division, some cases from new arrivals, who have lived in Hong Kong for less than one year, being denied any discretionary concession with respect to their CSSA applications. Will the Secretary inform this Council of the number of such new arrivals who, albeit having lived in Hong Kong for less than one year, were granted CSSA because of the discretionary concession?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, I do not have such figures on hand at the moment. I will give a written reply in due course. (Annex II)

MR LAW CHI-KWONG (in Cantonese): *Madam President, my supplementary question is similar to that raised by Miss CHAN Yuen-han. In the past, mainland children born to Hong Kong people would normally be given CSSA because of the exercise of discretion. However, the current situation is different. According to the Secretary, insofar as housing is concerned, the Government would consider, by virtue of Article 14 of the Basic Law, treating these children the same as those born in Hong Kong in respect of the right of abode. But why do these children necessitate the Director of Social Welfare to exercise discretion while those born in Hong Kong can apply for CSSA without the need to wait endlessly?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): *Madam President, in accordance with our policy, children born in Hong Kong will of course be eligible for CSSA. As for new arrivals, we can exercise discretion to provide CSSA for those who are in genuine need. In this respect, social workers will investigate individual cases. Should it be confirmed that no one can give support to a child, we will relax the requirement with respect to the eligibility for receiving CSSA.*

MISS CHAN YUEN-HAN (in Cantonese): *Madam President, I still want to follow up this question. Perhaps this question should not be answered by the Secretary for Housing or the Secretary for Health and Welfare because it is related to policies. At present, children born in Hong Kong are not normally required to wait seven years for public housing. As for the eligibility of children born in the Mainland to Hong Kong residents, the Government might change the relevant policies in future. But why does the Government not make similar changes to its welfare policies with respect to this category of children? I really want to know which Secretary should answer this question because the two bureaux are regulated by the same policy. Obviously, the Housing Bureau is changing its policy on the allocation of public housing to children born in the Mainland to Hong Kong residents. But why is it still necessary for discretion to be exercised in relation to the CSSA applications lodged by these children?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): *Madam President, the services provided by the two bureaux are definitely not the same.*

It is, therefore, impossible for their policies to be the same. Furthermore, the Director of Social Welfare is empowered to exercise discretion to relax the relevant requirement. I think there is no need to alter the one-year residence requirement for the time being.

MR LAW CHI-KWONG (in Cantonese): *Madam President, my question is on the discretionary power. The Secretary mentioned earlier that social workers can exercise such discretion. I would like to clarify that insofar as I understand it, such discretion at present rests not with the Social Security Officers of the Social Security Branch. Instead, only Regional Officers of various regions have such power. If this is really the case, why are front-line staff not empowered to judge whether there is a need to exercise discretion, or why are social workers — because social security staff are not social workers — not empowered to make such judgment?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, I am not too sure whether the decision to exercise discretion rests with regional social workers or front-line social workers. I will discuss this issue with the Director of Social Welfare to examine which method is the most effective.

MR ANDREW WONG (in Cantonese): *Madam President, as far as I know, such discretion has been exercised but on a low frequency. The Director of Social Welfare is empowered to make grants to relevant persons from other funds. But it seems the restrictions have become stricter and the discretion is rarely exercised. Furthermore, the release of funds has become stricter than before. My supplementary question is very simple. Can the Secretary for Health and Welfare clarify, on behalf of the Government, whether it is willing to consider treating all people having the right of abode alike with a view to eventually abolishing the 44-week residence requirement on applying CSSA?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, the Health and Welfare Bureau considers the existing policy appropriate. Owing to our limited resources, we need to consider giving

priority treatment to those who are in need. We do not have unlimited resources to provide support. As I mentioned earlier, the relevant persons need to make good preparations before emigration. There is no strong justification for those who fail to make any preparations beforehand. However, for some people who are unable to maintain their living whatever they do, the Director of Social Welfare is empowered to, under exceptional circumstances, exercise discretion to grant such persons CSSA.

MR JAMES TO (in Cantonese): *Madam President, I note that a question raised earlier actually concerns whether the Government has breached the Basic Law. I also note that the main reply is silent on whether the Government "has not breached the Basic Law". Moreover, in the fourth paragraph of the main reply, the Secretary said the Government had begun changing its housing policy. This point has also been raised by the Chief Executive too. I believe the HA will change its policy. But I think there is certainly a breach of the Basic Law. Is the Government willing to answer whether it has breached the Basic Law? It is surprising for the Government to have failed to give us a clear answer in spite of the clarity of the question. The public can actually infer that the policies referred to by the Government are, albeit appropriate, fundamentally in breach of the Basic Law. As a result, the Government is compelled to make amendment. Insofar as CSSA is concerned, I hope the Government can consider it from the legal point of view, rather than from the rationality of the policy alone. This is a question at yet another level.*

PRESIDENT (in Cantonese): Mr James TO, do you want the Government to answer whether it is in breach of the Basic Law or to make consideration?

MR JAMES TO (in Cantonese): *My supplementary question is: first, I hope the Government can answer whether it is in breach of the Basic Law. If the Secretary is unable to answer this question today, can he consider making an in-depth study from the legal point of view with respect to CSSA?*

PRESIDENT (in Cantonese): Mr James TO, I was trying to remind you that you had raised two issues in one supplementary question.

MR JAMES TO (in Cantonese): *Madam President, the two supplementary questions are related. (Laughter)*

PRESIDENT (in Cantonese): Which Secretary would like to answer?

SECRETARY FOR HOUSING (in Cantonese): Insofar as social welfare and housing are concerned, we have pointed out in the main reply that we act in accordance with the Basic Law. With respect to welfare, Article 36 of the Basic Law has clearly provided for issues pertaining to welfare. As for housing, the Government is of the view that there is no contravention of the Basic Law. I have made it clear in the fourth paragraph of the main reply that what we are doing at the moment is in a more progressive and fairer direction. This is why we conduct a review in the hope of making amendment. It is not because we are aware that some problems have arisen.

MISS EMILY LAU (in Cantonese): *Madam President, in answering the supplementary questions, the Secretary for Health and Welfare mentioned twice that prospective immigrants should have made good preparations. But insofar as the situation in Hong Kong is concerned, even you, Madam President, should know it well too, the purpose of many mainlanders applying for emigrating to Hong Kong is family reunion. They should actually not be considered as migrants for we all live in the same country. Madam President, these people are sometimes not given a chance to make preparations. Their living conditions may be extremely poor. Some of them may have waited for 20 years or so. Once given the permission, they will come to Hong Kong immediately. I do not know whether the Secretary understands these problems. Actually, there are a lot of people who fall into this category. The Secretary should not criticize them for making no preparations. It is just because they are not given a chance to do that. Is our existing system unable to take care of these people? Or is it, like the Secretary has said, better for these people to come to Hong Kong only after they have made good preparations, and not to come if they are not well prepared?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, I think they should make preparations in a number of areas. For mainland children coming to Hong Kong, for instance, their families should make preparations too. We understand that some people are basically not able to make preparations for reasons such as financial difficulties and, as a result, are unable to earn their own living. Therefore, the Director of Social Welfare can exercise discretion under exceptional circumstances. We will review the relevant situation to see if there are needy cases for which we have failed to provide assistance.

PRESIDENT (in Cantonese): Last supplementary question.

MISS CYD HO (in Cantonese): *I am grateful to the President for allowing me to raise my supplementary question. Of the complaint cases we have received, one of the complainants said the explanation on the so-called "discretion" he was given when he applied to the Social Welfare Department for CSSA was that if he had lived in Hong Kong for less than one year (that is 52 weeks) but over 44 weeks, CSSA payments could be released eight weeks earlier. This is where front-line social workers can exercise discretion. Will the Secretary inform this Council of the guideline given to front-line social workers of the unit responsible for releasing CSSA with respect to the exercise of discretion? Does it mean that people can apply for CSSA as long as they have lived in Hong Kong for over 44 weeks, albeit less than 52 weeks? Is the discretion exercised in accordance with the guideline on the period of residence only or with the actual daily needs of applicants and their ability to cope with difficulties?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, the discretion is exercised in accordance with the daily needs of the applicants. In this respect, I will conduct a review with my colleagues from the Social Welfare Department to see if there is anything not clear with the guideline or whether there are any problems with its implementation.

Control of Emissions of Diesel-driven Machinery

3. **MR LAU WONG-FAT** (in Cantonese): *Madam President, at present, diesel-driven machinery such as excavators, bulldozers, high pressure air-compressors and generators are widely used by contractors in road works and on construction sites. Such machinery emit a lot of smoke when they are in operation, causing health hazards to workers, passers-by and residents in the neighbourhood. In this connection, will the Government inform this Council of:*

- (a) *the legislation regulating the emission of excessive smoke from such machinery, and the legislative provisions governing smoky machinery; and*
- (b) *the departments responsible for the enforcement of the relevant legislation; and the number of inspections carried out by the departments concerned in relation to emissions of such machinery, as well as the number of prosecutions instituted, over the past three years?*

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): Madam President,

- (a) Smoke emission from construction machinery is controlled under the Air Pollution Control Ordinance (APCO) and its subsidiary regulation.

If the Director of Environmental Protection (DEP) is satisfied that the emission of air pollutants from a polluting process (including smoke emissions from construction machinery) is causing air pollution, he is empowered under section 10 of the APCO to issue an air pollution abatement notice to the owners of the premises or to the person carrying out the activity to require them to cease or reduce the emissions. Failure to comply with a requirement of the abatement notice to cease the operation of a polluting process is an offence punishable by a fine of \$500,000 and to imprisonment for

12 months, and a daily fine of \$20,000 may be imposed for a continuing offence. Failure to comply with other requirements of the abatement notice to reduce emissions is an offence punishable by a fine of \$100,000 on first conviction and a fine of \$200,000 and to imprisonment for six months on second or subsequent conviction. In addition, a daily fine of \$20,000 may be imposed for a continuing offence.

The DEP is also empowered under section 30 of the APCO to serve a notice on the owner of the premises in which any machinery or plant is found to be emitting air pollutants due to various reasons such as unsuitable design, lack of maintenance, excessive wear and tear, use of unsuitable fuel or improper operation. He may among other things require the owner concerned to modify, replace, clean or repair the machinery or to prohibit the use of the machinery or the fuel in question. Failure to comply with the requirements of the notice is an offence punishable by a fine of \$100,000 on first conviction, and \$200,000 and imprisonment for six months on second or subsequent conviction. In addition, a daily fine of \$20,000 may be imposed for a continuing offence.

Emissions of dark smoke from construction machinery could also be an offence under the Air Pollution Control (Smoke) Regulation. Under the Regulation, it is an offence to emit dark smoke for more than three minutes continuously or for more than a total of six minutes in a period of four hours. On first conviction, the offender is liable to a fine of \$20,000 and an additional fine of \$100 for every quarter of an hour during which the dark smoke continues to be emitted. On subsequent convictions, the offender is liable to similar fine levels and to imprisonment for three months.

- (b) The Environmental Protection Department (EPD) is responsible for enforcing the APCO and the Smoke Regulation. In addition to responding to complaints against excessive smoke emission from construction works, EPD officers also conduct specific inspection of construction sites to pre-empt excessive smoke emission.

Over the past two years and the first eight months of this year, the EPD investigated a total of 233 complaints against excessive smoke emission from construction machinery. EPD officers also conducted 5 877 general inspections to construction sites during this period to ensure compliance with all provisions under the APCO including requirements on smoke emission. Arising from these enforcement actions, 12 prosecutions were instituted for failure to comply with the requirements of a notice issued under section 10 or section 30 of the APCO. Three prosecutions were instituted against person responsible for machinery emitting dark smoke under the Smoke Regulation. Thirteen of these prosecutions result in fines ranging from \$1,000 to \$35,000. Details are provided at Annex.

Annex

Enforcement statistics on smoke emission from
machinery in construction sites

		<i>1997</i>	<i>1998</i>	<i>1999</i> <i>(Jan-Aug)</i>	<i>Total</i>
No. of complaints against smoke from construction machinery		78	96	59	233
No. of inspections to construction sites	(a) Smoke inspection	152	183	138	473
	(b) General surveillance inspection under APCO	2 150	2 044	1 643	5 877
	Total (a)+(b)	2 302	2 227	1 781	6 310

			1997	1998	1999 (Jan-Aug)	Total
No. of section 10 notices issued			5	8	2	15
No. of section 30 notices issued			2	-	-	2
No. of prosecutions	(a)	Arising from section notices	3	6	1	10
	(b)	Arising from section 30 notices	2	-	-	2
	(c)	Arising from Smoke Regulation	-	3	-	3
		Total (a)+(b)+(c)	5	9	1	15

Minimum fine : \$1,000

Maximum fine : \$35,000

MR LAU WONG-FAT (in Cantonese): *Madam President, will the Government consider enacting legislation, like the way it deals with diesel vehicles, to require the machinery in question to switch to such fuels as natural gas and liquefied petroleum gas within a certain number of years?*

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): Madam President, the utilization rate and maintenance of motor cars are completely different from those of machinery used on construction sites, as described by Mr LAU. According to statistics, emissions of black smoke have

been found on construction sites due to such reasons as improper maintenance of machinery and careless or improper operation. However, the relevant figures seem to remain on the low side at the present stage. I believe we will be able to reduce emissions through supervision, increased frequency of inspection and proper maintenance to be voluntarily carried out by supervisors as well as workers. At the present stage, the Government has no intention to replace diesel with other fuels.

MR NG LEUNG-SING (in Cantonese): *Madam President, in part (a) of the Government's main reply, it is mentioned that the DEP can issue two kinds of notices. One is an air pollution abatement notice, and the other is a notice issued under section 30 of the APCO to require the relevant facilities to be repaired or replaced. In part (b) of the main reply, the Government also mentioned that 12 prosecutions were instituted among the 5 877 inspections conducted. Will the Government inform this Council of the number of notices issued before these 12 prosecution cases can be successfully instituted, as well as the total number of the two kinds of notices that have been issued?*

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): *Madam President, in the Annex attached to the main reply, I have set out the number of notices issued respectively under the two pieces of legislation, that is, under section 10 and section 30. Should the Honourable Member require other information, I can give a written reply. (Annex III)*

DR RAYMOND HO (in Cantonese): *Madam President, the action taken with respect to emissions from construction machinery has been set out in the Annex attached to the main reply. The number of notices issued under the APCO is two for this year, eight for last year and seven for the year before last. The number of prosecution cases is one for this year, nine and five respectively for the previous two years. Does the Secretary consider that the present situation has been greatly improved or the standard has been adjusted?*

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): Madam President, on the face of it, the figures appear to suggest there was improvement in the situation for the first eight months of 1999. But I consider them two separate issues. The improvement may be resulted from the increased inspections conducted by EPD officers or successful prosecutions. It would be best if the improvement was voluntarily made by operators and machinery owners.

MR HUI CHEUNG-CHING (in Cantonese): *Madam President, machinery powered by diesel will emit a large amount of dark smoke during operation, thereby jeopardizing the health of workers. Apart from legislative regulation, has the Administration required workers operating the machinery to take such special measures as wearing masks and so on, like workers wearing earplugs while operating excavators in carrying out road excavation works?*

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): Madam President, apart from the three provisions mentioned in the main reply, the Occupational Safety and Health Regulation has also clearly spelt out that employers are required to provide their employees with any means of protection in work premises, including preventing the inhalation of different gases. Insofar as legislation is concerned, the Labour Department is empowered under the Regulation to follow up any cases in which employees' health is jeopardized as a result of mismanagement.

DR TANG SIU-TONG (in Cantonese): *Madam President, heavy fines can be imposed on offences under the APCO and the Smoke Regulation. However, of the 13 successful prosecution cases, the fines imposed have ranged from \$1,000 to \$35,000 only. Does the Secretary consider such levels of fines adequate in achieving a deterring effect? Has the Government considered lodging appeals against the adequacy of fines?*

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): Madam President, in answering other supplementary questions earlier, I mentioned the point that the overall prosecution figure was not high. It was probably because, after the issue of notices, sub-contractors and works supervisors had taken action to abate pollution. At the present stage, the

Government considers it unnecessary to make any amendments with respect to individual cases or the level of fines as a whole.

MR JAMES TIEN (in Cantonese): *Madam President, section 30 of the APCO provides for air pollution resulted from unsuitable design, lack of maintenance or use of unsuitable fuel with the machinery. The Secretary has also spelt out in the Annex that 3 700 inspections on construction sites have been made over the past two years in spite of the fact that the number of notices issued is zero. Were the machinery really maintained in such a good condition? Or is it because the inspectors responsible for carrying out the 3 700 inspections have adopted a relatively lax standard?*

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): *Madam President, these inspections were actually not targeted at emission of dark smoke only. Inspectors will also inspect other items related to the environment such as emission of sewage or other pollutants, handling of wastes and so on. Because of the frequency of the inspections, construction sites are now more ready to abate emission voluntarily. I hope this phenomenon will continue. The EPD will definitely keep up with its work because we consider environmental protection extremely important and that emission will do much harm to the public. For these reasons, we will continue with our work in this aspect and step up enforcement.*

MR LAU KONG-WAH (in Cantonese): *Madam President, the Secretary has mentioned repeatedly that he hopes the people concerned can act voluntarily. But I think this is going to be very difficult. Otherwise, we can take up the Secretary's post easily. The Secretary has pointed out over and over again that motor cars powered by diesel are the culprits in causing air pollution. It also seems that the Government has done a lot with respect to motor cars. But for the machinery in question, it seems that the Government is only expecting the people concerned to act voluntarily. Therefore, I want to follow up Mr LAU Wong-fat's question. Is it definite that the Government will not consider phasing out this type of old machinery with some advanced machinery? Can the Government consider this?*

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): Madam President, the problems created by motor cars and these machinery are different in terms of their mode and length of operation. It will be unrealistic for Hong Kong to select machinery in accordance with its own new specifications unless the Government is highly confident that it can introduce innovative machinery that can operate on construction sites to carry out works previously undertaken by diesel machinery. However, if we succeed in identifying equipment for absorbing particulates, using them on motor cars for a period of time and finding them capable of reducing dark smoke or particulates emitted by these construction machinery, then we may consider inviting the staff of the University of Hong Kong, who are researching on the absorption of particulates in vehicle emissions at the moment, to examine the feasibility of applying these equipment on construction machinery.

PRESIDENT (in Cantonese): Honorable Members, although a number of Members are still waiting to raise their questions, I suggest Members to follow up the matter through other channels for we have spent nearly 17 minutes on this question.

Demand for Cross-border Freight Transport

4. **MR KENNETH TING** (in Cantonese): *Madam President, it was reported that more than 70 000 container trucks rushed to the Kwai Chung Container Terminal to effect delivery of containers the day following the passage of Typhoon York through Hong Kong last month, resulting in serious traffic congestion in Kwai Chung and Tsuen Wan Districts. In this connection, will the Government inform this Council:*

- (a) *whether it will review as soon as possible the operational mode and activation time of the Container Port Traffic Liaison Group which has representatives from the Transport Department, the police and the trade, and study how to enhance the operational efficiency of the Group;*
- (b) *of the measures in place to prevent the recurrence of similar traffic congestion after the passage of a typhoon; and*

- (c) *whether it has plans to discuss with the relevant mainland authorities the demand for cross-border freight transport, and to conduct a study on the development of freight rail to ease the burden of freight transport on road networks?*

SECRETARY FOR TRANSPORT (in Cantonese): Madam President, the Administration, in consultation with the container terminal operators, the trucking industry as well as the Kwai Tsing, Tsuen Wan and Sham Shui Po Provisional District Boards, has completed a review of the contingency measures for handling container port traffic after Typhoon York. It was considered that the existing arrangements, which had been agreed with the trade and implemented on many previous occasions, were basically sound. Nevertheless, improvements could still be made to fine-tune the arrangements.

Before going into details, I would like to point out that Typhoon York was a particularly fierce one. The Container Port in Kwai Chung has been closed for 34 hours as a result and a significant backlog of containers was accumulated both within the terminals and on the roads. In the aftermath of Typhoon York, the departments concerned took swift actions to reduce the congestion:

- (a) Throughout the morning of 17 September, close liaison was maintained amongst departments concerned, including the Transport Department, Police Force, Highways Department and Kwai Tsing District Office, to deal with the traffic situation;
- (b) The Transport Department was in close liaison with Kowloon Motor Bus (KMB) to determine the need for special arrangements for public transport;
- (c) The police and the Transport Department advised the public to avoid the area and to use alternative public transport services.
- (d) The police implemented a one-way clockwise gyratory system along Container Road to eliminate queue jumping and ensure smooth traffic movements. Police officers were also deployed to regulate traffic at strategic locations along other key road sections;

- (e) In view of the worsening traffic situation, the Kwai Tsing District Officer activated the Container Port Traffic Emergency Liaison Centre (CPTELC) at 3.00 pm. The CPTELC ensured close liaison and communication amongst government departments, container terminal operators and trucking associations. In addition to the standing members, a KMB representative and the Traffic and Transport Committee Chairman of the Kwai Tsing Provisional District Board were also present in the Liaison Centre that day.

In the light of the experience from Typhoon York, we have come up with the following improvement measures:

- (a) The CPTELC, with the Kwai Tsing District Officer as convenor, will be activated automatically as soon as practicable, and in any case within two hours after the lowering of signal No. 8 in the day time, or at 8.00 am the next day if signal No. 8 is lowered at the night time;
- (b) The container terminal operators have been reminded to reopen their yards as early as possible after typhoon. This is to avoid container vehicles having to wait and queue on public roads;
- (c) The CPTELC will strengthen liaison with the terminal operators to explore whether spaces within the terminal areas can be made available for further stacking of goods vehicles waiting on public roads before the terminals reopen;
- (d) In addition to the existing vehicle holding site (which can contain 200 container vehicles), a new site which can hold 80 container vehicles or 170 goods vehicles has been identified for use where required. A mechanism has also been agreed for triggering off the opening of these vehicle holding sites by the police based on the observed length of traffic queues on the approaches to the Container Port;
- (e) The Transport Department will step up publicity by issuing more advisory notices to the public through the media to warn motorists of the envisaged traffic problems in Kwai Chung and Tsuen Wan.

Traffic advice will continue to be issued by the Police Public Relations Bureau;

- (f) Copies of a loose-leaf booklet containing information on routes leading to different terminal destinations and vehicle holding sites have recently been distributed to container truck drivers for display on the windscreen. The measure will be of help to the police in directing container trucks to their respective container terminals; and
- (g) A priority list of traffic sensitive routes in Kwai Tsing, Tsuen Wan and Sham Shui Po for urgent road clearance operations after typhoon has been compiled by the Transport Department and passed to relevant departments.

The recently reviewed response system mentioned was put into action on 26 September for Typhoon Cam. The terminals were opened within three hours of the lowering of all typhoon signals. Traffic on the following morning was normal and no congestion was encountered.

On cross-boundary freight transport, we have in recent years had several discussions with the relevant mainland authorities to exchange data and forecasts to ensure that our territorial planning takes into account the needs of such transport services. As regards the provision of a freight rail, earlier forecasts have indicated that the demand for services in this respect is still limited. The need and viability of a freight rail are now being re-examined in the context of the Second Railway Development Study, which will also consider the extent to which a freight rail will be able to relieve the road networks and alleviate the impact on the environment. The study will be completed by the end of this year.

MRS MIRIAM LAU (in Cantonese): *Madam President, with respect to cross-boundary freight transport, I understand that 10 additional kiosks will be erected at Lok Ma Chau Crossing towards the end of the year. As the construction work of the kiosks is scheduled for completion by the end of the year, the volume of cross-boundary traffic will naturally be expected to increase substantially by then. May I ask the Secretary whether the Government has consulted the mainland authorities on the additional manpower required at the Huang Gang Crossing, as well as on how co-ordination between both sides can be enhanced to ensure the*

smooth flow of cross-boundary traffic? Could the Secretary inform this Council of the details if there should have been such consultations?

SECRETARY FOR TRANSPORT (in Cantonese): Madam President, regarding the facilities under construction at Lok Ma Chau Crossing, we have already exchanged data with the relevant mainland authorities on a number of occasions and through various mechanisms. Besides, we have also reminded the mainland authorities that our new facilities would be completed by the end of the year. In so doing, we hope to see not only new arrangements on our part but also appropriate matching arrangements made by the Guangdong authorities in such areas as manpower deployment, computerization and so on. I am afraid I do not have on hand any detailed information on the specific arrangements made by the Guangdong authorities, but they are certainly aware that we will have in place the new facilities towards the end of the year.

PRESIDENT (in Cantonese): Mrs Miriam LAU, which part of your supplementary has not been answered?

MRS MIRIAM LAU (in Cantonese): *Just now the Secretary said he did not have on hand the relevant information, may I ask whether he could provide this Council with a written reply on that later?*

SECRETARY FOR TRANSPORT (in Cantonese): Madam President, I will try requesting the Guangdong authorities to prepare for us the relevant data and then submit them to this Council. (Annex IV)

MR LEE WING-TAT (in Cantonese): *Madam President, the Secretary mentioned in his main reply that as one of the improvement measures, the CPTELC, with a District Officer as convenor, will be activated automatically as soon as practicable after the lowering of signal No. 8. However, if I remember it correctly, this mechanism has been in place since Mr Gordon SIU assumed office as Secretary for Transport in 1994. As such, re-establishing the mechanism should not be any solution to the problems before us now. In this*

connection, could the Secretary inform this Council whether he has inquired the Kwai Tsing District Officer, the District Police Commander and the Assistant Commissioner for Transport concerned of their rationale for not holding any meeting during the night when signal No. 8 was hoisted? It appeared to me that the Secretary was trying to conceal a fact. Given that the mechanism has already been in place, what was the point of re-establishing it? In my opinion, the Secretary should have inquired into the reason why the mechanism had not been activated, as well as whether there was any dereliction of duty or default on the part of the various public officers concerned.

SECRETARY FOR TRANSPORT (in Cantonese): Madam President, if taking the measures mentioned during a typhoon should still be regarded as dereliction of duty, I am afraid a good many people would be charged with dereliction of duty then. With regard to the mechanism which was activated at 3.00 pm that day, we have reviewed the case afterwards and come to the view that the mechanism could be activated earlier while improvements could still be made to fine-tune the arrangements. That is why we are now recommending the CPTELC be activated as soon as practicable after the lowering of signal No. 8. In any event, the CPTELC must be activated automatically in no more than two hours upon the lowering of signal No. 8 in the daytime, or at 8.00 am the next day if signal No. 8 should be lowered during the night. This is by no means a new mechanism, but because of the new mode of operation adopted, there would be some improvement basically.

PRESIDENT (in Cantonese): Mr LEE Wing-tat, which part of your supplementary has not been answered?

MR LEE WING-TAT (in Cantonese): *Madam President, the Secretary has not answered the part of my supplementary on whether the relevant mechanism has been in place since Mr Gordon SIU assumed office as Secretary for Transport in 1994, nor has he informed us of the reason why the CPTELC was not activated during the typhoon. I understand that the CPTELC was activated at 3.00 pm the next day as mentioned by the Secretary, but the fact remains that the traffic congestion problem has deteriorated significantly by then. What I should like to know is the reason why the mechanism was not activated during the typhoon even*

though it was already in place. However, the Secretary has not answered the supplementary I raised in this respect.

SECRETARY FOR TRANSPORT (in Cantonese): I should like to remind Honourable Members that signal No. 8 was lowered at night time, during which the container terminals had all been closed. For this reason, there was indeed no need for the CPTELC to be activated. Then, on the next day, after taking into account the actual traffic conditions, we activated the CPTELC in the afternoon in addition to implementing the relevant contingency measures.

DR RAYMOND HO (in Cantonese): *Madam President, the Secretary has referred to cross-boundary freight transport in the fifth paragraph of his main reply. According to him, earlier forecasts have indicated that the demand for services in this respect is still limited. In formulating plans for its Northwest Railway Project a few years ago, the Kowloon-Canton Railway Corporation had intended to provide both passenger and freight services and expected to handle millions of standard-sized containers, only to learn from all sources of information that the figure should be much smaller. As indicated in recent findings, the number of containers concerned has amounted to only a few but less than 10 thousand. In this connection, could the Secretary inform this Council of the reason why the need for a cross-boundary freight rail is being re-examined in the context of the Second Railway Development Study; and whether so doing is a waste of resources?*

SECRETARY FOR TRANSPORT (in Cantonese): Madam President, I believe Dr the Honourable Raymond HO would certainly remember that the construction of the West Rail is divided into two phases. In this connection, Phase I is the passenger service line which links up Kowloon with Tuen Mun and Yuen Long, while the Port Rail Line is included as part of Phase II, the actual construction work of which has yet to commence. In conducting the Second Railway Development Study, we have noticed a change in the demand for a freight rail over the past years. As a matter of fact, the demand has dropped. In order not to waste any resources, we will not arbitrarily embark on the construction work of the Port Rail Line included in the West Rail Phase II Project? For this reason, the Government has to look into the actual demand for a Port Rail Line. Even if

the findings concerned should confirm that a Port Rail Line must be provided, we still need to examine whether or not the previously drawn alignment is still the best. As such, we will need to affirm or make reference to the latest information available in the Second Railway Development Study before coming to any conclusion regarding the construction or otherwise of the Port Rail Line.

MR LAU KONG-WAH (in Cantonese): *Madam President, the Secretary mentioned in point (d) of the improvement measures that the Government had identified a new site capable of holding over 100 vehicles. Yet he has just kept us guessing as far as the whereabouts of the site is concerned. In this connection, could the Secretary inform this Council of the exact location of the site and of the relevant arrangements as well, since I do not know whether the site is located within the terminal areas or just in the neighbourhood? In addition, could the Secretary also inform this Council whether the Government considers it necessary to identify new vehicle holding sites along the approach roads that are outside the terminal areas, so as to avoid jamming all the vehicles into the terminal areas?*

SECRETARY FOR TRANSPORT (in Cantonese): *Madam President, the new vehicle holding site we have identified is located between roundabouts No. 3 and No. 4 outside the terminal areas, and it would be put into operation only when required. The mode of operation of the site is very simple: the police will consider opening the site in the light of the observed length of the traffic queues on the outlying approaches. The agreed arrangement is for the police to open the vehicle holding site if the length of the traffic queues between Kwai Tai Road and Kwai Tsing Road should reach 1.5 km, if the length of the southbound traffic queues on Kwai Chung Road near roundabout No. 3 should reach 1.5 km, if the length of the southbound traffic queues on Tsing Kwai Highway near roundabout No. 6 should reach 2 km, or if the westbound traffic queues between Lai Po Road and Hing Wah Street close to roundabout No. 7 should reach 1.5 km. From this we can all see that when the traffic queues outside the terminal areas have extended to a certain length from a certain point on the approaches, the police officer responsible for controlling the traffic would open that temporary vehicle holding site to enable vehicles to queue up there instead of jamming the peripheral roads.*

MR LAU KONG-WAH (in Cantonese): *Madam President, although the Secretary said we can all see that, I still cannot see the point he made just now. As such, may I ask the Secretary if he could give us the relevant map later on? On the other hand, the Secretary has not answered the part of my supplementary on whether or not the Government would continue to identify additional vehicle holding sites outside the terminal areas.*

SECRETARY FOR TRANSPORT (in Cantonese): Madam President, we will submit the relevant maps to the Secretariat for distribution to Honourable Members. While the Government will certainly identify additional sites when such need arises, I must point out that it is not the parking spaces needed under normal circumstances that we are now discussing, and that we actually have enough of such vehicle holding sites as at present. However, if we are to cater to the more serious traffic congestion problems, we have to further identify some temporary or additional vehicle holding sites. We will certainly keep an eye on the situation in this respect. (Annex V)

PRESIDENT (in Cantonese): Last supplementary.

MR HUI CHEUNG-CHING (in Cantonese): *Madam President, it has become a rule for traffic congestion to take place in the vicinity of the terminal areas following the passage of a typhoon; and in some cases, the problem has even extended to other major roads as well. Hence, we have always heard the Government talking about conducting reviews after typhoons in the past few years. In this connection, could the Secretary inform this Council whether the crux of the problem lies in the design of the roads or in the delivery arrangements concerned; as well as the losses incurred on each occasion?*

SECRETARY FOR TRANSPORT (in Cantonese): Madam President, I am afraid we do not have any statistics regarding the financial losses incurred. However, I should like to point out that it was due to a series of coincident events taking place after the passage of Typhoon York that serious traffic congestion was resulted on 17 September.

To begin with, the typhoon signal was hoisted for more than 30 hours and the container port had been closed for one whole day. Under normal circumstances, the throughput of the container terminals would amount to some 30 000 to over 40 000 vehicle trips a day, but since the container port was closed for one day, the figure doubled. Moreover, it happened that 17 September was a Friday, and Fridays are always the peak periods for container terminals. So these are the circumstances surrounding the incident. But why did I say that it was due to a series of coincident events that the traffic situation in the vicinity was gravely affected? Firstly, the typhoon was a particularly fierce one. Following the passage of the typhoon, many of the roads in the vicinity of the container terminals had to remain partially closed until their flooded sections or sections blocked by fallen trees and signboards had all been cleared. The roads affected included Lung Cheung Road, Butterfly Valley Road, Lai Chi Kok Road and so on. Secondly, the fallen scaffoldings along Container Port Road affected the traffic along the Road. Thirdly, the typhoon had blown away some of the empty containers to scatter all over the terminal areas, thereby blocking the roads there and delaying the opening of the container port. Fourthly, believe it or not, there were totally 39 traffic accidents reported in Kwai Tsing and Tsuen Wan Districts on that day, and six of which took place on Container Port Road. Fifthly, as usual, there were incidents of queue-jumping along Kwai Tsing Road, Kwai Chung Road and so on, and the traffic situation was affected as a result. So, this was how the series of coincident events had caused the traffic to become so seriously congested. Naturally, we have conducted a review on the relevant mechanisms, with a view to dealing with the situation more suitably should similar cases arise in the future.

Effects of Hong Kong's Climate on Curtain Walls

5. **DR RAYMOND HO** (in Cantonese): *Madam President, when Typhoon York hit Hong Kong last month, the curtain walls of several government office towers in Wan Chai were seriously damaged. It was reported in the press that around 400 patches of the curtain walls were broken as a result. In this connection, will the Government inform this Council:*

- (a) *of the existing legislation or codes for regulating the installation and maintenance of curtain walls on buildings;*

- (b) *whether existing legislation requires owners of buildings to arrange for regular inspection of the curtain walls; and*
- (c) *whether it will consider establishing a task force to assess the effects of Hong Kong's climate on curtain walls, the designs and materials to be used and the installation procedures for curtain walls, and to review the relevant standards?*

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): Madam President,

- (a) The current Building (Construction) Regulations made under the Buildings Ordinance (Cap. 123) regulate the construction of curtain walls fixed to buildings. Part IX of the Regulations stipulates the performance requirements of curtain walls in terms of building materials, design, method of construction and performance tests. In addition, the Building Authority has issued a Practice Note on Curtain Wall Systems to all Authorized Persons and Registered Structural Engineers, setting out the safety tests required to ascertain the ability of curtain walls to withstand the most critical typhoon wind pressures.
- (b) In Hong Kong, the law requires building owners to ensure that their buildings are safe and that they are maintained in good repair and condition. It is therefore the responsibility of building owners to inspect their buildings. The Director of Buildings has recently employed a firm of consultants to compile a code of practice on the inspection of buildings, including external walls. Where necessary, the Buildings Department will issue statutory orders to building owners requiring them to investigate and carry out repairs to curtain walls.
- (c) In March 1999, the Buildings Department set up a Sub-committee under the Authorized Persons and Registered Structural Engineers Committee chaired by the Director of Buildings to review the use of glass in building works. The Sub-committee is composed of experts from the curtain wall trade, academics, building

professionals, and professional officers of the Buildings Department. One of the tasks of the Sub-committee is to review the engineering characteristics of the different types of glass used for the construction of curtain walls and the effect of local weather conditions on such glass. The Sub-committee will make recommendations on the appropriate method of curtain wall construction, the assembly of curtain walls, and the materials and testing standards for curtain walls. The initial findings of the Sub-committee, which have just become available, indicate that the present standards and requirements are generally adequate. Nonetheless, the Buildings Department will be consulting the building professions with a view to assessing whether there is a need to revise the standards and test requirements for the construction of curtain walls.

DR RAYMOND HO (in Cantonese): *According to the explanation provided by the Government earlier on, the curtain walls were damaged mainly by objects blown against them by the strong wind, having nothing to do with the craftsmanship or the design. During the typhoon, I was working in my office located right opposite the Immigration Tower in Wan Chai and did see glass debris hurled around by the strong wind. Despite the considerable width of the Gloucester Road separating my office and the Immigration Tower, the pavement outside my office building was still covered with pieces of broken glass. In this connection, although my office building was rather exposed to the wind, it suffered no damages nor did the glass on it. As regards the government office tower across the road, however, although the buildings in its vicinity had neither shown any signs of damages nor caused any debris to be scattered all over the area, many patches of its curtain walls were broken. Could the Secretary explain to this Council why so many patches of the building's curtain walls were broken? Thank you.*

SECRETARY FOR WORKS (in Cantonese): Madam President, after an initial investigation, we discovered that the curtain walls might possibly be struck and damaged by some external objects blown against them. However, there is yet another possible factor accountable for the damages done. Owing to the location of the buildings and the direction they are facing, it might have created a funnel

effect and significantly intensified the wind pressures that certain curtain walls had to withstand. This together with the debris from buildings nearby being hurled around like I referred to just now might have resulted in the severe damage to the curtain walls. Here is one very good example. Although both the Revenue Tower and the Immigration Tower are facing the harbour (by that I am referring to the northward facing curtain walls of the buildings), while the former has remained intact, the latter has seen several dozen patches of its curtain walls being damaged. In addition, several hundred patches of curtain walls on the Central Plaza nearby have also been damaged.

MR EDWARD HO (in Cantonese): *Madam President, the main reply given by the Secretary just now referred to solely the actions provided for under the Buildings Ordinance or that taken by the Buildings Department. In this connection, may I ask the Secretary to confirm that government buildings do not fall within the ambit of the Buildings Department or that of the Buildings Ordinance? Given that the supplementary raised by Dr Raymond HO was related to government office towers, could the Secretary explain to this Council the measures to be taken by the Government?*

SECRETARY FOR WORKS (in Cantonese): *Madam President, although the designs of government buildings are exempted from the supervision and administrative procedures provided for under the Buildings Ordinance, the designs and construction works of our buildings are all conducted in compliance with the existing legislation. In other words, even though our buildings are not subject to statutory supervision, we have not breached any of the statutory requirements.*

MR NG LEUNG-SING (in Cantonese): *Madam President, with your permission, I should like to raise a supplementary related to this incident of damaged curtain walls on government office towers, since a number of documents have reportedly been blown away during the typhoon. Should that be the case, may I ask the Government whether it has taken into account this incident or any future incidents of force majeure and issued guidelines on typhoon precautions to instruct the various government departments as to how documents could be kept in a safer manner?*

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): Madam President, I do not have at hand any information on the loss of documents, and the report made by my colleagues was that no documents had been affected in the incident. Then again, government department will each have a relevant set of requirements on handling the security and confidentiality of various documents. What we need to do now is to review the requirements to find out whether any particular typhoon precautions or special arrangements would need to be made in the future for facilities installed near windows. In this connection, we will follow up the arrangements concerned whenever we review the requirements.

DR LUI MING-WAH (in Cantonese): *Madam President, the Secretary mentioned just now that many experts had been hired to test the properties of the specification glass. However, given that 400 patches of the curtain walls of a building have been damaged, I do not believe this is coincidence or the natural aftermath of a typhoon. The curtain walls have in fact suffered systematic damages. As we all know, the ability of glass to withstand shock is very limited and it is prone to fatigue. In this connection, could the Secretary inform this Council whether the Government has hired experts to test the fatigue-proof limit of glass? Besides, may I also ask the Government whether it has employed any material experts to test the property and durability of the glass concerned?*

SECRETARY FOR WORKS (in Cantonese): Madam President, since the curtain walls of many buildings near the government offices towers have also been damaged, we are now reviewing the situation to investigate into the causes. We hope to find out whether the curtain walls were damaged by external objects blown against them, or by the intensified wind strength resulting from the funnel effect to which I referred earlier. As regards materials, several years earlier when we were about to install the glass, we had tested and examined all the glass concerned. Nevertheless, as mentioned by the Secretary for Planning, Environment and Lands just now, a working group had already been set up before Typhoon York attacked Hong Kong, with a view to finding out whether the specifications and installation procedures of the glass used meet the existing required standard or not. We will certainly take follow-up actions in this respect.

MR JAMES TO (in Cantonese): *Madam President, all along the Government has been claiming that the curtain walls of the government office towers were struck and broken by glass blown from elsewhere. Today, however, government officials are saying that: "No, the incident might be caused by the funnel effect." In this connection, could the Secretary inform this Council whether the Government has consulted the developers of the buildings nearby? Given that the developers have plenty of experience in the field and have conducted research work regarding the building materials, I should like to know their views in this regard. Moreover, would it be possible that the reverse situation has taken place instead? By that I mean it was actually our broken window that had struck and broken the windows of other buildings. Could that be one possible case as well? Or would they believe in none of these reasons but hold that glass will just collapse or break when its wind loading capacity has reached a certain limit? In any case, we should not let our experts take all the credits. In this connection, could the Secretary inform this Council whether the private sector has come up with other ideas or thought of other preventive measures; and whether the Government has conducted any joint studies with owners of private buildings?*

SECRETARY FOR WORKS (in Chinese): Madam President, we have attached considerable importance to this incident in which so many patches of glass have been damaged. As such, we are still investigating into the cause of the incident. As I said just now, we need to find out whether the patches of glass concerned were broken by external objects blown against them or by the intensified wind strength resulting from the funnel effect. In conducting the investigation, we have also noticed patches of damaged curtain walls on buildings nearby. We will contact the relevant developers and conduct investigations in collaboration with them.

DR PHILIP WONG (in Cantonese): *Madam President, could the Secretary inform this Council of the Government's attitude in respect of the parts of the curtain walls that have remained intact, whether it would just leave them where they are on the ground that they have survived typhoon signal No. 10 gusts, or it would draw on the experience gained this time and replace them? If the Government should decide to replace them all, may I inquire of the responsibilities to be shouldered by the contractors concerned?*

SECRETARY FOR WORKS (in Cantonese): Madam President, upon learning of the damage caused to the glass patches, we have inspected all the curtain walls concerned in the ensuing two to three days. As a matter of fact, we have removed all the defective parts, and the remaining ones have been proven after inspection to be of no problem at all. As regards whether these parts of the curtain walls could survive any unforeseeable risks, such as a typhoon requiring signal No. 10 to be hoisted, I believe we should wait for the investigation results. By then we should be able to find out the reasons why the curtain walls were damaged and then take remedial measures accordingly.

DR PHILIP WONG (in Cantonese): *How about the responsibilities to be borne by contractors?*

PRESIDENT (in Cantonese): Mr Secretary, just now Dr Philip WONG was asking about the responsibilities of contractors.

SECRETARY FOR WORKS (in Cantonese): In regard to contractors, we inspected the buildings concerned upon the completion of the construction works. We will certainly hold the developers accountable for any problems we have eventually found with the installation procedures, materials used, or the workmanship concerned. Nevertheless, I believe the first and foremost task now is to find out the reason why the curtain walls have been damaged.

MR CHAN WING-CHAN (in Cantonese): *Madam President, I share the views raised by Dr Raymond HO and Dr the Honourable LUI Ming-wah just now. According to the main reply, the initial findings of the Sub-committee have indicated that the present standards and requirements on curtain walls are generally adequate. With your permission, Madam President, may I ask the Secretary whether the relevant government building is of poorer quality, since 400-odd patches of glass have fallen apart after being damaged seriously? Furthermore, does the Secretary consider this incident somewhat similar to the heated talk of the town: the "shortened piles" of buildings?*

SECRETARY FOR WORKS (in Cantonese): Madam President, perhaps it is not fair to compare the government office tower with the buildings nearby, but I believe Honourable Members should have noticed that there are also many broken patches of glass on those buildings. I believe the most important point is to find out the reason why the curtain walls have been damaged. It is still too early to draw any conclusion at this stage.

DR RAYMOND HO (in Cantonese): *Madam President, I have joined the queue again to wait for my turn to raise another supplementary because I would like to ask about the funnel effect. While the funnel effect may as well be one possible reason, it should result in the glass patches being sucked or extracted outwards, which is quite the reverse of the resulting situation if the glass patches were struck by other objects, in which case the glass would break and fall inwards. Actually, I had tried examining several patches of broken glass from the pedestrian footbridge, but I could not find any signs indicating that the glass had been sucked outwards. Besides, speaking of the funnel effect, had tests been conducted in this respect during the construction of the three buildings? It appears to me that the broken glass problem is rarely seen on the other buildings along the waterfront.*

SECRETARY FOR WORKS (in Cantonese): I am sure Members are aware of the topography of the area, and that the three buildings are arranged in such a way that they have actually formed a large funnel. During typhoons, the government office tower located at the far end will become the base of the funnel. During the installation stage of the buildings, we made a model of the curtain walls to test the various installations of the buildings as well as the wind loading capacity of the curtain walls, only that we did not conduct any funnel effect tests. As such, we are now arranging to conduct the test, with a view to finding out whether the wind strength during the typhoon was intensified as a result of the funnel effect.

PRESIDENT (in Cantonese): Last supplementary.

MR LAU KONG-WAH (in Cantonese): *Madam President, will the Secretary tell us when the damaged parts of the curtain walls will be restored to their original state, since the "spectacular" outlook of the building is so awful. In addition, could the Government ensure that the repaired curtain walls would not be damaged by strong winds even though the buildings are still arranged in a funnel-like pattern?*

SECRETARY FOR WORKS (in Cantonese): Madam President, in order to ensure that the replacement glass patches are of the same specifications as that of the original ones, we have to order them from overseas and that would naturally take some time. In order to upgrade the specification of the curtain walls, we will apply an additional coating on the glass upon their arrival. So far 100 patches of such glass have arrived and the installation work is expected to commence this week. As to the other repair works, they are expected to be completed towards the end of the year.

PRESIDENT (in Cantonese): Mr LAU Kong-wah, which part of your supplementary has not been answered?

MR LAU KONG-WAH (in Cantonese): *The second half of my supplementary, that is, whether the Government could ensure the repaired certain walls would not be damaged by strong wind even though the buildings are still arranged in a funnel-like pattern.*

SECRETARY FOR WORKS (in Cantonese): Madam President, actually I have answered the question many times. I believe we should first find out the cause before we could suit the right remedy to the problem.

PRESIDENT (in Cantonese): Question time shall end here.

WRITTEN ANSWERS TO QUESTIONS**Rejection of Applications for Visiting Hong Kong**

6. **MR FRED LI** (in Chinese): *It is reported that in the past few months, the Central People's Government has rejected applications for warships of the United States to stop over in Hong Kong waters and the Pope's proposed visit to Hong Kong. It is noted that as the Vatican is maintaining diplomatic relations with Taiwan, the proposed visit to Hong Kong by the Pope involves foreign affairs. In this connection, will the Government inform this Council whether:*

- (a) *the Government of the Hong Kong Special Administrative Region (SAR) had liaised with and presented views to the Ministry of Foreign Affairs before the Central People's Government made decisions on the above applications; if so, of the time such liaison was made and the details of the views presented;*
- (b) *the Ministry of Foreign Affairs has informed the SAR Government of the reasons for rejected the applications; if so, of the reasons given by the Ministry of Foreign Affairs; and*
- (c) *any visits to Hong Kong have been made by the heads or officials of states which are maintaining diplomatic relations with Taiwan since Hong Kong's reunification with China; if so, of a list of these visitors together with the dates of their visits to Hong Kong?*

SECRETARY FOR CONSTITUTIONAL AFFAIRS (in Chinese): Madam President, my response to the three parts of the question is as follows:

- (a) and (b)

According to Article 126 of the Basic Law, access for foreign warships requires the special permission of the Central People's Government. In addition, Article 13 of the Basic Law provides that the Central People's Government shall be responsible for the foreign affairs relating to the SAR.

The applications for warships of the United States to enter Hong Kong are directly lodged by the American Consulate General with the Office of the Commissioner of the Ministry of Foreign Affairs of the People's Republic of China in the Hong Kong Special Administrative Region (MFA Office). Before the Central People's Government decided to reject access of warships of the United States to Hong Kong waters between May and August, the SAR Government had not presented any views to the MFA Office. In refusing access of warships of the United States to Hong Kong, the MFA indicated that in view of the circumstances at that time, the visit by those warships to Hong Kong was not appropriate. According to our records, permissions have been given to warships of Italy, Australia and the United States to visit Hong Kong since July and a total of three warships of the United States had been granted permission to enter Hong Kong by the Central People's Government since mid-August.

Regarding the Pope's visit to Hong Kong, the MFA Office made a statement as follows:

"The Pope is both the head of the Roman Catholic Church and a head of state. The Vatican is at present maintaining the so-called "diplomatic relations" with Taiwan. Hong Kong is a Special Administrative Region of China, and the Pope's visit to Hong Kong involves rather complicated issues. The Vatican is also well aware of this."

The SAR Government understands that the Pope's visit to Hong Kong involves foreign affairs and it would only be appropriate to discuss the proposed visit after the Central People's Government and Vatican have resolved the relevant issues.

- (c) Our records show that when the World Bank Group/International Monetary Fund Annual Meetings were held in Hong Kong, officials from 25 states maintaining "diplomatic relations" with Taiwan at that time had attended the Meetings in Hong Kong (each state sent two to 10 representatives). A list of these states is at Annex.

Annex

1997 World Bank Group/
International Monetary Fund Annual Meetings Participation by States
which have "diplomatic relations" with Taiwan

1. Belize
2. The Dominican Republic
3. St Vincent and the Grenadines
4. St Kitts and Nevis
5. The Commonwealth of Dominica
6. Republic of Costa Rica
7. Grenada
8. Republic of Haiti
9. Republic of Nicaragua
10. Republic of Guatemala
11. Republic of El Salvador
12. Republic of Panama
13. Republic of Paraguay
14. Burkina Faso
15. Republic of the Gambia
16. Republic of Malawi
17. Kingdom of Swaziland
18. Republic of Senegal
19. Republic of Liberia
20. Republic of Chad
21. Democratic Republic of Sao Tome and Principe
22. Solomon Islands
23. Central African Republic⁽¹⁾
24. The Republic of Guinea-Bissau⁽²⁾
25. Kingdom of Tonga⁽³⁾

Notes:

- (1) Central African Republic has restored diplomatic relations with the People's Republic of China as from 29 January 1998.
- (2) The Republic of Guinea-Bissau has restored diplomatic relations with the People's Republic of China as from 23 April 1998.
- (3) Kingdom of Tonga has established diplomatic relations with the People's Republic of China as from 2 November 1998.

Provision of Proper Safety Equipment for Workers

7. **MR LEE KAI-MING** (in Chinese): *It was reported that during the summer vacation this year, more than 10 students were injured at work while being employed as summer job workers. In this connection, will the Government inform this Council whether:*

- (a) *it has examined if there is any urgent need for amending the relevant legislation to prohibit employers from allowing untrained workers to operate machinery involving a certain degree of danger, and to revise the categories of machinery which must be operated by properly trained workers; if legislative amendments are considered unnecessary at this stage, of the reasons for that; and*
- (b) *it has any plan to introduce legislative amendments to impose heavier penalty on employers who fail to provide proper safety equipment for their employees; if not, of the reasons for that?*

SECRETARY FOR EDUCATION AND MANPOWER (in Chinese): Madam President,

- (a) We have so far identified five accident cases involving students in summer jobs this year. There may be a few other minor injury cases which have been reported to the Labour Department under the Employees Compensation Ordinance but they have yet to be classified. Of the five accident cases already identified, two involved handling of machinery and the other three were due to poor management or working practices.

We have examined our existing occupational safety legislation and found that there are adequate legislative provisions governing the operation of dangerous machines. Generally speaking, workers, including summer job students, are protected by the general duties provisions under the Factories and Industrial Undertakings Ordinance (FIUO) and the Occupational Safety and Health Ordinance (OSHO), which require proprietors and employers respectively to provide a safe working environment and to provide

information, instruction, training and supervision to ensure the health and safety of their employees at work. More specifically, the Factories and Industrial Undertakings (Guarding and Operation of Machinery) Regulations stipulate the effective guarding of the dangerous parts of machinery or plant used in industrial undertakings.

Of the two accidents involving student workers handling machinery last summer, one involved an ice-crushing machine and the other a cup-sealing machine. The first accident was due to the improper guarding of the dangerous parts of the machine as well as inadequate training of the worker. In this connection, the proprietor of the ice-crushing machine is now facing prosecution by the Labour Department.

Regarding the second accident, our investigation revealed that the student worker whose fingers were injured had not been given sufficient instructions and training on the operation of the cup-sealing machine and that the machine had not been effectively guarded. In this connection, summonses would be initiated against the proprietor concerned.

We consider that the existing legislation is adequate in protecting workers from operating dangerous machines. However, proprietors and employers should be encouraged and further educated to take a more proactive approach in risk assessment and accident prevention. We therefore intend to step up our education, publicity and enforcement efforts rather than amend existing legislation at this stage.

- (b) Proprietors or employers who fail to provide proper safety equipment for their employees contravene the general duties provisions of the FIUO and OSHO and are liable to a maximum fine of \$500,000 and \$200,000 respectively and to imprisonment for six months under both Ordinances. The Administration is of the view that the maximum penalties prescribed under the respective legislation are adequate but the fines handed down by the courts are, in some instances, relatively low. We have a standing procedure to

identify particularly low fine cases and seek a review of the sentence. Action is also in hand to improve our database on offenders with a view to building up a more comprehensive proprietor profile so as to persuade the courts to impose heavier fines on repeated offenders.

List of Private Buildings Targeted for Building Management Improvement

8. **MISS CHRISTINE LOH:** *At the meeting of the Home Affairs Panel of the Legislative Council on 20 December 1996, the Administration informed the Panel that it had compiled a list of about 1 000 private buildings with potential fire and safety hazards for building management improvement. The Administration also committed on 5 March 1997 to provide the Legislative Council with an updated list each year. In this connection, will the Government inform this Council of:*

- (a) *the respective numbers of such buildings that have since been demolished, undertaken improvement to the satisfaction of the Administration, or remain on the list;*
- (b) *the number of buildings added onto the list since 1996; and*
- (c) *the action that the Administration will take to exhaust the list and the estimated time for this being achieved?*

SECRETARY FOR HOME AFFAIRS: Madam President, my reply to the three parts of the question is as follows:

- (a) As at 20 December 1996, the number of "target buildings" on the list since 1985 totalled 1 074. Since the compilation of the list, the numbers of these buildings that have been demolished, have undertaken improvement to the satisfaction of the Administration, or remain on the list, as at 30 September 1999, were zero, 548 and 526 respectively.
- (b) The number of buildings added onto the list since 20 December 1996, as at 30 September 1999, was 223; and

- (c) We will continue to adopt a concerted and proactive approach to improve the management of these "target buildings". The Building Management Co-ordination Teams of the District Offices will continue to work closely with the relevant Departments to co-ordinate efforts to help and secure the co-operation of the owners and occupants to carry out the improvements. We anticipate that the majority of the above-mentioned 526 buildings would be improved and removed from the list within the next five years.

Labour Disputes Involving Pregnancy of Foreign Domestic Helpers

9. **MR CHAN WING-CHAN** (in Chinese): *Will the Government inform this Council of the annual statistics in respect of the following since 1996:*

- (a) *the number of inquiries received by the Labour Department in relation to pregnancy of foreign domestic helpers; and*
- (b) *the number of labour disputes in connection with pregnancy of foreign domestic helpers that were mediated by the Labour Department and, among them, the number of those which were filed with the Labour Tribunal for adjudication?*

SECRETARY FOR EDUCATION AND MANPOWER (in Chinese): Madam President,

- (a) From 1996 to September 1999, the number of consultations handled by the Labour Relations Division of the Labour Department involving foreign domestic helpers (FDHs) is as follows:

<i>Year</i>	<i>No. of consultations</i>
1996	7 533
1997	9 736
1998	12 144
1999 (from January to September)	7 196

These consultations touch on a wide variety of subjects such as arrangements for resignation, dismissal and expiry of the employment contract, payment and calculation of wages, reimbursement of costs of documentation, return air ticket, leave and other statutory and contractual benefits. However, breakdown of the consultation items is not available.

- (b) Part VIA of the Employment Ordinance on employment protection came into effect on 27 June 1997. Since then, the Labour Department has been keeping a breakdown of the claims made by FDHs by cause. The statistics on claims involving pregnant FDHs handled by the Labour Department are shown below:

	<i>1997</i> <i>(from July to</i> <i>December)</i>	<i>1998</i>	<i>1999</i> <i>(from January to</i> <i>September)</i>
No. of claims involving pregnant FDHs handled by the Labour Department	5	32	30
No. of claims settled through conciliation	3	23	17
No. of claims referred to the Labour Tribunal for adjudication	2	9	13

Advance Collection of Tuition Fees from New Students by Tertiary Institutions

10. **MR CHEUNG MAN-KWONG** (in Chinese): *With regard to the advance collection of tuition fees from new students by the institutions funded by the University Grants Committee (UGC), will the Government inform this Council:*

- (a) *whether it knows:*
- (i) *the due dates for new students to pay their tuition fees as required by each institution in the past and current academic year;*
 - (ii) *how these institutions determine the percentage of tuition fees to be paid by new students before an academic year begins; and the rules set for refund of the tuition fees fully or partially paid by new students who have applied for withdrawal before the academic year begins;*
 - (iii) *the respective number of new students who had paid their tuition fees fully or partially but applied for withdrawal before the new academic year began in the past and current academic year in each of these institutions; their respective total amounts of income from the non-refundable tuition fee; and*
- (b) *whether it will urge these institutions to effect refund of the tuition fees paid by new students who have applied for withdrawal before the new academic year begins?*

SECRETARY FOR EDUCATION AND MANPOWER (in Chinese): Madam President,

- (a) (i) Each UGC-funded institution has its own schedule for tuition fee payment and students can apply for extension of payment in case of financial hardship. Details of the schedules of each institution for the past two academic years are as follows:

<i>Institution</i>	<i>Category of new students</i>	<i>98/99 academic year</i>		<i>99/00 academic year</i>	
		<i>% of annual tuition fee</i>	<i>Deadline</i>	<i>% of annual tuition fee</i>	<i>Deadline</i>
City University of Hong Kong (City U)	Full-time Students	10%	Upon registration (25 August 1998)	10%	Upon registration (18 August 1999)
		40%	4 November 1998		
	50%	3 February 1999	40%	22 October 1999	
	Part-time students	50%	Upon registration	50%	28 January 2000
50%		3 February 1999			
Hong Kong Baptist University (HKBU)	All new undergraduate Students	\$5,000	Upon registration (15 August 1998) ¹	\$5,000	Upon registration (14 August 1999) ¹
		50% less	November 1998	50% less	November 1999
	\$5,000		\$5,000		
	50%	Mid-January 1999	50%	Mid-January 2000	
Lingnan University (LU)	All new students	50%	Upon registration (around mid-August 1998)	50%	Upon registration (around mid-August 1999)
		50%	At the beginning of the second semester in February	50%	At the beginning of the second semester in February 2000
Chinese University of Hong Kong (CUHK)	All new students	50%	Upon registration (19 August) ¹	50%	Upon registration (17 August 1999) ¹
		50%	23 February 1999	50%	1 February 2000
Hong Kong Institute of Education (HKIED)	Bachelor of Education (Primary) Programme	\$5,000	Upon registration (18 August 1998)	\$5,000	Upon registration (13 August 1999)
		50% less	28 November 1998	50% less	30 November 1999
	\$5,000		\$5,000		
	50%	27 February 1999	50%	15 February 2000	
	Certificate in Education Programmes	25%	Upon registration	25%	Upon registration
		25%	28 November 1998	25%	30 November 1999
50%	27 February 1999	50%	15 February 2000		

¹ Within 14 days from the date of the admission offer for non-JUPAS students.

<i>Institution</i>	<i>Category of new students</i>	<i>98/99 academic year</i>		<i>99/00 academic year</i>	
		<i>% of annual tuition fee</i>	<i>Deadline</i>	<i>% of annual tuition fee</i>	<i>Deadline</i>
Hong Kong Polytechnic University (PolyU)	Full-time students	50%	A few days after announcement of offer in mid-August 1998	50%	A few days after announcement of offer in mid-August 1999
		50%	A few days before the beginning of second semester in February 1999	50%	A few days before the beginning of second semester in February 2000
	Part-time students ²	Fee for the 1 st semester	A few days after announcement of Offers	Fee for the 1 st semester	A few days after announcement of Offers
		Fee for the 2 nd semester	A few days before the beginning of second semester in February 1999	Fee for the 2 nd semester	A few days before the beginning of second semester in February 2000
Hong Kong University of Science and Technology (HKUST)	JUPAS students	\$5,000	Mid-August 1998	\$5,000	Mid-August 1999
		50% less	Early October 1998	50% less	Early October 1999
		\$5,000		\$5,000	
	Non-JUPAS student	50%	Early February 1999	50%	Early February 2000
		25%	Upon acceptance of the offer	25%	Upon acceptance of the offer
		25%	Upon registration	25%	Upon registration
University of Hong Kong (HKU)	Under-graduate students	\$5,000	Within 2 weeks of the offer (31 August) 1998	\$5,000	Within 2 weeks of the offer (31 August) 1999
		50% less	15 October 1998	50% less	15 October 1999
		\$5,000		\$5,000	
		50%	12 January 1999	50%	11 January 2000

² Fees for PolyU part-time programmes are calculated on the basis of the number of credits to be taken in the semester.

- (ii) The institutions' practices in respect of refunding tuition fees to students who withdraw from their studies before the commencement of the academic year are as follows:

<i>Institution</i>	<i>Practice</i>
City U	For 1998/99, refunds were given to new students who withdrew from their studies before the commencement of the academic year. The amount refunded was the fee paid minus a registration fee of \$2,200.

With the extension of the three installments format of fee collection to part-time new students in 1999/2000, all new students pay 10% of their annual programme fee at the time of enrolment and no refund is given to new students who withdraw before the commencement of the academic year.

HKBU	The University's Regulations stipulate that tuition fees paid are not refundable. However, there are following exceptions:
------	--

- (a) If a new undergraduate student withdraws within three weeks of tuition payment in the first semester, a partial refund is normally made according to the following schedule:

<i>Time of Withdrawal</i>	<i>% of Tuition Fee Refundable</i>
During the week of tuition payment	75%
During the first week following the week of tuition payment	50%
During the second week following the week of tuition payment	25%
Thereafter	No refund

- (b) Students who have to withdraw from studies due to personal hardship may, on application, receive full refund of the tuition fees.

<i>Institution</i>	<i>Practice</i>														
LU	Students who withdraw from studies before the second week of the first semester will receive a refund of 20% of the fees paid. No refund will be given for withdrawal thereafter.														
CHUK	<p>According to the University's Regulations, which are clearly made known to all applicants before the fee payment, tuition fees once paid are not refundable, except in the following circumstances:</p> <p>(i) JUPAS applicants who succeed in obtaining higher grade(s) in their HKALE results which entitle them to a better admission offer from another institution will be given a full refund.</p> <p>(ii) Non-JUPAS applicants who are given conditional offers but eventually fail to meet the conditions for formal offers will be given a full refund.</p>														
HKIED	<p>As stipulated in the Institute's Students' Handbook, refund will be available to new students who withdraw according to the following schedule:</p> <table border="0" style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;"><i>Date of completion of withdrawal procedures</i></th> <th style="text-align: left;"><i>% of paid fees refundable</i></th> </tr> </thead> <tbody> <tr> <td>On or before 16 August 1999 (for BEd programmes)</td> <td>75%</td> </tr> <tr> <td>On or before 11 September 1999 for CE programmes)</td> <td></td> </tr> <tr> <td>17-21 August 1999 (for BEd programmes)</td> <td>50%</td> </tr> <tr> <td>12-18 September 1999 (for CE programmes)</td> <td></td> </tr> <tr> <td>After 21 August 1999 (for BEd programmes)</td> <td>No refund</td> </tr> <tr> <td>After 18 September 1999 (for CE programmes)</td> <td></td> </tr> </tbody> </table>	<i>Date of completion of withdrawal procedures</i>	<i>% of paid fees refundable</i>	On or before 16 August 1999 (for BEd programmes)	75%	On or before 11 September 1999 for CE programmes)		17-21 August 1999 (for BEd programmes)	50%	12-18 September 1999 (for CE programmes)		After 21 August 1999 (for BEd programmes)	No refund	After 18 September 1999 (for CE programmes)	
<i>Date of completion of withdrawal procedures</i>	<i>% of paid fees refundable</i>														
On or before 16 August 1999 (for BEd programmes)	75%														
On or before 11 September 1999 for CE programmes)															
17-21 August 1999 (for BEd programmes)	50%														
12-18 September 1999 (for CE programmes)															
After 21 August 1999 (for BEd programmes)	No refund														
After 18 September 1999 (for CE programmes)															
PolyU	The University has established guidelines to refund tuition fees paid in the form of credits, which can be used by the student concerned to settle fees for any other programmes of the														

*Institution**Practice*

University including short courses within a validity period of two years. For financial hardship cases, the University will consider refund in cash.

JUPAS applicants who succeed in obtaining higher grade(s) in their HKALE results which entitle them to a better admission offer from another institution will be given a full refund in cash.

HKUST According to the Academic Calendar of the University, tuition fees are not refundable. However, the University is willing to make exceptional refunds based on individual cases. In practice, requests for refund are considered sympathetically with most requests being granted.

HKU The University normally does not refund fees that have been paid, but the University is always willing to make exceptional refunds based on individual cases.

- (iii) The number of students who withdrew from studies before the commencement of the academic year and the amounts of tuition fees not refunded during the last and current academic years, broken down by institution, were as follows:

<i>Institution</i>	<i>New students withdrawal</i>		<i>Amount of tuition fee no refunded</i>	
	<i>1998/99</i>	<i>1999/00</i>	<i>1998/99</i>	<i>1999/00</i>
CityU	98	17	\$332,000	\$43,160
HKBU	16	39	\$90,325	\$212,875
LU	0	2	\$0	\$27,365
CUHK	13	19	\$273,650	\$399,950
HKIEd	21	23	\$30,680	\$38,490
PolyU	45	40	\$588,973 ³	\$366,735 ³
HKUST	5	1	\$74,275	\$11,125
HKU	6	12	\$5,500	\$66,045

³ The whole amount of such tuition fees has been refunded to the students concerned in the form of credits as explained (a)(ii) above.

- (b) As shown in (a)(ii) above, most UGC-funded institutions have put in place various tuition fee payment schedules and refund arrangements. These arrangements are stipulated in relevant documents (for example, Calendar or Student Handbook) that are available to all students. New students are required to pay a portion of the tuition fee before the commencement of an academic year to show their commitment in taking the programmes. Each successful candidate is given a student place which can otherwise be offered to another candidate. In determining the installment and allowable refund, the UGC-funded institutions have taken into account factors such as avoidance of creating financial hardship to students and the financial implications on the institutions as a result of students' withdrawal. The Administration will ask institutions to ensure that their refund arrangements are made known to students before registration.

Special Adviser Appointed by the Department of Justice

11. **MISS EMILY LAU** (in Chinese): *The Department of Justice appointed last month a special adviser remunerated at point 3 of the Directorate pay scale to deal specially with matters related to the Legislative Council. In this connection, will the executive authorities inform this Council:*

- (a) *of the reasons for appointing such an adviser;*
- (b) *of the duties of the adviser; and*
- (c) *whether the scope of the duties of the adviser is confined to handling matters related to the Legislative Council and whether he is mainly responsible for public relations or providing legal advice?*

SECRETARY FOR JUSTICE (in Chinese): Madam President, on 7 September 1999 Mr Jonathan DAW was appointed as a consultant pitched at DL3 level in the Department of Justice for a period of 12 months. He reports directly to the Secretary for Justice and his title is "Legal Adviser, Legislative Affairs".

- (a) This appointment is a reflection of the Administration's respect for the constitutional status of the Legislative Council. It is considered that in this formative period in the development of our institutions under the Basic Law, further expert legal advice on legislative affairs should be of benefit to both the Administration and the Legislative Council, and hence to the community.
- (b) The duties of the Legal Adviser, Legislative Affairs include the following:
 - (1) legal advice to the Secretary for Justice on legislative, procedural and practice matters involving the Legislative Council, including advice on implications of Basic Law provisions relevant to the Council;
 - (2) legal advice regarding the accountability of the Hong Kong Special Administrative Region Government to the Legislative Council;
 - (3) legal advice on legislative issues affecting fees and charges and subsidiary legislation generally; and
 - (4) assistance in the adaptation of laws programme.
- (c) The Legal Adviser's duties are related exclusively to Legislative Council legal matters. In the performance of all aspects of his duties he is expected to offer impartial, objective legal advice with a view to enhancing the working relationship between the Administration and the Legislative Council. He is not responsible for public relations matters.

Training Costs for Medical Personnel

12. **MRS SOPHIE LEUNG** (in Chinese): *Will the Government inform this Council:*

- (a) *of the respective current costs of pre-employment training for general medical practitioners and paramedical personnel, including registered nurses, pharmacists, occupational therapists, physiotherapists and optometrists; and the percentages of the costs shared between the Government and these trainees respectively; and*
- (b) *whether comparison has been made between the above-mentioned training costs borne by public funds and the relevant public expenditure incurred in advanced countries such as the United Kingdom, the United States, Canada and Australia; if so, of the results of the comparison; if not, of the reasons for that and whether there is any plan to make such comparison; if there is such plan, of the time such comparison will take place?*

SECRETARY FOR EDUCATION AND MANPOWER (in Chinese): Madam President,

- (a) Pre-employment training for medical practitioners and the paramedical personnel as specified in the question is currently provided in the public sector by three University Grants Committee (UGC)-funded institutions (namely, the Chinese University of Hong Kong (CUHK), the Hong Kong Polytechnic University (PolyU) and the University of Hong Kong (HKU)), the Vocational Training Council (VTC) as well as the Hospital Authority (HA). The following table sets out details of the relevant programmes provided by the above-mentioned institutions/organizations and their respective annual student unit costs as well as tuition fees:

<i>Discipline and Programme (Provider)</i>	<i>Duration</i>	<i>Annual Student Unit Costs¹</i>	<i>Annual Tuition Fee for 1999/2000</i>
Medicine			
(a) Bachelor of Medicine and Bachelor of Surgery (CUHK and HKU)	5 years	\$566,000	\$42,100
Pharmacy			
(a) Bachelor of Pharmacy (CUHK)	3 years	\$299,000	\$42,100
(b) Higher Diploma in Pharmaceutical Technology (VTC)	3 years	\$115,000	Year 1 - \$13,700 Year 2 - \$21,950 Year 3 - \$21,950
Nursing			
(a) Bachelor of Nursing (CUHK and HKU))))
)))
(b) Bachelor of Science, Nursing (PolyU)) 4 years)) \$250,000)) \$42,100)
(c) Diploma in General/ Psychiatric Nursing (HA)	3 years	\$216,000 ²	\$0

¹ The student units costs of the UGC-funded institutions represent the unit costs by broad academic programme categories (instead of individual programmes) in 1997/98. The student unit cost of the VTC-funded programme represents the average cost of all Applied Science courses of VTC in 1999/2000.

² The student unit cost for HA programme comprises two major components, that is — salaries and on-cost paid to student nurses and staff cost of trainers in the nursing schools. The figure reflects the cost in 1998/99.

<i>Discipline and Programme (Provider)</i>	<i>Duration</i>	<i>Annual Student Unit Costs¹</i>	<i>Annual Tuition Fee for 1999/2000</i>
Studies Allied to Medicine and Health			
(a) Bachelor of Science, Occupational Therapy (PolyU)	3 years))
(b) Bachelor of Science, Physiotherapy (PolyU)	3 years)) \$230,000 \$42,100
(c) Bachelor of Science, Optometry (PolyU)	4 years))

- (b) In view of the different socio-economic situation and models of higher education systems adopted in advanced countries, figures on similar programmes from those countries are not directly comparable with those of Hong Kong. According to our initial study, comparable figures on student unit costs by programmes are not readily available from other countries or international agencies. To obtain such information, it would be necessary to undertake a detailed research which would involve additional financial and staffing resources. We therefore have no plan to conduct research of this nature, but would keep in view whether such information will be available in the future.

Electronic Order Matching System

13. **DR PHILIP WONG:** *In respect of the Hong Kong Futures Exchange's plan to replace the open outcry system for trading Hang Seng Index (HSI) futures and options contracts with an electronic order matching system, will the Government inform this Council whether it knows:*

- (a) *if comprehensive stress tests on the new system have been conducted; if so, of the problems uncovered and whether and how they were solved; if the problems are yet to be solved, when and how they will be solved; and*
- (b) *if a contingency plan has been formulated to cope with failure of the system during live operation?*

SECRETARY FOR FINANCIAL SERVICES: Madam President,

- (a) To prepare for the migration of the trading of HSI futures and options contracts from the open outcry system to Automated Trading System (HKATS), Hong Kong Futures Exchange (HKFE) has conducted nine simulation trading tests during the period from June to September 1999. All HKFE members were required to participate in the simulation trading tests. The main objectives of these tests were to test the system capacity of HKATS and to assess the overall performance of the system under stressed conditions, essentially at three times historical peak trading volume with bursts at certain periods during the trading session.

Results from these tests have shown that HKATS experienced some performance problems, including delay in transmitting information and disconnection occurring for some members' workstations. At present, HKFE is working closely with the system vendor to resolve these problems and will appoint an external project manager to oversee the process to ensure a successful migration.

In view of the financial services industry's general practice and the Exchange's own established policy of implementing a Year 2000 change freeze policy regarding system changes starting in the fourth quarter of 1999, and the time needed to retest the system, the HKFE announced on 17 September 1999 that it would postpone the migration to HKATS until early next year. From now until then, the Securities and Futures Commission (SFC) will work closely with HKFE to ensure that all outstanding problems relating to HKATS are satisfactorily resolved. The SFC will approve the migration only if it is satisfied that (i) two clean simulated trading tests are achieved by HKFE with no major problems, (ii) Exchange member acceptance of

the new system has reached a reasonably high level, and (iii) there exist satisfactory contingency plans.

- (b) The HKFE has in place two sets of contingency plans to deal with possible system failure in the migration to the HKATS. The first stage contingency plan is referred to as the "fallback" plan. In the first two weeks following the migration, HKFE will maintain the trading floor for the open outcry system. If the HKATS encounters serious system problems during this initial period, upon activation of the fallback plan, HKFE can revert trading of HSI futures and options contracts back to the open outcry environment to allow trading to continue. If the HKATS operates smoothly in the first two weeks, HKFE will close the trading floor permanently and the general contingency plan will be in place to handle any emergency situation.

The general contingency plan works as follows. As part of the on-going Business Continuity Plan to HKFE, two identical copies of the HKATS are installed in each of the primary and secondary backup sites of HKFE. The central system of HKATS is built on a fully redundant system architecture¹ with automatic failover facility and the hot backup site² can take up all necessary operations in the event of system failure in the primary site. In the event where the system failure cannot be recovered immediately by the failover mechanism, HKFE may need to temporarily suspend trading activities until normal operations can be resumed. The HKFE has also established detailed procedures to provide guidance to its staff and members on the actions to take in different circumstances in case of contingency. Moreover, HKFE has also set up SOS Centres equipped with backup terminals to allow its members to continue trading activities in case they encounter system problems in their offices.

¹ Under the full system redundancy architecture, each process has two copies running in each site. When one copy fails, the other one in the same site will take up the system operation immediately.

² That means the backup site is running in parallel with the primary site at the same time.

High Risk Slopes

14. **MR TAM YIU-CHUNG** (in Chinese): *An onslaught of typhoon on Hong Kong at the end of August this year caused landslides in many parts of the territory. Certain sections of South Lantau Road on Lantau Island had to be closed for this reason for a number of days, causing serious disruption to the flow of traffic between the southern and northern parts of Lantau. In this connection, will the Government inform this Council:*

- (a) *of the existing number of high risk slopes along both sides of South Lantau Road and Tung Chung Road on Lantau;*
- (b) *whether these slopes are regularly inspected; and whether there is any plan to carry out comprehensive slope maintenance works; if not, of the reasons for that; and*
- (c) *whether it will consider advancing the construction of the north-south road link between Tai Ho Wan and Mui Wo, so as to improve the flow of traffic between the southern and northern parts of Lantau as well as facilitate the development of Lantau; if not, of the reasons for that?*

SECRETARY FOR WORKS (in Chinese): Madam President,

- (a) South Lantau Road and Tung Chung Road are of low to moderate traffic density. Consequently, slopes affecting these two roads do not generally impose a high risk. However, slopes alongside the two roads will be considered for inclusion into the Landslip Preventive Measures Programme for large-scale upgrading works according to their ranked order of priority among all man-made slopes in the Programme.
- (b) Routine maintenance inspections of roadside slopes along South Lantau Road and Tung Chung Road are carried out by the Highways Department (HyD) at least once a year. In addition, the HyD has also employed consultants since December 1994 to carry out Engineer Inspections (EIs) for slopes along these roads to assess the

state of maintenance and condition of the slopes or retaining walls, and to ascertain the need for detailed investigation, immediate stability assessment and improvement works.

So far 76 EIs have been conducted on 34 slopes along South Lantau Road and nine slopes along Tung Chung Road. Some of these EIs were second round inspections. The maintenance conditions of the slopes inspected were found to be generally fair, and none of them posed immediate danger. Only 6% of these slopes were found to require urgent repairs works, and all these urgent repair works were completed soon after receipt of the EI Reports.

For each of the remaining 102 and 59 slopes along South Lantau Road and Tung Chung Road respectively, the HyD's target is to have at least one EI conducted before the end of 2001.

Since 1994, improvement works have been completed for 13 slopes along South Lantau Road and 17 slopes along Tung Chung Road at a total cost of \$21 million. These included those repairs works mentioned earlier. Works generally comprised the provision of shotcrete surface protection, drainage channels, protective net against rockfall, and so on.

Furthermore, the HyD has also embarked on a programme to upgrade medium to small roadside slopes using prescriptive measures. Slope upgrading designs have been prepared for some selected roadside slopes along these roads to be carried out where traffic conditions permit. At the moment, the HyD is planning to commence upgrading works to two slopes along South Lantau Road within the next few months. More slopes will be upgraded in the coming years. The HyD will continue to liaise with the Geotechnical Engineering Office to identify slopes affecting these roads for inclusion in the Landslip Preventive Measures Programme.

- (c) The proposed Lantau north-south link between Tai Ho Wan and Mui Wo is intended to replace the sub-standard Tung Chung Road, which is at present the only north-south road link on Lantau. Our current programme is to commence construction of the proposed road link in late 2001 for completion in 2004.

This project is now at the investigation and preliminary design stage. We are in the process of finalizing the Environmental Impact Assessment (EIA) Report in accordance with the requirements of the Environmental Impact Assessment Ordinance. Upon completion, the EIA Report would need to be vetted by the Advisory Council on the Environment and inspected by the public before it is submitted to the Director of Environmental Protection for consideration and approval. We then need to go through the statutory procedures stipulated under the Roads (Works, Use and Compensation) Ordinance and also the Country Parks Ordinance because the proposed road link will encroach onto country park boundary. Allowing time for land resumption, construction works are expected to commence in late 2001. Given the scale and complexity of the project, which involves the construction of a 6 km long road in the hilly area, we expect that a construction period of some 28 months is required.

The above programme is a tight one and we see little scope of further expediting it. That said, early completion of the proposed road link remains our target and we will continue to try our best towards meeting this target.

Installation of Octopus Add Value Machines

15. **MR HOWARD YOUNG:** *At present, most Octopus Add Value Machines (AVMs) are installed at stations of the Kowloon-Canton Railway and the Mass Transit Railway, ferry piers and in 24-hour convenience stores. In this connection, will the Government inform this Council whether it knows if AVMs have been or will be installed at other places; if so, of the details of that?*

SECRETARY FOR TRANSPORT: Madam President, Creative Star Limited, the company which manages the Octopus System, has installed 1 250 AVMs in the territory. The distribution of these machines are as follows:

<i>Location of Installation</i>	<i>Numbers</i>
(a) Mass Transit Railway premises	324
(b) East Rail premises	151
(c) Light Rail premises	45
(d) Hongkong & Yaumati Ferry premises	13
(e) 7-Eleven stores	717
Total	1 250

To enhance the accessibility of commuters to AVMs and to provide better service to customers, Creative Star Limited has started discussion with other chain convenience stores. The discussion is still at a preliminary stage and no definite timetable for expansion of the add value services has been firmed up.

Employees Retraining Scheme

16. **MR SIN CHUNG-KAI:** *In respect of the Employees Retraining Scheme, will the Government inform this Council of the following in each of the past three years:*

- (a) *the amount of money appropriated to each training body listed under the Scheme for organizing retraining programme; and*
- (b) *the total amount of instruction hours of, money spent on and the total number of retrainees in each course?*

SECRETARY FOR EDUCATION AND MANPOWER: Madam President,

- (a) The Employees Retraining Board (ERB) provides retraining through a network of over 50 approved training bodies. The amount of money appropriated by ERB to each training body for organizing

retraining courses in 1997-1998, 1998-1999 and the first five months of 1999-2000 is tabled at Annex A. The total amount includes retraining allowances paid to retrainees attending full-time courses lasting for one week or longer.

- (b) The ERB currently provides over 150 different retraining courses. These courses can be classified into some 20 categories. The number of instruction hours, amount of money spent and the total number of retrainees in each category of course in 1997-1998, 1998-1999 and the first five months of 1999-2000 are tabled at Annex B.

Annex A

Employees Retraining Board
Actual Expenditure for Retraining Courses (1997-1998)

<i>Training Bodies</i>	<i>1997-1998</i>		
	<i>Recurrent Cost</i> (\$)	<i>Retraining Allowance</i> (\$)	<i>Total Expenditure</i> (\$)
Caritas - Hong Kong (Adult and Higher Education Service)	32,433,366.49	5,624,134.41	38,057,500.90
Christian Action	23,287,319.27	3,893,885.82	27,181,205.09
Hong Kong College of Technology	20,350,078.80	2,210,941.64	22,561,020.44
Hong Kong Young Women's Christian Association	19,246,917.52	7,175,477.95	26,422,395.47
Hong Kong Federation of Trade Unions	15,333,552.07	2,732,769.96	18,066,322.03
Hong Kong Confederation of Trade Unions	9,524,060.65	2,032,941.43	11,557,002.08
Construction Industry Training Authority	4,059,160.00	7,722,253.00	11,781,413.00

<i>Training Bodies</i>	<i>1997-1998</i>		
	<i>Recurrent Cost</i> (\$)	<i>Retraining Allowance</i> (\$)	<i>Total Expenditure</i> (\$)
Vocational Training Council	0.00	532,364.83	532,364.83
Hong Kong Council of Social Service	5,325,267.46	777,475.76	6,102,743.22
Clothing Industry Training Authority	2,584,762.65	2,327,397.40	4,912,160.05
Hong Kong and Kowloon Electrical Engineering and Appliances Trade Workers Unions	2,529,203.59	1,681,542.90	4,210,746.49
Methodist Centre	2,478,876.92	0.00	2,478,876.92
Hong Kong and Kowloon Electronics Industry Employees' General Union	2,764,231.14	165,362.40	2,929,593.54
New Territories Association of Societies	2,092,807.10	264,046.50	2,356,853.60
Heung To College of Professional Studies	2,856,537.61	0.00	2,856,537.61
Yan Oi Tong	2,146,941.11	343,904.09	2,490,845.20
Yang Memorial Methodist Social Service	2,037,714.75	157,393.50	2,195,108.25
Holy Carpenter Church Community Centre	1,076,564.91	116,715.29	1,193,280.20
Hong Kong Christian Service Kwun Tong Vocational Training Centre	1,657,777.89	0.00	1,657,777.89
S.K.H. Lady MacLehose Centre	1,021,344.12	85,776.90	1,107,121.02

<i>Training Bodies</i>	<i>1997-1998</i>		
	<i>Recurrent Cost</i> (\$)	<i>Retraining Allowance</i> (\$)	<i>Total Expenditure</i> (\$)
The Hong Kong Society for Rehabilitation	902,333.39	123,451.18	1,025,784.57
CityU Consultants Limited	1,264,148.20	252,482.90	1,516,631.10
Kwai Chung Residents Association	434,413.10	376,588.91	811,002.01
Queen Elizabeth Hospital - Patients Resources Centre	815,614.02	39,420.55	855,034.57
The Hospital Authority	456,533.10	1,145,708.90	1,602,242.00
Hong Kong Productivity Council	843,709.32	0.00	843,709.32
Rehab Power	455,470.02	0.00	455,470.02
Hong Kong Travel and Tourism Training Centre Limited	327,203.00	42,642.70	369,845.70
Kwai Chung Hospital	504,268.24	29,300.00	533,568.24
Hong Kong Association of the Deaf	531,229.68	0.00	531,229.68
The Hong Kong E and M Contractors' Association Limited	962,784.07	408,992.70	1,371,776.77
Management Society for Healthcare Professionals	412,335.09	483,904.10	896,239.19
Richmond Fellowship of Hong Kong	343,187.60	64,145.00	407,332.60
Princess Margaret Hospital	518,716.16	55,226.67	573,942.83
Industrial Evangelistic Fellowship	242,751.52	23,643.00	266,394.52

<i>Training Bodies</i>	<i>1997-1998</i>		
	<i>Recurrent Cost</i> (\$)	<i>Retraining Allowance</i> (\$)	<i>Total Expenditure</i> (\$)
Hong Kong Seamen's Union	79,903.70	0.00	79,903.70
Hong Kong Federation of Handicapped Youth	133,119.00	16,739.00	149,858.00
Baptist Oi Kwan Social Service	188,078.40	37,430.00	225,508.40
Hong Kong Society for the Blind	231,285.00	24,590.40	255,875.40
Hong Kong Federation of Women	116,913.50	0.00	116,913.50
The Friends of Scouting	77,100.00	9,000.00	86,100.00
Harbour Transportation Workers General Union	75,378.80	0.00	75,378.80
Association for Engineering and Medical Volunteer Services	59,950.77	4,780.00	64,730.77
The Hong Kong Society for the Deaf	59,252.00	9,450.00	68,702.00
Cornerstone Education Centre	75.00	10,714.40	10,789.40
Hong Kong Blind Union	40,500.00	3,465.00	43,965.00
Rehabilitation Alliance Hong Kong	77,303.21	0.00	77,303.21
New Life Psychiatric Rehabilitation Association	45,759.70	14,400.00	60,159.70
Hong Kong Workers' Health Centre	68,241.76	7,582.42	75,824.18
Total:	163,074,041.40	41,028,041.61	204,102,083.01

Employees Retraining Board
Actual Expenditure for Retraining Courses (1998-1999)

<i>Training Bodies</i>	<i>1998-1999</i>		
	<i>Recurrent Cost</i> (\$)	<i>Retraining Allowance</i> (\$)	<i>Total Expenditure</i> (\$)
Caritas - Hong Kong (Adult and Higher Education Service)	46,801,850.43	14,000,128.29	60,801,978.72
Christian Action	32,988,515.88	8,928,014.30	41,916,530.18
Hong Kong College of Technology	29,574,014.89	6,463,389.75	36,037,404.64
Hong Kong Young Women's Christian Association	20,932,558.82	9,125,595.84	30,058,154.66
Hong Kong Federation of Trade Unions	19,376,840.71	5,136,482.18	24,513,322.89
Hong Kong Confederation of Trade Unions	17,821,443.19	5,374,032.76	23,195,475.95
Construction Industry Training Authority	5,683,967.30	13,485,078.20	19,169,045.50
Vocational Training Council	18,209,079.00	14,569,124.48	32,778,203.48
Hong Kong Council of Social Service	6,522,323.90	1,907,699.27	8,430,023.17
Clothing Industry Training Authority	2,564,751.69	1,913,656.50	4,478,408.19
Hong Kong and Kowloon Electrical Engineering and Appliances Trade Workers Unions	5,793,259.81	2,843,134.73	8,636,394.54

<i>Training Bodies</i>	<i>1998-1999</i>		
	<i>Recurrent Cost</i> (\$)	<i>Retraining Allowance</i> (\$)	<i>Total Expenditure</i> (\$)
Methodist Centre	4,306,953.62	903,574.60	5,210,528.22
Hong Kong and Kowloon Electronics Industry Employees' General Union	3,309,754.98	0.00	3,309,754.98
New Territories Association of Societies	4,329,282.60	1,079,510.60	5,408,793.20
Heung To College of Professional Studies	3,167,883.59	0.00	3,167,883.59
Yan Oi Tong	2,618,011.67	148,878.40	2,766,890.07
Yang Memorial Methodist Social Service	2,197,097.51	141,339.00	2,338,436.51
Holy Carpenter Church Community Centre	3,804,049.29	434,385.28	4,238,434.57
Hong Kong Christian Service Kwun Tong Vocational Training Centre	1,495,914.79	0.00	1,495,914.79
S.K.H. Lady MacLehose Centre	1,429,279.41	169,333.80	1,598,613.21
The Hong Kong Society for Rehabilitation	1,121,490.61	90,460.92	1,211,951.53
CityU Consultants Limited	334,568.85	109,198.00	443,766.85
Kwai Chung Residents Association	1,330,042.90	877,049.09	2,207,091.99

<i>Training Bodies</i>	<i>1998-1999</i>		
	<i>Recurrent Cost</i> (\$)	<i>Retraining Allowance</i> (\$)	<i>Total Expenditure</i> (\$)
Queen Elizabeth Hospital - Patients Resources Centre	954,647.25	(21,420.55)	933,226.70
The Hospital Authority	200.00	(691.50)	(491.50)
Hong Kong Productivity Council	382,814.08	80,206.70	463,020.78
Rehab Power	1,274,274.11	13,234.93	1,287,509.04
Hong Kong Travel and Tourism Training Centre Limited	1,122,753.00	0.00	1,122,753.00
Kwai Chung Hospital	546,200.00	9,800.00	556,000.00
Hong Kong Association of the Deaf	436,632.35	0.00	436,632.35
The Federation of Hong Kong and Kowloon Labour Unions	892,327.30	461,585.30	1,353,912.60
Management Society for Healthcare Professionals	377,014.34	257,172.82	634,187.16
Richmond Fellowship of Hong Kong	419,086.80	55,720.00	474,806.80
Princess Margaret Hospital	455,983.12	7,677.33	463,660.45
Industrial Evangelistic Fellowship	275,615.98	59,366.80	334,982.78
Hong Kong Federation of Handicapped Youth	44,105.00	5,940.00	50,045.00

<i>Training Bodies</i>	<i>1998-1999</i>		
	<i>Recurrent Cost</i> (\$)	<i>Retraining Allowance</i> (\$)	<i>Total Expenditure</i> (\$)
Hong Kong Society for the Blind	(1,475.40)	0.00	(1,475.40)
Hong Kong Federation of Women's Centres	229,827.04	136,651.30	366,478.34
Hong Kong Federation of Women	166,293.79	70,594.20	236,887.99
The Friends of Scouting	94,001.07	25,992.20	119,993.27
Association for Engineering and Medical Volunteer Services	56,179.13	3,240.00	59,419.13
The Hong Kong Society for the Deaf	57,506.27	9,765.13	67,271.40
Cornerstone Education Centre	225.00	0.00	225.00
Neighbourhood and Worker's Service Centre	102,004.30	36,988.90	138,993.20
Rehabilitation Alliance Hong Kong	21,621.80	0.00	21,621.80
Hong Kong Workers' Health Centre	(68,241.76)	(6,932.42)	(75,174.18)
Total:	243,552,530.01	88,904,957.13	332,457,487.14

Note - Figures in bracket denote the amount of money returned to ERB due to accounting adjustment.

Employees Retraining Board
Approved Budget for Retraining Courses (1 April 1999 to 31 August 1999)

<i>Training Bodies</i>	<i>1999-2000</i>		
	<i>(Budget)</i> <i>Recurrent Cost</i> (\$)	<i>(Budget)</i> <i>Retraining Allowance</i> (\$)	<i>(from 1 April 1999 to 31 August 1999)</i> <i>Total Budget</i> (\$)
Caritas - Hong Kong (Adult and Higher Education Service)	22,276,700.00	6,781,042.00	29,057,742.00
Christian Action	16,094,828.24	5,029,260.00	21,124,088.24
Hong Kong College of Technology	16,702,295.00	4,466,352.00	21,168,647.00
Hong Kong Young Women's Christian Association	11,492,360.50	5,784,418.00	17,276,778.50
Hong Kong Federation of Trade Unions	9,349,370.70	3,759,436.00	13,108,806.70
Hong Kong Confederation of Trade Unions	13,584,255.00	3,998,800.00	17,583,055.00
Construction Industry Training Authority	4,032,600.00	2,027,280.00	6,059,880.00
Vocational Training Council	80,000.00	0.00	80,000.00
Hong Kong Council of Social Service	5,461,052.50	1,836,372.00	7,297,424.50
Clothing Industry Training Authority	3,262,189.60	1,752,000.00	5,014,189.60
Hong Kong and Kowloon Electrical Engineering and Appliances Trade Workers Unions	2,392,700.00	1,730,250.00	4,122,950.00

<i>Training Bodies</i>	<i>1999-2000</i>		
	<i>(Budget)</i> <i>Recurrent Cost</i> <i>(\$)</i>	<i>(Budget)</i> <i>Retraining Allowance</i> <i>(\$)</i>	<i>(from 1 April 1999 to</i> <i>31 August 1999)</i> <i>Total Budget</i> <i>(\$)</i>
Methodist Centre	2,694,977.55	645,960.00	3,340,937.55
Hong Kong and Kowloon Electronics Industry Employees' General Union	1,119,463.50	0.00	1,119,463.50
New Territories Association of Societies	1,959,741.20	1,036,156.00	2,995,897.20
Heung To College of Professional Studies	1,245,386.00	0.00	1,245,386.00
Yan Oi Tong	1,421,718.00	381,424.00	1,803,142.00
Yang Memorial Methodist Social Service	3,460,200.00	294,030.00	3,754,230.00
Holy Carpenter Church Community Centre	2,200,289.00	609,048.00	2,809,337.00
Hong Kong Christian Service Kwun Tong Vocational Training Centre	825,486.00	0.00	825,486.00
S.K.H. Lady MacLehose Centre	984,052.00	276,840.00	1,260,892.00
The Hong Kong Society for Rehabilitation	1,024,043.50	136,480.00	1,160,523.50
CityU Consultants Limited	841,180.00	286,068.00	1,127,248.00
Kwai Chung Residents Association	1,426,532.00	1,036,612.00	2,463,144.00

<i>Training Bodies</i>	<i>(Budget)</i>	<i>(Budget)</i>	<i>1999-2000</i>
	<i>Recurrent Cost</i>	<i>Retraining Allowance</i>	<i>(from 1 April 1999 to 31 August 1999)</i>
	<i>(\$)</i>	<i>(\$)</i>	<i>Total Budget</i>
			<i>(\$)</i>
Queen Elizabeth Hospital - Patients Resources Centre	537,372.00	112,000.00	649,372.00
Hong Kong Productivity Council	34,200.00	0.00	34,200.00
Rehab Power	1,397,461.00	36,000.00	1,433,461.00
Hong Kong Travel and Tourism Training Centre Limited	552,152.00	0.00	552,152.00
Kwai Chung Hospital	668,000.00	37,000.00	705,000.00
Hong Kong Association of the Deaf	213,022.00	0.00	213,022.00
The Federation of Hong Kong and Kowloon Labour Unions	1,764,965.00	1,245,780.00	3,010,745.00
Management Society for Healthcare Professionals	102,600.00	107,660.00	210,260.00
Richmond Fellowship of Hong Kong	328,605.00	136,640.00	465,245.00
Princess Margaret Hospital	254,482.00	60,000.00	314,482.00
Industrial Evangelistic Fellowship	321,750.00	92,280.00	414,030.00
Hong Kong Federation of Women's Centres	356,092.00	276,840.00	632,932.00
Hong Kong Federation of Women	224,875.00	147,648.00	372,523.00

<i>Training Bodies</i>	<i>(Budget)</i>	<i>(Budget)</i>	<i>1999-2000</i>
	<i>Recurrent Cost</i>	<i>Retraining Allowance</i>	<i>(from 1 April 1999 to 31 August 1999)</i>
	<i>(\$)</i>	<i>(\$)</i>	<i>Total Budget</i>
			<i>(\$)</i>
The Friends of Scouting	117,822.00	30,760.00	148,582.00
Association for Engineering and Medical Volunteer Services	16,520.00	0.00	16,520.00
Neighbourhood and Worker's Service Centre	980,828.00	344,512.00	1,325,340.00
The Youth Men's Christian Association of Hong Kong	592,447.00	307,600.00	900,047.00
Hong Kong Association for Democracy and People's Livelihood	472,403.00	346,050.00	818,453.00
Hong Kong St. John Ambulance	352,972.86	123,040.00	476,012.86
School of Professional and Continuing Education, The University of Hong Kong	266,960.00	203,016.00	469,976.00
Sheng Kung Hui Diocesan Welfare Council	213,865.00	92,280.00	306,145.00
The Federation of Hong Kong Industries	195,750.00	0.00	195,750.00
Total:	133,896,564.15	45,566,934.00	179,463,498.15

Employees Retraining Scheme for the year 1997-1998

Course Category	No. of Retrainees	Range of Instruction		Sum of		Retraining Allowances	Total Amount Spent*
		Hours		Training Hours	Recurrent Cost		
Computer (Job Specific Computer Course)	1 820	42	to 180	148 488	\$7,613,133.65	\$2,059,267.14	\$9,672,400.79
Computer (General Computer Course)	21 930	15	to 96	714 559	\$32,778,779.62	\$26,189.00	\$32,804,968.62
Computer (Others)	478	22.5	to 240	15 776	\$1,071,478.33	\$0.00	\$1,071,478.33
Keyboard Practising	723	27.5	to 40	24 078	\$1,062,953.02	\$0.00	\$1,062,953.02
General Skill Course	276	16	to 840	155 824	\$1,586,437.41	\$67,070.00	\$1,653,507.41
Induction Course	5 358	15	to 44	178 920	\$15,098,670.58	\$2,336,748.55	\$17,435,419.13
Language (Job Specific English Course)	775	20	to 126	43 844	\$1,072,076.99	\$0.00	\$1,072,076.99
Language (General English Course)	2 716	28	to 60	97 637	\$4,791,537.90	\$0.00	\$4,791,537.90
Language (Mandarin)	3 474	18	to 45	121 057	\$4,725,569.23	\$0.00	\$4,725,569.23
Language (Japanese)	341	40	to 60	15 190	\$671,102.25	\$0.00	\$671,102.25
Language (Job Specific Mandarin Course)	532	18	to 40	17 322	\$803,513.37	\$0.00	\$803,513.37
Language (Job Specific Japanese Course)	38	36	to 36	1 368	\$72,000.00	\$0.00	\$72,000.00
Language (Others)	24	15	to 15	360	\$55,742.32	\$0.00	\$55,742.32
Regular Course (VTC)	35	615	to 615	21 525	\$532,364.83	\$0.00	\$532,364.83
Regular Course (Construction)	400	52	to 640	96 024	\$0.00	\$2,460.80	\$2,460.80
Regular Course (Clothing)	273	264	to 264	41 712	\$2,485.28	\$2,206,292.30	\$2,208,777.58
Skill Course (Clerical)	7 378	20	to 912	779 994	\$34,622,264.13	\$14,496,220.43	\$49,118,484.56
Skill Course (Family Care)	1 658	16	to 70	68 399	\$3,577,271.78	\$1,111,933.40	\$4,689,205.18
Skill Course (Construction)	119	360	to 600	54 240	\$3,005,160.00	\$1,077,167.60	\$4,082,327.60
Skill Course (Clothing)	97	176	to 528	35 112	\$1,300,140.76	\$511,222.20	\$1,811,362.96
Skill Course (Security/Building Attendant)	2 463	16	to 140	133 686	\$7,015,544.56	\$2,317,178.95	\$9,322,732.51
Skill Course (Technical)	50	90	to 90	4 500	\$252,000.00	\$140,386.80	\$392,386.80
Skill Course (Retail/Marketing)	887	32	to 90	47 259	\$2,427,509.59	\$766,938.15	\$3,194,447.74
Skill Course (Hotel/Catering)	495	36	to 912	50 398	\$2,245,859.82	\$611,881.70	\$2,857,741.52
Skill Course (Telecom)	150	54	to 70	10 260	\$389,040.00	\$223,054.90	\$612,094.90
Skill Course (Courier/Messenger)	75	24	to 380	6 340	\$856,988.59	\$70,735.40	\$927,723.99
Skill Course (Electrical/Mechanical)	479	160	to 200	91 400	\$3,008,792.27	\$1,990,950.10	\$4,999,742.37
Skill Course (Health Care)	466	48	to 180	67 854	\$1,092,606.35	\$1,491,023.70	\$2,583,630.05
Skill Course (Others)	850	20	to 912	84 144	\$3,384,126.64	\$267,404.60	\$3,651,531.24
Tailor Made Course	794	35	to 80	37 356	\$2,397,167.53	\$543,739.30	\$2,940,906.83
Skill Upgrading Course	473	16	to 185	26 569	\$1,178,449.29	\$0.00	\$1,178,449.29
Total:	55 627			3 191 194	\$138,690,766.09	\$32,317,865.02	\$171,008,631.11

Employees Retraining Scheme for the year 1998-1999

Course Category	No. of Retrainees	Range of		Sum of		Retraining Allowances	Total Amount Spent*
		Instruction Hours		Training Hours	Recurrent Cost		
Computer (Job Specific Computer Course)	2 562	42	to 180	203 508	\$13,706,754.28	\$2,699,266.90	\$16,406,021.18
Computer (General Computer Course)	29 496	15	to 90	926 608	\$49,452,954.02	\$5,940.00	\$49,458,894.02
Computer (Others)	601	25	to 158	15 219	\$918,027.00	\$0.00	\$918,027.00
Keyboard Practising	468	27.5	to 40	15 014	\$709,765.66	\$0.00	\$709,765.66
General Skill Course	224	16	to 840	146 528	\$1,647,296.60	\$20,650.00	\$1,667,946.60
Induction Course	4 032	24	to 44	126 906	\$10,706,954.38	\$0.00	\$10,706,954.38
Language (Job Specific English Course)	675	27.5	to 60	28 776	\$1,626,812.67	\$0.00	\$1,626,812.67
Language (General English Course)	1 623	24	to 60	59 768	\$3,384,304.28	\$0.00	\$3,384,304.28
Language (Mandarin)	1 726	18	to 45	57 837	\$2,845,688.83	\$0.00	\$2,845,688.83
Language (Japanese)	93	40	to 60	4 540	\$252,555.52	\$0.00	\$252,555.52
Language (Job Specific Mandarin Course)	409	18	to 40	10 431	\$475,606.40	\$0.00	\$475,606.40
Language (Job Specific Japanese Course)	57	36	to 36	2 052	\$108,000.00	\$0.00	\$108,000.00
Regular Course (VTC)	50	615	to 615	30 750	\$0.00	\$617,245.02	\$617,245.02
Regular Course (Construction)	1 218	600	to 600	730 800	\$0.00	\$130,654.30	\$130,654.30
Regular Course (Clothing)	339	264	to 264	89 496	\$2,919.22	\$2,614,140.60	\$2,617,059.82
Skill Course (Clerical)	10 696	20	to 360	1 342 770	\$65,497,560.03	\$25,046,251.10	\$90,543,811.13
Skill Course (Family Care)	5 292	16	to 80	296 629	\$13,695,309.31	\$6,232,667.70	\$19,927,977.01
Skill Course (Construction)	192	360	to 600	86 640	\$5,691,600.00	\$1,984,422.90	\$7,676,022.90
Skill Course (Security/Building Attendant)	5 539	16	to 150	334 599	\$17,150,799.96	\$7,357,173.40	\$24,507,973.36
Skill Course (Technical)	206	45	to 210	19 545	\$1,168,357.24	\$507,924.50	\$1,676,281.74
Skill Course (Retail/Marketing)	215	46	to 158	16 622	\$829,124.53	\$261,934.10	\$1,091,058.63
Skill Course (Hotel/Catering)	62	36	to 296	26 800	\$784,716.81	\$62,560.80	\$847,277.61
Skill Course (Courier/Messenger)	78	396	to 418	10 208	\$837,905.78	\$117,769.30	\$955,675.08
Skill Course (Electrical/Mechanical)	606	200	to 200	121 200	\$3,875,250.00	\$2,335,145.40	\$6,210,395.40
Skill Course (Health Care)	566	56	to 150	45 966	\$1,469,840.70	\$1,031,305.90	\$2,501,146.60
Skill Course (Others)	1 220	18	to 480	133 461	\$7,733,988.92	\$973,879.50	\$8,707,868.42
Tailor Made Course	1 587	21	to 320	161 882	\$6,685,255.54	\$3,166,332.30	\$9,851,587.84
Skill Upgrading Course	18	175	to 175	3 150	\$349,500.00	\$0.00	\$349,500.00
Total:	69 850			5 047 703	\$211,606,847.68	\$55,165,263.72	\$266,722,111.40

Employees Retraining Scheme for the year 1999-2000

(Budget figures as at 31 August 1999)

Category	No. of	Range of			Sum of	Budget	Budget	Total
	Training	Instruction			Training	Recurrent	Retraining	Budget
	Places	Hours			Hours	Cost	Allowances	Amount*
Induction Course	1 508	21	to	44	50 700	\$2,252,451.70	\$0.00	\$2,252,451.70
Computer (General Computer Course)	21 399	15	to	138	681 892	\$26,472,627.49	\$0.00	\$26,472,627.49
Computer (Job Specific Computer Course)	810	42	to	180	84 720	\$4,082,312.50	\$1,671,806.00	\$5,754,118.50
Computer (Others)	400	25	to	25	10 000	\$386,273.90	\$0.00	\$386,273.90
Language (Mandarin)	1 330	20	to	45	43 903	\$1,455,671.63	\$0.00	\$1,455,671.63
Language (General English Course)	915	24	to	60	33 198	\$1,143,968.74	\$0.00	\$1,143,968.74
Language (Job Specific English Course)	632	28	to	60	28 988	\$1,007,559.95	\$0.00	\$1,007,559.95
Language (Job Specific Mandarin Course)	433	18	to	40	10 805	\$320,815.86	\$0.00	\$320,815.86
Keyboard Practising	325	30	to	43	11 455	\$392,665.28	\$0.00	\$392,665.28
General Skill Course	247	16	to	25	2 067	\$156,837.00	\$197,000.00	\$353,837.00
Skill Course (Clerical)	7 071	24	to	360	860 643	\$32,740,119.24	\$15,920,060.00	\$48,660,179.24
Skill Course (Security/Building Attendant)	5 165	35	to	150	399 777	\$14,947,468.47	\$8,375,948.00	\$23,323,416.47
Skill Course (Family Care)	5 539	42	to	84	370 666	\$13,397,604.16	\$7,916,086.00	\$21,313,690.16
Skill Course (Construction)	165	360	to	600	77 400	\$3,873,600.00	\$1,935,000.00	\$5,808,600.00
Skill Course (Others)	920	18	to	396	118 610	\$4,001,603.36	\$1,528,238.00	\$5,529,841.36
Skill Course (Health Care)	1 100	60	to	150	83 900	\$2,748,244.60	\$1,745,630.00	\$4,493,874.60
Skill Course (Electrical/Mechanical)	450	200	to	200	90 000	\$2,392,700.00	\$1,730,250.00	\$4,122,950.00
Skill Course (Technical)	359	60	to	210	48 540	\$2,306,736.00	\$1,079,676.00	\$3,386,412.00
Skill Course (Hotel/Catering)	56	396	to	1 296	32 076	\$1,529,742.11	\$98,010.00	\$1,627,752.11
Skill Course (Courier/Messenger)	85	56	to	396	20 060	\$525,326.13	\$147,226.00	\$672,552.13
Skill Course (Retail/Marketing)	130	32	to	72	4 336	\$379,482.82	\$27,360.00	\$406,842.82
Tailor Made Course	1 127	35	to	320	151 790	\$7,606,102.99	\$3,194,644.00	\$10,800,746.99
Total:	50 166				3 215 525	\$124,119,913.93	\$45,566,934.00	\$169,686,847.93

* Since the total budget amounts in Annexes I and II are calculated on different basis, that is, Annex I is based on the actual disbursement date to training bodies, whereas Annex II is based on course end date, the total budget amounts for each year in Annexes I and II are slightly different.

Funding Applications to the Hong Kong Jockey Club and the Lotteries Fund

17. **MR CHAN KWOK-KEUNG** (in Chinese): *Will the Government inform this Council whether it knows:*

- (a) *the respective number of funding applications made in each year to the Hong Kong Jockey Club and the Lotteries Fund by statutory bodies or boards and committees receiving support services from various government departments since 1996; the nature of the items involved; the number of successful cases among these applications and the amount of grants in respect of each successful case in which the amount of grants exceeded four million dollars; and*
- (b) *the criteria and procedure adopted by the Hong Kong Jockey Club and the Subventions and Lotteries Fund Advisory Committee for examining and approving these funding applications?*

SECRETARY FOR HEALTH AND WELFARE (in Chinese): Madam President,

- (a) Given the autonomy vested in the Hong Kong Jockey Club, the Government is not in a position to provide the details requested by the Honourable Member in respect of the funding applications received and allocations made by the Club. However, the Government is aware of a number of statutory bodies and so on which have received grants through the Chief Executive's Community Project List (or its forerunner, the Governor's Shopping List), who is funded by the Club. The number of applications from statutory bodies and so on for these funds, and the number of successful cases, is set out at Annex A.

As regards the Lotteries Fund, since 1996 there have been 369 applications submitted by statutory bodies and so on. A grant of \$10 million was approved in 1998 to the Elderly Commission. This was for a series of publicity programmes in support of the International Year of Older Persons. The other applications were submitted by the Tung Wah Group of Hospitals and the Po Leung

Kuk. Details are at Annex B. Most applications were to buy furniture or equipment or to maintain the premises from which, NGOs deliver welfare services.

- (b) Applications under the Chief Executive's Community Project List are assessed initially by the Government according to a set of broad criteria designed to assist projects which are more innovative in nature and which will benefit the community at large. These projects usually involve capital expenditure in excess of \$10 million.

As regards other applications made to the Jockey Club Charities Trust, the Club's Board of Trustees has full discretion in the allocation of its funds.

The Lotteries Fund is primarily used for financing the capital costs of subvented social welfare projects or pilot welfare projects.

An applicant must be able to meet the following criteria to be eligible for the Lotteries Fund:

- a *bona fide* non-profit-making organization providing a valuable service to the community;
- the application is used to cover the capital costs of a new service project or reprovisioning/renovation of existing facilities; and
- in the case of projects operating on a pilot basis, the period of funding should not exceed four years.

All applications are considered by the Subvention and Lotteries Fund Advisory Committee, which is chaired by the Director of Social Welfare and comprises mainly private sector individuals including, some from the welfare sector.

Annex A

Relevant Applications under
Chief Executive's Community Project List
And Governor's Shopping List

<i>Year</i>	<i>Number of Applications by Statutory Bodies, and so on Received by Government</i>	<i>Number of Successful Applications by Statutory Bodies, and so on</i>	<i>Successful Applications from Statutory Bodies, and so on Receiving More Than \$4 Million</i>	<i>Amount</i>
1996	17	7	Nil	
1997	24	9	<ul style="list-style-type: none"> - Provision of two outdoor activity areas for patients (Hospital Authority) - Enhancement of a professional support computer network for English language teachers (University of Hong Kong) 	<ul style="list-style-type: none"> - \$4m - \$6m
1998	7	4	<ul style="list-style-type: none"> - Research and information centre for landslip prevention and land development (University of Hong Kong) - Establishment of a central cord blood bank at the Hong Kong Red Cross Transfusion Service (Hospital Authority) - Establishment of a multi-media laboratory for research and development (Open University of Hong Kong) 	<ul style="list-style-type: none"> - \$25m - \$11m - \$10m

<i>Year</i>	<i>Number of Applications by Statutory Bodies, and so on Received by Government</i>	<i>Number of Successful Applications by Statutory Bodies, and so on</i>	<i>Successful Applications from Statutory Bodies, and so on Receiving More Than \$4 Million</i>	<i>Amount</i>
			- Research project on pollution in Pearl River Estuary (Hong Kong University of Science and Technology)	- \$18m
1999	10	6	- Establishment of a Centre for Chinese Traditional Theatre (Hong Kong Academy for Performing Arts)	- 20m
			- Neuro-navigational systems for 5 hospitals (Hospital Authority)	- \$18m
			- Establishment of a regional learning resource centre (Open University of Hong Kong)	- \$15m
			- Training for formal and informal elderly carers in Hong Kong (University of Hong Kong)	- \$10m
			- Establishment of a Centre for the Advancement of Professional English (Hong Kong Baptist University)	- \$10m
			- Environmental Protection Project on Cleaner Air in Ocean Park (Ocean Park)	- \$10m

Annex B

Relevant Applications Receiving
Lotteries Fund Grants

<i>Year</i>	<i>Number of Applications by Statutory Bodies, and so on Received by Government</i>	<i>Number of Successful Applications by Statutory Bodies, and so on</i>	<i>Successful Applications from Statutory Bodies, and so on Receiving More Than \$4 Million</i>	<i>Amount</i>
1996	70	70	- Constructing, furnishing and equipping Fong Shu Chuen Social Service Building	- \$78m
	PLK - 35 TWGH - 35		- Constructing, furnishing and equipping Wong Cho Tong Social Service Building	- \$120m
1997	137	137	- Renovating, furnishing and equipping Pao Siu Loong Care and Attention Home	- \$7m
	PLK - 55 TWGH - 82		- Renovating, furnishing and equipping Lee See Ping Hostel for the Elderly	- \$5m
			- Renovating, furnishing and equipping Fong Wong Woon Tei Hostel for the Elderly	- \$5m
1998	96	96	Nil	
	PLK - 46 TWGH - 50			
1990 (To date)	65	65	Nil	
	PLK - 31 TWGH - 34			

*Legend: PLK = Po Leung Kuk
TWGH = Tung Wah Group of Hospitals*

Dissemination of Information on Availability of Secondary Six Places

18. **MR YEUNG YIU-CHUNG** (in Chinese): *Regarding the dissemination of information on the availability of Secondary Six (S6) places by the Education Department (ED) to Secondary Five graduates during the S6 Admission period, will the Government inform this Council:*

- (a) *of the criteria adopted by the ED for deciding on the Internet service providers (ISPs) to be invited to bid for the provision of service for disseminating information on the availability of S6 places through the Internet, and the number of ISPs invited to bid this year; whether the ED will consider inviting all licensed ISPs to bid for the provision of such service next year; if not, of the reasons for that;*
- (b) *whether the ED, in commissioning the ISP concerned to provide the above service, has requested it to pay attention to the corporate image projected by its advertisements; whether comments have been received from schools regarding the commissioning of that ISP for the provision of such service; if so, of the details of that, and whether there have been complaints by religious and women organizations that the advertisements are discriminatory;*
- (c) *whether the network was jammed and the transmission of data slowed down on the Internet as a result of a flood of inquiries; if so, of the improvement measures that will be put in place next year; and*
- (d) *whether it has reviewed the effectiveness of disseminating information on the availability of S6 places through the Internet and pagers; if so, of the results of the review and the areas that need improvements?*

SECRETARY FOR EDUCATION AND MANPOWER (in Chinese): Madam President,

- (a) When selecting ISPs in late April this year, the ED had followed the Government's Stores and Procurement Regulation 280(c). The relevant regulation stipulates that departments must obtain quotations

from not less than five contractors for procuring services with a value exceeding \$20,000 but not exceeding \$500,000^{Note 1}. In accordance with this regulation, the ED set out the essential service requirements and invited five local ISPs capable of providing such service to submit quotations. The Department then selected the ISP according to the criteria set out in part (b) below. If in future the Department needs to commission ISPs to disseminate information on S6 vacancies, it will similarly follow the Stores and Procurement Regulations.

- (b) In selecting ISPs in this exercise, the main considerations of the ED are:
- (i) capacity of the system: for example, the capacity of the server, the speed of data transmission, and the number of dial-in lines for concurrent access. This is to ensure that students and the public can log in the relevant websites, within the shortest possible time, for information on vacancies in schools, and to enable schools to update information in the simplest and most direct way;
 - (ii) reliability of the system: for example, whether the backup system is adequate, and whether information can be transmitted in an efficient and accurate manner;
 - (iii) support service provided by the ISP; and
 - (iv) price.

In the course of selection, the corporate image projected by the ISP in its advertisements to promote other products and services of the company was not the ED's consideration. The ED has neither put any suggestion nor made any request to the ISP in this regard.

^{Note 1} The relevant regulation was revised in May this year, after which the financial limit of the value of services was changed to "exceeding \$50,000 but not exceeding \$1,300,000".

Throughout the whole project, the ED did not receive any comments from schools concerning the service provided by the ISP, nor complaints from religious and women organizations regarding the advertisements of the selected ISP.

- (c) The network was busiest during stage II of the S6 admission procedure, that is, 2 pm on 10 August. During that time, the response time required for students and the public to access to information through the Internet was longer than usual. The situation was soon rectified after the ISP had taken follow-up action and adjusted the computer system. The situation remained normal in the following days. If it is decided that information on S6 vacancies next year should again be disseminated through the Internet, we will take into account this year's experience and will impose more stringent requirements on the computer capacity of the selected ISP so that students and the public can access the information quickly.

- (d) The number of hits to the relevant websites were 756 000. Compared with the some 140 000 HKCEE candidates, the figure speaks for the popularity of this service. The ED will consider whether to use this channel to disseminate information on S6 vacancies next year. If it is eventually decided to continue with the service, the Department will request the selected ISP to enhance the functions of the computer system with a view to improving the efficiency in providing information. As regards the dissemination of information through pagers, the operation of such service ran smoothly this year. However, in view of the relatively lukewarm response to the paging service (about 2 000 students rented pagers), the ED will consult relevant educational organizations (for example, the Hong Kong Subsidized Secondary Schools Council, the Grants Schools Council and the Hong Kong Association of Careers Masters and Guidance Masters) and parents before deciding whether to continue with the service next year.

Construction of Buildings Capable of Sustaining Impact of Earthquakes

19. **DR LUI MING-WAH** (in Chinese): *As the possibility of serious earthquakes occurring in Hong Kong cannot be ruled out entirely, will the Government inform this Council whether:*

- (a) *apart from highways and railways, high-rise building blocks and other large buildings in Hong Kong are required structurally to be capable of sustaining the impact of earthquakes with strengths at point five to six on the Richter scale; if not, of the reasons for that; and whether such a requirement is dispensed with on the grounds that wind loads are already factored into the structural design of high-risk block; and*
- (b) *it will consider amending the relevant legislation or codes of practice to provide that the structure of newly built large buildings or high-rise blocks should be capable of sustaining the impact of earthquakes with strengths at point five to six on the Richter scale; if not, of the reasons for that?*

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Chinese): Madam President, Hong Kong is situated in an area of low to moderate seismicity. The return period for a major earthquake of Intensity VII on the Modified Mercalli Scale (MMS) (effect: hanging objects quiver, difficult to stand, fall of loose tiles) is estimated to be 350 - 400 years, and Intensity VIII on the MMS (effect: fall of some masonry walls, cracks in wet ground and on steep slopes) could be once in 2 500 years.

Most earthquakes occur along the boundaries of crustal plates. Hong Kong is far away (about 600 km) from the nearest boundary that runs through Japan, Taiwan and the Philippines.

In the last 20 years, there were 42 felt tremors. There is no evidence of an increase in the number of locally felt tremors in recent years.

There is no specific requirement for buildings to be designed against earthquake forces. However, all buildings are required to withstand a dynamic motion caused by a wind gust of 250 km per hour. Even in an earthquake of Intensity VII on the MMS, little damage would occur to high-rise buildings. It

should also be pointed out that the strongest tremor felt in Hong Kong in the last 20 years was of Intensity V to VI on the MMS (effect: sleepers wakened, furniture moved or overturned). The tremor which struck Hong Kong in 1994 did not cause any damage to buildings.

In view of the low to moderate seismicity in and around Hong Kong and the high lateral load resisting capacity of buildings, our high-rise buildings are considered safe under an earthquake of an intensity likely to be experienced in Hong Kong.

BILLS

First Reading of Bills

PRESIDENT (in Cantonese): Bills: First Reading.

LEGAL AID (AMENDMENT) BILL 1999

DISTRICT COURT (AMENDMENT) BILL 1999

MASS TRANSIT RAILWAY BILL

INDUSTRIAL TRAINING (CONSTRUCTION INDUSTRY) (AMENDMENT) BILL 1999

STAMP DUTY (AMENDMENT) BILL 1999

CLERK (in Cantonese): Legal Aid (Amendment) Bill 1999

District Court (Amendment) Bill 1999

Mass Transit Railway Bill

Industrial Training (Construction Industry)
(Amendment) Bill 1999

Stamp Duty (Amendment) Bill 1999.

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

Second Reading of Bills

PRESIDENT (in Cantonese): Bills: Second Reading.

LEGAL AID (AMENDMENT) BILL 1999

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): Madam President, I move the Second Reading of the Legal Aid (Amendment) Bill 1999.

In early 1997, the Government designated an interdepartmental working group to conduct a comprehensive review of the criteria adopted by the Legal Aid Department (LAD) in assessing the financial capacity of legal aid applicants, the scope of legal aid and the implementation of the Legal Aid Ordinance (LAO). In December 1997, the Government published a consultation paper, setting out in detail the findings and recommendations of the Legal Aid Policy Review for public consultation. A total of 13 submissions from interested parties were received. Moreover, we also consulted the Legislative Council Panel on Administration of Justice and Legal Services on three occasions between September 1998 and February 1999 on the observations of the Review. In finalizing our recommendations, we have incorporated some of the views received. Our recommendations seek to expand the scope of the legal aid system so that more people will benefit from it. To this end, we propose to, among other things, replace the existing arrangement under which the Comprehensive Social Security Assistance rates is used as the deductible personal allowances, and use the expenditure patterns of households in the 35-percentile instead. Under this proposal, the total number of households eligible for legal aid will rise from 48% under the existing arrangement to 58%.

The Legal Aid (Amendment) Bill 1999 seeks to amend the relevant legislation to give effect to the various recommendations. The Bill proposes three major amendments to the LAO. First, under clause 5 of the Bill, section 18(A) of the LAO is amended to give the Director of Legal Aid (DLA) the discretion to remit or waive the interest on the charges on preserved or recovered property. Under section 18(A) of the existing LAO, the DLA is entitled to a first charge on any property recovered or preserved for the aided person in the proceedings for which legal aid is granted. If the DLA agrees to defer enforcing

the first charge, a simple interest at a rate of 10% per annum is payable by the aided person from the date on which the charge is first registered. The amendment will give this arrangement expanded flexibility in that the DLA may exempt the aided person from payment of interest if he is of the view that such payment will cause financial hardships to the aided person.

Clause 9 of the Bill, which amends section 32 of the LAO, requires the person aided by the Supplementary Legal Aid Scheme (SLAS) to pay an interim contribution, regardless of whether or not the aided person is successful in the proceedings. The contribution amount is set at the maximum amount payable under the standard legal aid scheme. At present, an aided person under SLAS is not required to pay a contribution if he is not successful in the proceedings. It is the principle of the Government that aided persons who are financially sound should share the litigation costs borne by legal assistance for their cases. For this reason, we propose the amendment to ensure consistency in the arrangements for the supplementary and standard legal aid schemes.

The third major amendment as contained in clause 10 of the Bill seeks to render the next of kin of the deceased in coroner's inquests involving cases of public concern eligible for legal assistance. At present, if the DLA is of the opinion that the next of kin of the deceased person or those who are at a disadvantage in coroner's inquests should be provided with assistance in the interests of public justice, the DLA may at his discretion grant them legal aid by administrative means. Under this amendment, the existing arrangement will be expanded by empowering the DLA to provide legal assistance for the next of kin of the deceased person concerned, regardless of whether claims for compensation are involved in the inquest. Moreover, we need to make other amendments to the LAO and the Legal Aid (Assessment of Resources and Contributions) Regulations in order to implement other recommendations. After the passage of the Legal Aid (Amendment) Bill, we shall table the amended Regulations for negative vetting by the Legislative Council. We hope that this Bill and the amended Regulations can come into operation concurrently.

This Bill seeks to improve the existing legal aid system by expanding the scope of legal assistance. I commend this Bill to Honourable Members for early passage into law. Thank you, Madam President.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the Legal Aid (Amendment) Bill 1999 be read the Second time.

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

DISTRICT COURT (AMENDMENT) BILL 1999

CHIEF SECRETARY FOR ADMINISTRATION: Madam President, I move that the District Court (Amendment) Bill 1999 be read the Second time.

The main objective of the Bill is to increase the financial jurisdictional limits of the District Court. It is proposed that the financial jurisdictional limits for general civil cases be increased from \$120,000 to \$600,000, the limits for cases concerning title to land and recovery of land be raised to a rateable value of \$240,000. For equity jurisdiction, it is proposed that the financial jurisdictional limits be raised to \$600,000 and to \$3 million where land is involved. Our objective is to lower the cost of litigation to enhance access to the judicial system.

We have taken into account inflation and other factors when drawing up the proposed limits. For example, we have taken into account the transfer of about 10 000 less complex cases of the Small Claims Tribunal following the increase of the Tribunal's jurisdictional limit from \$15,000 to \$50,000. To ensure that the District Court would be able to cope with the proposed increase to the various jurisdictional limits without affecting service in terms of court waiting time for cases to be heard, the Chief Justice has tasked a working group to examine possible procedural changes having regard to modern trends and judicial practices. Any legislative changes considered necessary will be introduced in the context of the revision of the District Court civil procedural rules.

It is our intention to further increase the general jurisdictional limit to \$1 million in two years time, subject to the outcome of a review. In this connection, the Judiciary expects to complete a review in two years time to consider the impact on demand for court services from the current proposal, assess the pattern in cost of litigation and the resource implications on the Judiciary in the light of the actual increase in caseload and to recruit and develop qualified judges and judicial officers to cope with likely increases in caseload and maintain quality.

The increase in the jurisdictional limit of the District Court will likely lead to additional judicial work for the Registrar of the District Court. Clauses 3, 6, 32, 34 and 39 therefore better define the role, functions and power of the Registrar of the District Court and add a section for the protection of the Registrar. It is the intention of the Judiciary to fill the post of the Registrar with a legally qualified officer upon the enactment of the Amendment Bill.

Clause 22 provides for a revised code for transfer of proceedings between the Court of First Instance and the District Court. In particular, new section 44 provides that the Court of First Instance may, where appropriate, require the transfer to the District Court of proceedings within the District Court's jurisdiction which have been commenced in the Court of First Instance. That clause also contains a new section providing for the transfer to the Court of First Instance of cases inappropriately commenced in the District Court. We have also taken the opportunity to adapt some terms in the District Court Ordinance to reflect changes to court names after the reunification.

Madam President, this Bill seeks to improve the operation of the District Court and enable more litigants to commence proceedings in the District Court. Such measures should make our judicial system more accessible to members of the public. I commend it to this Council for early passage into law. Thank you.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the District Court (Amendment) Bill 1999 be read the Second time.

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

MASS TRANSIT RAILWAY BILL

SECRETARY FOR TRANSPORT (in Cantonese): Madam President, I move the Second Reading of the Mass Transit Railway Bill.

On 3 March this year, the Financial Secretary announced in his Budget speech the intention of the Government to privatize part of the shares of the Mass

Transit Railway Corporation (MTRC). The Mass Transit Railway Bill tabled at the Legislative Council today is a momentous milestone in the privatization of the Mass Transit Railway (MTR).

The Bill mainly provides for:

- (1) the grant of a franchise to the MTR Corporation Limited to operate the MTR network;
- (2) the regulation of the operation of the railway under the franchise; and
- (3) the vesting of the whole of the property, rights and liabilities of the MTRC in a company named MTR Corporation Limited operated under a franchise.

The privatization of MTRC can benefit the local community in the following ways:

- (1) While the MTRC is wholly owned by the Government at present, it is required to operate on prudent commercial principles. With the introduction of private ownership, the MTRC will be able to track market discipline more closely in its operation. This will greatly reinforce the efficiency and quality of its services;
- (2) The listing of the MTRC can broaden its access to sources of financing, thus enabling the MTRC to continue to play an important role in the future development of the local railway network;
- (3) The Initial Public Offering of the MTRC will provide a golden chance for the public to invest in a quality and well-managed company;
- (4) The listing of MTRC, which is a quality and heavily capitalized company, will stabilize the Hong Kong stock market and help buttress Hong Kong's status as an international financial centre;
- (5) The privatization of the MTRC honours the Government's

commitment to free market economy. The privatization, if implemented smoothly, will set a precedent and a model for the privatization of other government assets in future; and

- (6) Proceeds generated from the public offering will boost government finance in the medium term.

After the announcement of the privatization of the MTRC, Members and the media are most concerned about the fare setting mechanism and whether the safety of the MTR and services to passengers will be compromised. On the fare setting mechanism, there are views that the Government should overhaul the existing system to the effect that the level of MTR fares shall be subject to the approval of the Legislative Council or other bodies.

First, I should point out that the MTRC has been operating on prudent commercial principles and enjoying fare setting autonomy since its establishment in 1975. In this connection, the autonomy of the MTRC in determining fares after privatization is nothing new. Since the commencement of its operation in 1979, the MTR's average fare increase has been 7.5% per annum, which is lower than the average increase in Consumer Price Index (A) of 8.2% for the same period.

Despite the fact that the rate of fare increase is lower than inflation, the MTRC has managed to consistently enhance its operational efficiency, expand the network and improve the service quality. Therefore, we think that this well-tried arrangement should not be changed hastily. As a matter of fact, the Legislative Council has, in the past, thoroughly studied and discussed whether the existing fare setting mechanism of the MTRC should be revised. The latest study was conducted in February 1997 when a delegation comprising Members of the then Legislative Council visited foreign countries to conduct in-depth studies on overseas railway systems. In its report the delegation highlighted two observations:

- (1) It is uncommon for the parliament to directly participate in the process of fare determination or to be empowered to endorse or veto fare adjustments;
- (2) There is no evidence showing that a parliament-led or government-

led mechanism for fare setting will result in less subsidies by taxpayers in railways or a lower level of fares.

Therefore, the Government maintains that no changes should be made to a mechanism which has been operating well over the past two decades.

In fact, the MTRC is faced with fierce competition from other means of transport. The Government believes that market competition is the most effective mechanism for the regulation of MTR fares. Some hold that the competition-based mechanism is not working properly as MTR fares are still higher than bus fares. This I do not agree. Roughly speaking, MTR fares are about 15% to 20% higher than bus fares but passengers are provided with expedient, reliable and comfortable services in return. The differential in the fares reflects the differences amongst the various modes of transport in terms of function and efficiency.

Let me provide some statistics to illustrate the power of market competition. At present, the MTR only takes up a share of some 25% in the overall public transport market so the assertion of market monopolization by the MTR can hardly be substantiated.

With the completion of new roads and improvement of bus services in the foreseeable future, the MTRC must continue to improve its services for a higher patronage. Members may recall that prior to the commencement of operation of the Airport Express, the MTRC conducted extensive consultation on the fare to be charged. The Legislative Council Panel on Transport, the Transport Advisory Committee (TAC) and the public all expressed reservations on the MTRC's initial proposal of \$150 for a single journey. Having considered the feedback from all quarters, the MTRC accepted their views and adjusted the fare downward to \$100. However, in view of competition from other modes of transport, the Airport Express fare is still pitched at a concessionary rate of \$70 per trip. This evidently demonstrates the role of the market and the consultation mechanism in exercising checks and balances in the process of setting MTR fares. In determining the fares, the MTRC cannot possibly ignore the fare levels of its competitors and the acceptability of its fares to passengers.

At present, the MTRC generally consults the Legislative Council Panel on

Transport and the TAC on its fare adjustments, but purely on a voluntary basis. After privatization, the MTRC is required to adjust its fares in consultation with the Legislative Council Panel on Transport and the TAC as stipulated in the Operating Agreement. This new arrangement which is legally binding will greatly strengthen the existing consultation mechanism. It also ensures that the MTRC will fully take public acceptability into consideration before determining its fares.

Regarding the 50-year franchise, I am aware of the view that the 50-year franchise granted in this case warrants discussion for it covers a longer term compared with other franchises granted by the Government. First of all, I must point out that the proposal of the Bill has not departed from the established practice of the Government in awarding rail projects to the MTRC over the past 25 years. Since the commissioning of the MTR, the Government has granted land to the MTRC for the construction of new railway extensions, such as the Tung Chung Line, the Airport Express and the new Tseung Kwan O Extension on a term of 50 years. The term tallies with the base period used by the MTRC for calculating the Internal Rate of Return (IRR) of the projects concerned. This base period covers a total of 50 years, of which 40 years start from the commencement of railway operation plus another 10 years for design and construction.

The Government's proposal is in line with overseas practice in respect of privatization. As a general rule, if the operator is responsible only for the operation of passenger service, the capital investment required is relatively less so the franchise will normally be granted for a term not more than 10 years. If the operator is also required to provide the infrastructures for railway which entails the investment of massive resources, it is very common that a permanent franchise will be granted.

Given that the MTRC in Hong Kong is responsible for providing passenger service and operating railway facilities, the franchise must cover a period long enough for cost recovery. We believe that granting a 50-year franchise and putting in place a highly transparent extension mechanism can strike the right balance. Should the MTRC be granted a franchise for a shorter term, fares are bound to increase in order not to affect the IRR. I believe that this is not something that the public and Members would wish to see.

There are concerns about the MTRC paring down its investment on the

railway system after privatization to meet demands of minority shareholders for dividend payment, in which case the safety of passengers and service quality may be compromised. These concerns are unwarranted. In the Bill, the Government has provided for various mechanisms for the protection of public interest.

First, all the powers of the Hong Kong Railway Inspectorate under the existing Mass Transit Railway Corporation Ordinance, which cover the relevant aspects of the monitoring of railway safety and investigation of railway incidents, will be preserved in the Bill.

Second, the Government will put in place a new and transparent monitoring mechanism. The Operating Agreement stipulated a set of stringent and objective standards for compliance by the MTRC in the provision of services. If the MTRC fails to maintain its services at the prescribed level, the Government can exercise its powers under the Bill to impose financial penalties on the MTRC, or to suspend or even revoke its franchise. This new monitoring mechanism, which is more desirable than the existing arrangement, can safeguard the rights of the public to quality MTR services.

Third, the MTRC cannot expect an automatic extension of its franchise simply by increasing its investment. In addition to the requirement that the MTRC must increase its investment to a certain level, the Government will also take account of whether the MTRC has maintained proper and effective services during the franchise period as stipulated in the Bill in considering its application for an extension of the franchise.

We can see that under such mechanisms, the MTRC will not afford to allow a decline in the safety standard and service quality. Moreover, for the benefit of its shareholders, it will continue to invest proactively, improve the quality of service and enhance operational effectiveness in the interest of its shareholders.

All in all, the MTRC has a very good track record in the past 20 years and this is attributable to its adherence to prudent commercial principles in operation, fare autonomy and full consideration of public acceptability before setting its

fares. These three elements, which are well-trying and which facilitate the success of the MTRC to the benefit of the market, must be preserved as the basis for the privatization of MTRC. As pointed out by the financial consultants of the Government and the MTRC alike, if the MTRC is deprived of any of the three elements that I described just now, the evaluation of the MTRC by investors and credit rating agencies will be adversely affected, thus making it impossible for the Government to exchange part of the shares of the MTRC for an IRR which truly reflects the value of the MTRC. Under the circumstances, the public will bear the brunt eventually. This is definitely not something that we wish to see. Therefore, I urge Members to support the retention of those elements which contribute to the success of the MTRC over the past two decades after privatization. To end, let me repeat that the elements include operation on prudent commercial principles, fare autonomy and thorough consideration of public acceptability before setting fares.

With these remarks, I urge Members to support the Bill. Thank you, Madam President.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the Mass Transit Railway Bill be read the Second time.

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

**INDUSTRIAL TRAINING (CONSTRUCTION INDUSTRY)
(AMENDMENT) BILL 1999**

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): Madam President, I move the Second Reading of the Industrial Training (Construction Industry) (Amendment) Bill 1999.

A principal purpose of the Bill is to provide a legal framework for some of the current work undertaken by the Construction Industry Training Authority (CITA).

Under the Industrial Training (Construction Training) Ordinance (the

Ordinance), the CITA's statutory functions include the provision of training courses for the construction industry and of assistance in the placement of its graduate trainees. At present, the CITA organizes full-time and part-time training courses for people who intend to join the industry or those working in the industry. In addition, the CITA has launched the following two programmes in recent years.

First, since 1991, the CITA has conducted skills assessment tests for workers in the construction industry, the so-called trade tests. The main purpose of the tests is to provide a chance to test their skills to help them find work in the industry. In the long run, the trade tests lay an objective standard for skills in the industry. This is conducive to gradually upgrading the skills level of workers in the industry as a whole. Starting from 1995 and 1996 respectively, the Housing Department and the Works Bureau have started to introduce contractual requirements specifying that 15% to 35% of workers on their construction sites for new projects should be qualified tradesmen who have passed the relevant CITA trade tests.

Second, to encourage employers to employ CITA graduates on a monthly basis so that they can have sufficient work to do and a stable income in the initial period, the CITA launched a Pilot Subsidy Scheme at the end of last year. Under the Scheme, each employer who employs a CITA graduate under a proper contract of apprenticeship lasting for six months to two years would receive a monthly subsidy of \$2,000 during the period of apprenticeship. Since the launch of the Scheme, response has been promising. Over 60 employers have lodged applications to engage 600 CITA graduates on monthly terms.

The two programmes have gained wide support from the industry. And the Government thinks that these programmes are beneficial to the long-term development of the industry. The Department of Justice has raised doubts about whether the existing provisions of the Ordinance provide an adequate legal basis to the CITA to conduct the said programmes. Therefore, I now propose to amend the Ordinance to give the CITA a clear legal basis to conduct the said programmes.

After the passage of the Bill, the CITA plans to substantially raise the

number of places in the trade tests and the Pilot Subsidy Scheme. At the same time, to cater to the needs of the construction industry, the CITA will also increase the number of trainee places, including places in industrial safety training. To provide sufficient funds for the CITA to provide these courses, it is proposed that with the support from The Hong Kong Construction Association Limited and The Real Estate Developers Associations of Hong Kong, the levy payable on the value of all construction works be raised from 0.25% to 0.4%. After the passage of the Bill, the Government will table a motion to this Council to effect that increase.

The CITA plays an important role in the training of workers for the construction industry. I urge Members to support the passage of the Bill.

Thank you, Madam President.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the Industrial Training (Construction Industry) (Amendment) Bill 1999 be read the Second time.

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

STAMP DUTY (AMENDMENT) BILL 1999

SECRETARY FOR THE TREASURY (in Cantonese): Madam President, I move that the Stamp Duty (Amendment) Bill 1999 be read the Second time.

The Bill covers two main proposals. First, to charge a full cost recovery fee in respect of the voluntary adjudication service and abolish the fee charged for mandatory adjudication. And, second, to transfer regulation-making powers under the Ordinance from the Chief Executive in Council to the Financial Secretary.

Let me first deal with the fee in respect of adjudication services. Adjudication is a process whereby the Collector of Stamp Duty gives an opinion on whether a certain document is chargeable to stamp duty and assesses the

amount of stamp duty, if any, chargeable on the instrument. There are two categories of adjudication. Mandatory adjudication is conducted on certain types of instruments for revenue protection purposes while voluntary adjudication is one which is requested by an applicant of his own volition. At present, a nominal fee of \$20 is charged by the Inland Revenue Department on an adjudication service, regardless of whether it is a mandatory or voluntary one.

The Director of Audit completed an audit review of the adjudication services in early 1995 and recommended that the adjudication fee should be charged on a full cost recovery basis. Having reviewed the matter, we concluded that a distinction should be drawn between mandatory and voluntary adjudication, and that mandatory adjudication, which is conducted primarily for revenue protection purposes, should be provided free of charge while a full cost fee should be charged only for the provision of voluntary adjudication service. Our approach was endorsed by the Public Accounts Committee in 1995. We therefore propose to amend the Ordinance to abolish the fee charged for mandatory adjudication, and to revise the fee for voluntary adjudication to the full cost recovery level of \$50 at 1998-99 price levels.

The opportunity is also taken in this amendment exercise to transfer from the Chief Executive in Council specific regulation-making powers in the Ordinance which relate to matters not involving major policy considerations to the Financial Secretary as part of an ongoing exercise to lessen the volume of work of the Chief Executive in Council. I wish to stress that any regulations so made would still be subject to the negative vetting procedure of this Council in the usual way.

With these remarks, Madam President, I commend the Bill to Members.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the Stamp Duty (Amendment) Bill 1999 be read the Second time.

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

Resumption of Second Reading Debate on Bill

PRESIDENT (in Cantonese): We will resume the Second Reading debate on the Adaptation of Laws (No. 5) Bill 1998.

ADAPTATION OF LAWS (NO. 5) BILL 1998

Resumption of debate on Second Reading which was moved on 11 November 1998

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): I now put the question to you and that is: That the Adaptation of Laws (No. 5) Bill 1998 be read the Second time. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CLERK (in Cantonese): Adaptation of Laws (No. 5) Bill 1998.

Council went into Committee.

Committee Stage

CHAIRMAN (in Cantonese): Committee stage. Council is now in Committee.

ADAPTATION OF LAWS (NO. 5) BILL 1998

CHAIRMAN (in Cantonese): I now propose the question to you and that is: That the following clauses stand part of the Adaptation of Laws (No. 5) Bill 1998.

CLERK (in Cantonese): Clauses 1, 2 and 3.

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

(Members raised their hands)

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

(No hands raised)

CHAIRMAN (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CLERK (in Cantonese): Schedules 2, 3, 5 and 6.

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

(Members raised their hands)

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

(No hands raised)

CHAIRMAN (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CLERK (in Cantonese): Schedules 1 and 4.

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): Madam Chairman, I move that Schedule 1 of the Bill be deleted to the effect that the reference to "Governor" will be adapted to "Chief Executive", instead of "Chief Executive in Council". Under Article 56 para 2 of the Basic Law, the Chief Executive shall consult the Executive Council before making subsidiary legislation. In light of this provision of the Basic Law, our original proposal was that where there is mention of the Governor being empowered by any section of the principal ordinance to make subsidiary legislation, all references to "Governor" should be replaced by "Chief Executive in Council". However, this amendment may give rise to disputes which are difficult to be resolved for it may not be possible to clearly define whether or not some documents are subsidiary legislation. For this reason, we propose that all references to "Governor" be adapted as "Chief Executive", regardless of whether the making of subsidiary legislation is involved. But when the Chief Executive exercises his power to make subsidiary legislation, it should be explicitly stated in the title of the subsidiary legislation that the subsidiary legislation is made by the Chief Executive in consultation with the Executive Council in compliance with Article 56 para 2 of the Basic Law. The Bills Committees on the Adaptation of Laws Bill 1998 and the Adaptation of Laws (No. 2) Bill have agreed to this approach of adaptation.

As this Bill had been tabled at the Legislative Council before this approach was adopted, it is necessary to make the above amendment. I also move that Schedule 4 of the Bill be amended as set out in the paper circularized to Members. I propose that section 1 of the Schedule be amended by adding new sections 1A and 1B to the effect that the word "Government" is replaced by "HKSAR".

The Bills Committee on the Adaptation of Laws (No. 12) Bill has endorsed

that the references to "Crown" in the context of the Crown being a party to criminal proceedings should be adapted to "HKSAR" instead of "Government" because insofar as the institution of prosecution is concerned, the Department of Justice is independent of the Government of HKSAR and free from its interference. Given that the references to "Crown" in the above context in the Magistrates Ordinance were amended to "Government" by virtue of Ordinance No. 25 of 1998, it is necessary to have the relevant references amended to "HKSAR".

Another amendment to section 1 of Schedule 4 is the deletion of the reference to the Magistrates Ordinance in order to remove redundancy in the reference to the principal ordinance. The amendment to section 5 seeks to amend the words "法院" to "法庭". As the references to "高等法院" have been amended to "原訟法庭", this amendment can ensure consistency in the adaptations concerned.

Madam Chairman, I beg to move.

Proposed amendments

Schedule 1 (see Annex VI)

Schedule 4 (see Annex VI)

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

(No Member indicated a wish to speak)

CHAIRMAN (in Cantonese): I now put the question to you and that is: That the amendments moved by the Chief Secretary for Administration be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

CHAIRMAN (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CHAIRMAN (in Cantonese): As the amendment which deletes Schedule 1, has been agreed, Schedule 1 is therefore deleted from the Bill.

CLERK (in Cantonese): Schedule 4 as amended.

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

(Members raised their hands)

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

(No hands raised)

CHAIRMAN (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CHAIRMAN (in Cantonese): Council now resumes.

Council then resumed.

Third Reading of Bill

PRESIDENT (in Cantonese): Bill: Third Reading.

ADAPTATION OF LAWS (NO. 5) BILL 1998

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): Madam President, the

Adaptation of Laws (No. 5) Bill

has passed through Committee with amendments. I move that this Bill be read the Third time and do pass.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the Adaptation of Laws (No. 5) Bill 1998 be read the Third time and do pass.

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

(Members raised their hands)

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

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CLERK (in Cantonese): Adaptation of Laws (No. 5) Bill 1998.

Resumption of Second Reading Debate on Bill

PRESIDENT (in Cantonese): We will resume the Second Reading debate on the Adaptation of Laws (No. 9) Bill 1998.

ADAPTATION OF LAWS (NO. 9) BILL 1998

Resumption of debate on Second Reading which was moved on 25 November 1998

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): I now put the question to you and that is: That the Adaptation of Laws (No. 9) Bill 1998 be read the Second time. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CLERK (in Cantonese): Adaptation of Laws (No. 9) Bill 1998.

Council went into Committee.

Committee Stage

CHAIRMAN (in Cantonese): Committee stage. Council is now in Committee.

ADAPTATION OF LAWS (NO. 9) BILL 1998

CHAIRMAN (in Cantonese): I now propose the question to you and that is: That the following clauses stand part of the Adaptation of Laws (No. 9) Bill 1998.

CLERK (in Cantonese): Clauses 1, 2 and 3.

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

(Members raised their hands)

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

(No hands raised)

CHAIRMAN (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CLERK (in Cantonese): Schedules 1, 3 and 4.

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

(Members raised their hands)

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

(No hands raised)

CHAIRMAN (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CLERK (in Cantonese): Schedules 2, 5 to 14.

SECRETARY FOR FINANCIAL SERVICES (in Cantonese): Madam Chairman, I move that Schedules 2, 5 to 14 be amended, as set out in the paper circularized to Members.

The Bills Committee on the Adaptation of Laws Bill 1998 has, in the course of its scrutiny, discussed with the Government the saving provision in the Bill. After discussions, the Government agreed to amend the saving provision by replacing the words "中央人民政府" with "中央" in the original Chinese text, and the English translation for the term "中央" would be "Central Authorities". The purpose of this amendment is to bring the provision in line with the decision in item 10 of Annex 3 of the Decision of the Standing Committee of the National People's Congress on Treatment of the Laws Previously in Force in Hong Kong made in accordance with Article 160 of the Basic Laws of Hong Kong Special Administrative Region of the People's Republic of China. This amendment was passed by the Legislative Council on 28 April this year. The proposed amendments to the Schedules of the Adaptation of Laws (No. 9) Bill 1998 are modeled on the amendment to the saving provision of the Adaptation of Laws Bill 1998. The wording of the saving provision in this Bill, if amended, shall be "中央或香港特別行政區政府根據《基本法》和其他法律的規定所享有的權利" in Chinese, while the English text shall read "the rights of the Central Authorities or the Government of the Hong Kong Special Administrative Region under the Basic Law and other laws".

Thank you, Madam Chairman.

Proposed amendments

Schedule 2 (see Annex VII)

Schedule 5 (see Annex VII)

Schedule 6 (see Annex VII)

Schedule 7 (see Annex VII)

Schedule 8 (see Annex VII)

Schedule 9 (see Annex VII)

Schedule 10 (see Annex VII)

Schedule 11 (see Annex VII)

Schedule 12 (see Annex VII)

Schedule 13 (see Annex VII)

Schedule 14 (see Annex VII)

CHAIRMAN (in Cantonese): I now put the question to you and that is: That the amendments moved by the Secretary for Financial Services be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

CHAIRMAN (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CLERK (in Cantonese): Schedules 2, 5 to 14 as amended.

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

(Members raised their hands)

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

(No hands raised)

CHAIRMAN (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CHAIRMAN (in Cantonese): Council now resumes.

Council then resumed.

Third Reading of Bill

PRESIDENT (in Cantonese): Bill: Third Reading.

ADAPTATION OF LAWS (NO. 9) BILL 1998

SECRETARY FOR FINANCIAL SERVICES (in Cantonese): Madam President, the

Adaptation of Laws (No. 9) Bill 1998

has passed through Committee with amendments. I move that this Bill be read the Third time and do pass.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the

Adaptation of Laws (No. 9) Bill 1998 be read the Third time and do pass.

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

(Members raised their hands)

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

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority of the Members present. I declare the motion passed.

CLERK (in Cantonese): Adaptation of Laws (No. 9) Bill 1998.

MEMBERS' MOTIONS

PRESIDENT (in Cantonese): Members' motions. Two motions with no legislative effect. I have accepted the recommendations of the House Committee as to the time limits on speeches for the motion debates. The movers of the motions will each have up to 15 minutes for their speeches including their replies, and another five minutes to speak on the amendment. The mover of an amendment will have up to 10 minutes to speak. Other Members will each have up to seven minutes for their speeches.

First motion: Protecting the Environment.

PROTECTING THE ENVIRONMENT

MR LAW CHI-KWONG (in Cantonese): Madam President, I move the motion which has been printed on the Agenda.

Let me first outline the reasons and background behind this motion debate proposed by me. We all know well in advance that the Government will make the issue of environmental protection policy one of the highlights of discussion in the policy address. As this is an issue of extreme importance, it deserves another occasion for discussion apart from that in the policy address. To avoid being repetitive, I shall focus on the principles and directions of environmental protection in the motion. As for the specific policies related to this, I hope to discuss them in next week's debate. We also hope that Honourable Members can comment on the paper on environmental protection policy issued by the Democratic Party at the beginning of this month.

Over the past years we have not hesitated to give up the quality in our environment as a price we paid for social and economic development. It goes without saying that there is a close relationship between environmental protection, the community and the economy when worsening pollution is scaring off foreign investors and tourists and when the incidence of respiratory diseases is on the rise. Therefore, the Democratic Party urges the Government to attach importance to factors relevant to environmental conservation and sustainable development in formulating various social and economic development plans. When laying down policies on environmental protection, considerations should be given to achieving greater economic benefits on environmental protection efforts through the adoption of matching economic policies with a view to seeking public support and striking a balance between the three areas of social and economic developments and environmental protection.

To ensure that our policies will take account of the factors of economic development and environmental protection, it is essential that we make comprehensive laws and policies on the conservation of natural resources. For otherwise the various plans of environmental conservation will become nothing more than empty talk and publicity efforts. A sound policy should have punishment and reward and coupled with appropriate economic tools and taxation policies which serve as incentives for participation from the public and various sectors. That is the most effective way to promote environmental protection. I know that the public is concerned about what kind of taxation policies we have in

mind. I would like to stress that the taxation policies we are talking about can be divided into two categories. The first are concessions given to encourage green efforts on the part of individuals and businesses. The second is the charging of taxes on those destructive acts, and I stress, destructive acts, on the environment as a means to reflect the social costs incurred. Details on the proposals will be given by the Honourable SIN Chung-kai later.

Many members of the public still hold the view that environmental protection is a matter of social commitment and it will only increase public expenditure. In view of this, the Democratic Party thinks that a more open attitude should be adopted by the Government on this matter. Economic means such as introducing private sector participation and competition should be used to expedite the implementation of infrastructural projects for environmental protection. This will achieve four results, namely, the achievement of targets in sustainable development, the encouragement of private sector participation, the stimulation of economic activities and the raising of cost-effectiveness in environmental protection policies. Mr SIN Chung-kai will elaborate on this point later as well.

The cultivation of a sense of environmental protection in the public is what we in the Democratic Party consider to be the most important element in the promotion of sustainable development. The most effective way to enhance such a sense of environmental protection is to encourage and facilitate the participation of the general public in planning, formulating and implementing environmental protection policies. Details on this proposal will be given by the Honourable Martin LEE later.

On the formulation of policies on the conservation of natural resources, I would like to spend some time to outline our the Democratic Party's position. Our excellent geographical conditions and climate, that is to say, as found in our undeveloped areas, make it a suitable habitat for the growth of many plants and animals. According to government estimates, there are roughly 421 species of birds, 2 800 species of vascular plants, 150 marine species and 50 species of coral in Hong Kong. Unfortunately, quite a lot of these precious natural resources have been destroyed in the process of our economic development over the years.

Despite the earmarking of more than 60 spots of vital ecological

importance in the New Territories since the beginning of 1970, there is no single comprehensive set of law to protect these important ecosystems to date. There are only some piecemeal ordinances and policies such as the Country Parks Ordinance, the Wild Animals Protection Ordinance, the Animals and Plants (Protection of Endangered Species) Ordinance and guidelines on the protection of wetlands under the Ramsar Convention on Wetlands of International Importance and so on. For the development, uses and plans in the Sites of Special Scientific Interest (SSSI), approval must be sought from the Town Planning Committee. Even though the Environmental Impact Assessment Regulation is in force, the existing policy is that if active measures are taken in the development project within the buffer zone of the wetlands to minimize the damage done to the ecosystem or if the developer is willing to offer compensation, then there is a chance that the project will be approved. However, after undergoing development, the natural resources and ecosystem of the place will sustain a certain extent of damage and remedial actions may not be able to restore the natural resources to their original value. The situation is worse off when developers merely carry out the protective measures half-heartedly.

There have been signs and reports that villagers and developers are extremely dissatisfied with government control on development in important ecological locations. Recently, in Sha Lo Tung and Wong Yue Tan, there are cases of villagers and developers destroying the ecosystem of these places deliberately so that the ecological value there disappears completely. Then a report on the so-called latest ecological information of the place will be submitted to the Government. The Government is thus led to believe that there is no conservation value in these places and so the development plans are likely to be approved. Under existing laws, when faced with these acts of destruction to the ecosystem, the public can do nothing to prevent these beautiful places from being destroyed. Their right to enjoy the natural resources is not protected by law. I wish we can all understand that as members of the international community, we are charged with the responsibility of protecting the resources of the earth. We should never believe that large scale development projects should be allowed to override the interests of mankind.

In the absence of a comprehensive protection policy of our natural resources, it is difficult to strike a balance between the needs of environmental protection and the pressure of economic development. It is also likely that natural resources are sacrificed in the name of economic development. The

Territorial Development Strategy Review has also pointed out that the expected scale of development may cause a deterioration of environmental quality and so the formulation of a comprehensive policy for the protection of natural resources is an urgent task that can brook no delay.

The formulation of a comprehensive policy for the protection of natural resources starts with the making of an all encompassing set of legislation. The objectives of such a policy should be two-fold. First, it should protect and improve the living environment of the people and the natural environment of the territory, ensuring that a balance is struck between the needs of environmental protection and the pressure of economic development, thereby safeguarding the right of each and every person and our next generation to enjoy the same quality and quantity of natural resources that we have. Second, comprehensive laws on the protection of natural resources must take into account economic and social development plans and to require that economic and technical policies and measures conducive to environmental protection be adopted so that there will be co-ordination between efforts made in environmental protection, economic and social developments.

The Democratic Party proposes that the following principles be adopted by the Government to form a groundwork for the formulation of policies and laws in this respect:

1. It is both the right and responsibility of all organizations and individuals in society to enjoy and protect our natural resources. All organizations and individuals have the right to report and prosecute those who pollute and destroy the environment.
2. Any organization or individual who has done anything to destroy the environment must bear the consequences as specified in law.
3. The conservation of natural life and the ecosystem should adhere to the principle of avoiding disturbance to the ecology and that the latter should be preserved in its original form as much as possible.
4. Plans or acts which may endanger natural resources should be

subject to as much control as possible.

5. The quality and quantity of all kinds of natural resources must be protected and maintained as much as possible so that the environmental quality of this and the next generations will not deteriorate.

I hope that such legislation and policy can alert the people of Hong Kong to re-examine their relationship with the earth, the environment and other people. It is also my earnest wish that they can cease to believe that they are in full control of nature. They should rebuild and continue to cultivate kindness, care and concern to the environment, the other people, as well as to plants and animals.

Lastly, I would like to cite some examples which illustrate the lack of co-ordination between government departments. The standard of dark smoke in the vehicle inspection centres of the Transport Department is less stringent than that of the tests conducted by the Environmental Protection Department. Therefore, some "smart" drivers will have their cars inspected in the Transport Department centres. The second example is that there is also a lack of co-ordination in clearing up rubbish found on the beaches. The Urban Services Department takes care of the rubbish on the while the Marine Department takes care of the rubbish on the sea. But there is no department responsible for the clearing up of rubbish below the sea surface. It can therefore be seen that policies are implemented in a very haphazard manner. When for example samples of sea water are taken from our beaches for testing purposes, the Urban Services Department, the Environmental Protection Department, the Marine Department and the Agriculture and Fisheries Department will all take sea water samples. This shows how repetitive and inefficient the work is. In the planning of the newly developed areas, the Government has stated that trains will be used in the place of other means of transportation. On the other hand, in the developed urban areas, there is a lack of environmental protection considerations in policies related to the addition of bus routes and the number of buses. Recently, the Government has permitted the First Bus to open more bus routes and reduce the fares for certain routes with a view to attracting more passengers for the route from Shau Kei Wan to the Wan Chai MTR station. This move runs counter to the policy of encouraging more people to use the mass carriers.

The lack of co-ordination among government departments serves to slow

down the pace of our efforts to improve our environment and to carry out sustainable development. Therefore, to achieve better utilization of the resources and to speed up the improvement of environmental quality, the co-ordination between government departments must be enhanced. I will talk more on this point in the debate on the policy address later.

With these remarks, I hope Honourable Members can speak on this motion and support it. Thank you, Madam President.

Mr LAW Chi-kwong moved the following motion: (Translation)

"That this Council urges the Government, while striving to achieve social and economic developments, to implement a strategy for sustainable development in Hong Kong, having regard to the balance between economic development and environmental protection and their interactive relationship; the strategy should include:

- (1) attaching importance to factors relevant to environmental conservation and sustainable development in formulating various social and economic development plans;
- (2) conducting a full review of and making comprehensive laws and policies on the conservation of natural resources to conserve the ecosystem in Hong Kong and enhance its environmental quality, thereby strengthening Hong Kong's economic competitiveness and creating a good living environment for the next generation in Hong Kong;
- (3) adopting appropriate economic tools and taxation policies so that the prices of commodities, services and development plans can fully reflect their environmental costs and provide resources for the promotion of green efforts;
- (4) using economic means such as introducing private participation and competition to expedite the implementation of infrastructural projects for environmental protection; and
- (5) apart from strengthening the co-operation with the mainland

authorities in promoting environmental protection work, enhancing the co-ordination among various Policy Bureaux and enforcement departments within the Government as the first step and at the same time encouraging and facilitating the participation of the general public, district bodies and non-governmental organizations in planning, formulating and implementing environmental protection policies."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Mr LAW Chi-kwong, as set out on the Agenda, be passed.

PRESIDENT (in Cantonese): Mr LAU Kong-wah will move an amendment to this motion, as printed on the Agenda. In accordance with the Rules of Procedure, the motion and the amendment will now be debated together in a joint debate.

I now call upon Mr LAU Kong-wah to speak and move his amendment.

MR LAU KONG-WAH (in Cantonese): Madam President, I move that Mr LAW Chi-kwong's motion be amended, as set out on the Agenda.

Madam President, the latest trend is nostalgia. Some people will indulge in fond memories of the past glories of the economic boom. Some will invoke childhood memories of the unspoiled pristine nature. The natural environment that we used to have in our childhood days was certainly better than what we have now. If we are to trace back to our grandfather's time, the natural environment those days was even much better. Just now Mr LAW Chi-kwong said that economic progress had caused destruction to the natural environment, evident in past development. For sustainable development to become a reality, we must prevent our natural environment from being damaged in our efforts to make economic progress. I believe this is a consensus among us. Once damage is done to the environment, it is difficult to make remedies. Despite the fact that the Chief Executive has put environmental protection in a key position in this year's policy address, we hope that Honourable colleagues will deal fair and square with this issue in this time and age of environmental protection.

Mr LAW Chi-kwong's motion is akin to our position in many ways. This

applies especially to the second point in his motion where the last sentence mentions "creating a good living environment for the next generation of Hong Kong". This reminds me of a slogan recently advanced by our party, that is, the Democratic Alliance for the Betterment of Hong Kong, which goes like this: "Vote for hard work, rapid solutions, bright ideas to improve our common environment". Our target is to make this slogan known all over Hong Kong. The words "hard work" in this slogan refers to more concern. The words "rapid solutions" means swifter response. "Bright ideas" means smarter services. If we use these three phrases to assess the efforts put in by the Government in environmental protection, it is easy to find that there is indeed enhanced concern, but the response is not swift enough at times. As for services, do we have smarter services in this respect? I would think that this is very much far from our expectations.

Madam President, I would like to cite a few examples. The first one is the pollution of the Shing Mun River. The Policy Secretary should know very well that he and I have walked along the river banks of the Shing Mun River on a few occasions. The Government has made a pledge to the Sha Tin residents and to the people of Hong Kong as well, that the Shing Mun River will be one with willow trees hanging over the river banks and one which people can row boats in the moonlight. Now almost 20 years have passed, and we have not seen any of these become a reality. What can we do? I have said before that if the Shing Mun River pollution problem remains unresolved, the symbolic meaning of environmental protection in Hong Kong will be lost, for this project of cleaning up the Shing Mun River has great symbolic meaning.

Madam President, the second example. We can see a lot of baskets in the public housing estates. These are meant to be used for collecting different kinds of waste materials for recycling. Some of these baskets are for waste paper, some for plastic bottles and some for other things. We used to think that this recycling plan was quite successful and the public was actively supporting the plan by putting the plastic bottles into the baskets. However, as I learned from operators in the recycling industry, these plastic bottles collected are not recycled but that they are sent to the landfills. This is not what we want. This will not help protect the environment, though it may serve some educational purpose in any case.

Madam President, the third example is the recovery and recycling of waste

paper. We all know that after the recent closure of the Concordia Paper Company, the Government has really put in a lot of efforts to find land for the waste paper recycling operators to continue with their business. A few days ago, we visited the old Kai Tak Airport and learned that a piece of land had been set aside for use by the waste paper recycling industry. It has an area of about 15 000 sq ft and the monthly rent is only \$1,000. This is a very generous offer from the Government. It is also a kind of subsidy and encouragement. The problem is that there is no sufficient supply of electricity. I saw that the waste paper had to be treated with a foot pedal, without the aid of any machinery. If the waste paper recycling company wants to lay some power cables, but these will cost it \$2 million. From this it can be seen that there is a problem with the co-ordination among government departments. So, I think environmental protection is no easy task to complete. At times we feel quite helpless though our heart is willing.

Madam President, I will not doubt the sincerity of Mr SIU, the Secretary for Planning, Environment and Lands, and that of the Chief Executive. If they are really determined to put in more efforts, I think examples like these will not happen again. The colour green is used by some people to describe the environmentalists. There are, however, different shades of green. Those who go about on a bike, avoid using cars and grow their vegetables can be said to be dark green. There are people who drive and may in the course produce exhaust. But they may flash their handkerchiefs and what they do can be called light green. How green then is the Government? It is neither light green nor dark green, it is not green at all. It is simply half-hearted. This can be seen in the examples which I have just cited. The green policy and the implementation of green efforts by our Government are only half-hearted. So I hope Mr SIU can really show more determination and stop being half-hearted on this issue.

Coming back to Mr LAW's motion, there are two points which I think should be raised. First, the motion is not comprehensive enough. Second, there are some proposals which are not acceptable to us. I wish to go into these one by one.

The first thing which should be added into the motion is a goal, apart from

a direction. A goal will enable us to realize the cost-effectiveness of environmental protection efforts. In future, an assessment mechanism should be set up as well.

The second point is the taxation policies which the Democratic Party has proposed. I will study these in detail later. I have talked with Mr LAW Chi-kwong over the telephone on this issue. The Democratic Party is proposing to levy tax on products which are not environmentally friendly. That proposal will be elaborated by Mr SIN later. But I cannot imagine how this can be done. The glasses, clothes and shoes we wear, for example, may not be produced through environmentally friendly processes, especially shoes. Should they be taxed then? Will this lead to new items of taxes or even a sales tax? This is something we cannot accept.

The third point. We feel that the kind of co-operation with Guangdong is not comprehensive enough. We think that this is of vital importance. We are living under the same sky, are we not? Talking about air pollution, we cannot say that we will not join forces to tackle it. We cannot just focus our attention on local affairs while ignoring what is going on in the Mainland. We are of course glad to know that both Hong Kong and Guangdong authorities are beginning to conduct some surveys and the Council has approved of the funding proposals. We want to see more than surveys. We want actions. Another thing is that both the people of Hong Kong and Guangdong are drinking from the same Dongjiang river, the water quality of which is our grave concern. Although we have approved provisions for the construction of a closed aqueduct, as I have said many times, this closed aqueduct can only solve the problem around Dongguan, it cannot solve the problem of pollution upstream of Dongjiang, that is, around Weizhou. So when this closed aqueduct is complete, I suspect this will not be very effective.

Madam President, in my amendment I also mention the issue of transparency, that is, regular meetings should be held between the two parties and that the contents of the meetings should be transparent as well. Once we asked the Guangdong authorities for some information on the Dongjiang water, but the information is for our eyes only and the public has no access to it. The public will certainly have suspicions. As far as I know, the Guangdong authorities will conduct tests on the carcinogenic substances in the Dongjiang water next January. I hope that our Government will ask for the findings and release them to the

public.

Madam President, owing to the above reasons, we cannot accept one of the proposals made by Mr LAW Chi-kwong. However, we hope Honourable Members can support the rest of the proposals and co-operate as much as possible. In this way an important message can be sent by this Council to the public that we are in support of the environmental protection concept put forward by the Chief Executive and that we will support the environmental protection policies and promote sustainable development. Thank you, Madam President.

Mr LAU Kong-wah moved the following amendment: (Translation)

"To add ", and specifying the targets for environmental improvement to ensure that the various environmental protection policies can materialize" after "economic development plans"; to add "(3) adopting the most cost-effective methods to solve various environmental problems in formulating environmental protection policies; (4) acknowledging the social service functions of environmental protection industries, and encouraging the development of such industries in Hong Kong through financial subsidy and concrete supporting policies, as well as enhancing the competitiveness of environment-friendly products by introducing appropriate tax concessions and purchasing policies;" after "creating a good living environment for the next generation in Hong Kong;"; to delete "(3)" and substitute with "(5)"; to delete "adopting appropriate economic tools and taxation policies" and substitute with "using economic means such as collecting recovery deposits and landfill charges from the commercial and industrial sectors to make the producers aware of the environmental costs"; to delete "so that the prices"; to add "their" before "commodities"; to delete "can fully reflect their environmental costs and provide resources for the promotion of green efforts" after "services and development plans" and substitute with ", in order to encourage businesses to adopt more environmentally friendly modes of production"; to delete "(4) using economic means such as introducing private participation and competition to expedite the implementation of infrastructural projects for environmental protection; and"; to delete "(5)" and substitute with "(6)"; to delete "apart from strengthening the co-operation with the mainland authorities in promoting environmental protection work,"; to delete "as the first step" after "enforcement departments within the Government"; and to delete "."

from "implementing environmental protection policies." and substitute with "; and (7) strengthening the co-operation with the mainland authorities in promoting environmental protection work and enhancing transparency to ensure that problems relating to Dongjiang water, air quality and sewage disposal can be fully solved."."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Mr LAU Kong-wah to Mr LAW Chi-kwong's motion, be passed.

DR LEONG CHE-HUNG (in Cantonese): Madam President, the Government has recently outlined a series of targets and measures for the future environmental planning of Hong Kong, using "Clear Water, Blue Sky" as a slogan. However, it is still a big question mark if or when it can be achieved.

Hong Kong's environment is already seriously affecting people's health. According to a recent survey conducted by the Chinese University of Hong Kong, the incidence rate of respiratory diseases among students in Kwun Tong with serious air pollution is three times higher than that in Sha Tin. Medical studies also show that the degree of air pollution is directly proportional to the hospitalization rate. Each year, air pollution causes the premature death of more than 2 000 people. The medical expenses incurred as a result of environmental problems borne by the community are hard to estimate and imagine. However, nowadays, environmental pollution causes more problems other than in health. It also affects town planning, transport development, tourism and even economic development. For this reason, we should support any suggestion and measure to improve the environment. That is why I support the original motion and amendment today.

Madam President, in the final analysis, two big questions must be considered in relation to environmental protection. First, why has Hong Kong's environment deteriorated to such an extent? Second, what have the Government and we overlooked and what can be done to remedy or improve the situation? In recent years, environmental protection has become the in thing in the community. However, what do people really know about environmental protection? The answer is they know very little, let alone putting it into practice. Many people

think that environmental protection just means cleaner streets and less rubbish. Many people also regard the so-called sustainable development as something that only academics and top officials talk about. In recent years, all suggestions to improve the environment by asking the people or polluters to pay a little bit more have met with opposition, such as increasing the penalty for smoky vehicles, levying sewage charge and advocating the use of cleaner fuel by taxis or public light buses. Thus, it is clear that people only talk about environmental protection but fall short of putting it into practice. They focus on the present only, rather than the long-term benefits. They do not give any thought to our future or our next generation, or even the entire earth. No wonder in dealing with the issue of environmental protection, the policy address does not omit emphasizing the employment opportunities and economic benefits that environmental protection would bring in an attempt to silence the short-sighted. Of course, it also has a lot to do with whether the Government has carried out adequate consultation. People have such a mentality because we have always lacked in-depth and extensive public education. The Government can hardly absolve itself of the blame.

The Environmental Protection Department (EPD) which is specifically tasked with matters in environmental protection has been in existence for 19 years. However, due to the lack of co-ordination among various government departments, this specifically tasked department can hardly fulfil its responsibility. One reason is because of the rigid culture of the Civil Service. More importantly, Hong Kong lacks a set of environmental protection policies and concepts which can be applied to all areas. As a result, the different environmental problems are dealt with in a piecemeal manner, with each department charting its own course, resulting in a so-called "compartmentalization". This word has often been quoted recently due to the Harvard report. There are numerous examples of this. As Mr LAW Chi-kwong said just now, the Transport Department and the EPD have different standards for testing smoky vehicles. We also know that the Water Supplies Department forbids the use of hydrocooling, thus resulting in a further waste of electricity. While second-hand smoke exhaled while smoking cigarettes is the major culprit of indoor air pollution, the Police Force fails to enforce the legislation on no-smoking areas actively. The Labour Department has also so far refused to ban smoking in the workplace and make it a requirement for a healthy working environment. Some departments only try their best to expand the road network to open up more land and seldom take the protection of the

natural environment into consideration. Nor do they take into account the dark smoke and noise that vehicles will produce. There are many other examples. For instance, once there was an organization which came up with an idea for environmental protection, such as the use of electric buses. But since the department that it approached was not responsible for environmental protection, the suggestion was put on ice for years. Recently, the Government has been exploring the possibility of using the concept of sustainable development as a unifying concept for environmental protection. While this is a right course to take, the Council for Sustainable Development and the Sustainable Development Unit to be established must be given real powers. They must take precedence over various departments in order to break down the insular bureaucratic thinking and culture and play a co-ordinating role in implementing the environmental protection policies.

Due to the geographical conditions, many environmental problems in Hong Kong are closely linked with the Pearl River Delta. In recent years, the two regions have jointly conducted some studies and made a declaration on strengthening their co-operation in respect of environmental protection. While these are right steps, the pace seems to be too slow. In the face of pollution which is hardly bearable, both sides should implement the concrete measures for co-operation expeditiously.

Madam President, we could talk for days over this issue of environmental protection. I am sure many Members will speak on this topic during the policy debate next week. However, if we neglect the most fundamental issues of a unified policy and proper co-ordination, all proposals for environmental protection will be made in vain. I hope that we will not have to wait until the next generation to see the clear water and blue sky of Hong Kong again. Thank you, Madam President.

MR HUI CHEUNG-CHING (in Cantonese): Madam President, environmental protection is the question for the first motion debate in this Legislative Session as well as a major topic for the Chief Executive's policy address this year. The policy address has accommodated a number of recommendations made by various sectors of the community, including: the making of policies should adhere to the principle of sustainable development; working with the Guangdong provincial government to implement in specific terms such co-operative programmes as

improving air quality and the quality of Dongjiang water; and reviewing the cost-effectiveness of the Strategic Sewage Disposal Scheme. All these illustrate that the Government and the public have reached a consensus on promoting environmental protection, in terms of the direction to be taken and major specific means.

Nevertheless, some people in the community still criticize the environmental protection programmes espoused in this year's policy address, despite being good proposals, for failing to help revive the economy and reduce unemployment for it is impossible for distant water to put out a nearby fire. What they imply is that environmental protection should not be taken as a key issue in the policy address. These criticisms have reflected not only their meagre awareness of environmental protection for they have rashly segregated the immediate needs of the public and their living and natural environments, but also the fact that the later environmental protection is implemented, the greater the economic and social costs will be. Even if environmental protection is not able to revive our economy directly and dress the wounds of the people, we should not negate the urgent needs for protecting the environment for this reason.

In fact, several major problems plaguing Hong Kong at the moment, such as more and more people are suffering from respiratory diseases and diminishing desires of tourists, overseas entrepreneurs and professionals to visit Hong Kong because of our deteriorating living condition, are related to the worsening of our living environment. The promotion of environmental protection will to a certain extent reduce the public's spending on medical expenses, curb the expansion of the public medical services, enhance Hong Kong's attractiveness in providing leisure activities, as well as attracting capital and talented people to Hong Kong. It should be noted that environmental protection can provide a yardstick for measuring our living quality and the standard of our civic education. It also serves as an inevitable index if Hong Kong is to develop into a world-class city on a par with London and New York.

Environmental protection is basically an issue pertaining to public wealth. More often than not, it involves numerous legislative and public administrative arrangements and easily triggers off contradictions between the public and the business sector. Therefore, it is most ideal for the Government to take the initiative in promoting environmental protection effectively. It is indeed inappropriate for the Government to take belated action only after the business

sector has made a joint appeal in pointing out in high profile that the pollution problems have reached an intolerable level, as well as presenting the various merits and demerits.

Being a member of the business sector, I certainly hope that the Government can provide us with investment opportunities through its various environmental protection programmes. For instance, can the Government provide preferential measures to encourage enterprises to explore innovative environmental protection technology? On the other hand, I definitely do not wish to see the imposition of a heavy burden on the business sector in an unreasonable manner for the sake of environmental protection. What is more, I do not want to see the Government's "environmental protection" measures lead to a sheer waste of money and energy, while not necessarily achieving the effects of protecting the environment. Because of the lack of a fair and reasonable charging mechanism, the trade effluent surcharge has long since triggered off discontent among the catering and dyeing industries. I am afraid the Government's plan to levy trade landfill charges will repeat the mistake again. My worry is even if the business sector agrees to the "polluter pays" principle and will be willing to pay, the imposition of landfill charges might still fail to encourage the business sector to reduce waste production.

Landfill charges will likely give rise to a problem of shirking waste disposal responsibilities. Moreover, the Government may need to spend enormous administrative expenses to ensure that the charging system is fair and reasonable. Has the Government considered that the imposition of mandatory landfill charges might force enterprises to use every means possible to evade charges, rather than encouraging them to face squarely the cost of dumping wastes? Can the Government take more inducive measures, including the recovery deposit system as advocated by the Hong Kong Progressive Alliance in this Council early this year?

Although the business sector is generally aware of the fact that environmental protection will help raise productivity, it is at a loss as to where to go first, very much like "a rat trying to pull a tortoise". The Government should vigorously promote a set of standards for environmental protection management for compliance by the enterprises. The greater the number of Hong Kong enterprises being awarded certificates on quality management the greater degree of standardization of environmental protection management in Hong Kong.

This will not only give better protection to local and overseas customers, but also raise the international reputation of Hong Kong enterprises. This will help Hong Kong develop into a cosmopolitan city which can balance environmental protection suitably against economic development.

Madam President, in order to abate environment pollution, we need more than government determination and new technologies. It is also equally important for the Government to put in place a flexible administrative co-ordination mechanism. This is because the entire cause involves a large number of departments, including the Planning, Environment and Lands Bureau, the Environmental Protection Department, the Police Force, the Education Department, the Commissioner for Tourism and so on. Each of these departments should be aware of its own responsibilities. Regrettably, the Government has not made specific arrangements in this respect. I hope it can pay attention to it.

Madam President, I so submit.

THE PRESIDENT'S DEPUTY, DR LEONG CHE-HUNG, took the Chair.

MR CHAN KWOK-KEUNG (in Cantonese): Mr Deputy, the question of environmental protection has, like a gust of whirlwind, aroused concern among various sectors of the community. The newly delivered policy address has also focused on environmental protection, illustrating that the Government has started to take environmental issues seriously.

In my opinion, the Government should attach importance to environmental industries, in addition to environmental protection. Moreover, it should adopt a new thinking by giving holistic consideration to policies falling into the scopes of environmental protection and employment. In modern societies, environmental protection and industrial policies are inseparable and there is no contradiction between them. On the contrary, as a kind of newly-developed industries, environmental protection industries provide low-skilled workers of mundane work types with a lot of job opportunities. According to the findings of a survey conducted by *The Recycler*, there are more than 70 000 recycling manufacturers in the whole United States, employing more than 500 000 people.

The fact that the Government of the Hong Kong Special Administrative

Region (SAR) is advocating such industrial policies as developing high technology and Chinese medicine may in the long run produce highly satisfactory results. However, the Government is still unable to solve an imminent problem: With 1.6 million workers of below Secondary Three qualification, what should it do to provide job opportunities for these low-skilled workers with poor academic qualification and lesser competitiveness at the same time when it develops the hi-tech industries? If the Government could lend a helping hand to the environmental protection industries, then it may prove a good way out for this problem.

It is pointed out in the policy address that the Government has provided land to facilitate the operation of the waste collection and recycling industry. This is indeed not enough. Some waste paper recycling manufacturers have, on past occasions, pointed out that although the Government has set aside land in remote parts of the New Territories for their operation, there are no comprehensive transport facilities in the vicinity. Neither is there adequate water and electricity supply. How are they going to expand their business there?

At present, the environmental protection industries in Hong Kong are operating very much like a patch of quick sand. For instance, the waste paper recycling industry has presented its plight and asked for government subsidy in such forms as interest-free or low-interest loans, introducing waste paper recycling programmes similar to those implemented in overseas countries, levying lower electricity charges, exempting payment of public cargo working area charges and so on. However, the Government has been unwilling to subsidize the waste paper recycling industry, citing the reason that it is "inappropriate to intervene in commercial activities". For instance, the waste paper recycling industry was in serious trouble in November last year because of the closure of the Concordia Paper Company in Hong Kong. This incident has exposed the fact that the Government is totally helpless in dealing with environmental protection issues. The attitude held by the Government then was that even if no one was willing to recover the waste paper, the problem could still be solved by disposing of them at landfills. Nevertheless, it means enormous wastage if recyclable waste paper is dumped like refuse.

Environmental protection industries desperately need active support and

assistance from the Government. In this respect, the Government should borrow the experiences of overseas countries. In the United States, the Tennessee state government has set up a solid waste management fund to provide waste recycling projects with direct subsidy for such purposes as purchasing big scales and waste recycling machinery, building waste collection centres and so on, with the amount of subsidy ranging from US\$5,000 to US\$30,000. Furthermore, there are tax concessions and other assistance in terms of skills and resources. As a result, the environmental protection industries there are able to greatly reduce their operating burdens. Moreover, there has been an obvious increase in the amount of waste recovered for the whole city and improvement in depletion of resources.

The Government should model on European and American countries in providing a certain amount of subsidy to the local environmental protection industries which are working silently in spite of various difficulties. To start with, the Government should provide manufacturers with information and technical assistance to help them update and grasp the market and technical information on the recycled materials markets in China and overseas countries. Secondly, it should offer a range of tax concessions to manufacturers engaging in environmental protection industries. Furthermore, the Government should take the lead in using products produced by local environmental protection industries with a view to boosting and consolidating the industries.

Mr Deputy, I so submit.

DR RAYMOND HO (in Cantonese): Mr Deputy, only last Wednesday we received the policy address, which has a green cover and made environmental protection its focus of discussion. Now we are again in this Chamber, discussing motions related to environmental protection. I feel very pleased on the one hand but a bit helpless on the other. I am pleased because many other environmentalists in the community and I have been urging the Government to make more efforts in protecting the environment over the past 10-odd years. Now we finally hear a response. However, I feel a certain degree of helplessness because our environment has suffered serious damage due to our negligence of protecting it. Now we are faced with environmental problems of air pollution, noise pollution, water quality and waste disposal, all at the same time.

In the past, some people in Hong Kong held the view that we had to pay a

price for economic development as environmental protection was only a luxury for advanced countries. As Hong Kong was then still in the process of economic development, this argument was convincing to a certain extent. However, if we analyse the argument carefully, we will easily find that it does not hold. Environmental protection is not an innovative or avant-garde theory. On the contrary, it is only a rule meant to be observed by us for survival on earth. In fact, there are similar viewpoints in our traditional philosophy which hold that man is part of nature and this has resulted in an attitude of advocating man to live with nature in a harmonious manner. In the book *Discourse on Nature*, Xunzi states that "Heaven has its seasons; Earth its resources; and Man his government. This, of course, is why it is said that they "can form a triad"". He put man on the same footing as Heaven and Earth, and considered man a force participating in the transformation of the universe. Such participation is aimed at conforming to, assisting and facilitating nature, rather than opposing or conquering it. In other words, man should "assist the transforming and nurturing processes of Heaven and Earth". This is indeed a manifestation of the thinking that we should attach importance to the protection of nature's resources.

It is indeed imperative for us to face environmental protection squarely. In the course of economic development, we should at the same time pay attention to the importance of protecting the environment. The concept of sustainable development, which has been taken seriously in recent years, has gone a step further in stating the interactive relationship between economic development and environmental protection. It focuses mainly on protecting natural resources and the ecological environment, places emphasis on strengthening planning and management of resources to overcome the short-term behaviour of wasting resources for the sake of development, and utilizes and protects resources in a reasonable manner to ensure sustainable growth and utilization of resources. The Government must adhere to this principle in formulating the relevant development policies.

In order to promote environmental protection, the Government should take concrete actions to enhance public awareness of protecting the environment and understanding the importance of the pursuit on the one hand and, changing its past practice of making all decisions on its own in formulating environmental protection policies and instead encouraging the public, district bodies and relevant bodies and organizations to take part in the planning and formulation of environmental protection policies on the other. With public participation in the

formulation of the relevant policies, it will definitely be easier for the Government to implement the relevant measures in future.

To put environmental protection into practice, we certainly need to put in place reasonable legislation and measures. The Government did put forward the "polluter pays" and "user pays" principles before. No doubt, these principle are reasonable and have my support too. However, it is not easy to enforce them. Moreover, the administrative costs involved might be quite high. Therefore, the Government should consider them in detail. I think the Government can take a more active approach by encouraging the business sector to adopt production methods which are more effective in protecting the environment.

On the other hand, the Government is obliged to encourage and push the development of the recycling industry. Of course, I am not asking the Government to give direct subsidy to individual recycling companies. But I think it can give the industry more room for development in Hong Kong by way of different policies and by recreating a better business environment.

If we can promote environmental protection efforts in a comprehensive manner, we will be able to improve our living environment as well as raising our environmental quality, thereby enhancing our competitiveness and attracting more foreign investments to Hong Kong. This will definitely do us good than harm.

Environmental protection is a necessity, not a luxury. Mr Deputy, I so submit.

MR SIN CHUNG-KAI (in Cantonese): Mr Deputy, efforts in promoting environmental protection should not be confined to one Policy Bureau alone. Apart form the Planning, Environment and Lands Bureau, other Policy Bureaux should also take part in such efforts. The Information Technology and Broadcasting Bureau, for example, also has a certain extent of responsibility to bear. With the increasing popularity of computers and the Internet, the use of information technology to promote environmental protection is also an excellent method. The building of an electronic government, for example, can greatly help reduce the amount of paper used in various departments of the Government. The Federal Government of the United States has a law which provides that

government organizations must limit the increase in the amount of paper used. This is a good idea. Now that the public can have access to government information through the Internet, can the Government use electronic mail to send the demand notes for rates to the public, thereby saving costs in paper and postage?

The Government can give thoughts to these ideas which I have just mentioned. As a matter of fact, many countries and places all over the world are implementing schemes of electronic government. Taiwan has a so-called "government reconstruction" plan under which the government computer network and the national information infrastructure are used to provide diversified services to the public. In this connection, our Government should not just think in the direction of going electronic, it should also think more in the direction of environmental protection. There should be more efforts in making the policy wholesome in all dimensions.

Apart from electronic government, I wish to talk about taxation policies in this connection.

As Mr LAW Chi-kwong has said, the proposal put forward by the Democratic Party embraces both reward and punishment.

Let me talk about rewards first, for they sound more attractive. Later on I will talk about punishment.

In terms of reward, what we have proposed do have some similarities with those proposed by other Honourable Members. The tax concessions which the Honourable LAU Kong-wah has mentioned are also found in our paper.

The tax concessions proposed by the Democratic Party include the following: to facilitate a speedy conversion into LPG, the vehicles first registration tax for taxis should be waived; to exempt owners of light vehicles of eight years of age or above and heavy vehicles of 14 years of age or above from first registration tax when they replace their fleet in order to encourage them to use new vehicles and to reduce exhaust emission; and the granting of a 100% instant write-off of highly efficient energy-saving equipment. The last measure is already practised in Singapore and is meant to encourage businesses to use environmentally friendly equipment. Currently the Government is giving a

100% instant write-off of hi-tech products such as computers purchased by companies because it aims at promoting a wider use of hi-tech equipment. Can the same measure be applied to the purchase of environmentally friendly products as a means to encourage the greater use of such products? Some kind of energy saving plans should be devised at the same time to encourage all public organizations and private sector companies to formulate energy saving measures to reduce power consumption. Lastly, the Democratic Party suggests that tax measures should be used to encourage manufacturers or retailers to recover materials which are of recycling value. All these are suggestions which come under the category of awards.

Some countries require commodities or products to be affixed a green label to let the public know that these are environmentally friendly products and encourage them to buy such products.

Insofar as environmental destruction is concerned, products can be divided into three categories: those which cause harm to the environment; those which are neutral; and those which are harmless. Products of the last category should be affixed green labels. Our intention is not to levy more taxes. What we are doing is to discourage the use of products which cause harm to the environment, and such products include compressed gases which can cause serious damage to the ozone layer and hence pose serious threats to the environment. For these products and those with environmentally friendly substitutes, tax should be levied.

The Democratic Party has the courage to bear the blame for proposing taxes. I hope the Financial Secretary can hear this outside the Chamber.

We think that this measure is not meant to increase public revenue. It is mainly aimed at narrowing the gap in competitiveness between environmentally friendly and harmful products, or those between environmentally harmful products and environmentally neutral products.

Just now I have cited a few examples. In some countries such as Belgium, if they find some more environmentally friendly substitutes available in the market, they would levy tax on the non-environmentally friendly products. This is meant to make the manufacturers to be more concerned about the environment and also to encourage consumers to use products which are more environmentally

friendly. I wish to emphasize that this is a kind of guided taxation. Belgium imposes very heavy taxes on batteries which severely damage the environment, disposable cameras and non-recyclable paper. Some Scandinavian countries levy tax on disposable drink containers. Italy levies tax on non-self-decomposing plastic bags at a rate of five times the cost of production. Germany imposes tax on disposable paper plates. Not all of these tax measures may be applied to Hong Kong. But what we can do is to start with a promotion of the general concept and to affix a green label to certain products as a specific measure. We may ignore those products which are harmless to the environment. For those which are harmful to the environment, environmental protection tax should be imposed.

The third part we wish to discuss is on the question of private sector participation. We wish to emphasize that the Government should encourage more private sector participation. Facilities such as pedestrian walkways should be built. Walking is an important means of transport. It can be used to replace many other means of transport. The Government should take proactive actions to encourage that. To speed up the progress of the LPG taxis scheme, the Democratic Party proposes that consideration should be given to build temporary LPG refilling stations in appropriate locations when necessary. The operation of such stations can be contracted out to private sector operators.

The recovery of waste materials should be speeded up too. Terms on recycling work should be added into contracts on the contracting out of sites for use as waste paper recycling factories. The Democratic Alliance for the Betterment of Hong Kong

DEPUTY PRESIDENT (in Cantonese): Mr SIN, your time is up. Please sit down.

MR CHAN KAM-LAM (in Cantonese): Mr Deputy, environmental protection efforts in Hong Kong have always been criticized for being compartmentalized. After the setting up of the Environmental Protection Department and the enactment of some legislation on environmental protection, various sectors in Hong Kong begin to grumble and suffer. Although the industrial and commercial sectors have paid their costs for environmental protection, the living

environment of the people has not changed for the better. The industries and businesses which have paid the expenses in environmental protection fail to get any improvement in their business environment. We have had opportunities of meeting with some of the businessmen who relocated their factories into the Mainland in years past. They said that the Environmental Protection Department at that time made a lot of requirements on them, without helping them solve their problems. They were unable to continue with their production and they had no choice but to leave the territory. It just stretches our imagination to see how environmental protection policies have driven away our industries. The root of the problem is that we do not have a set of environmental protection policies which is favourable to both the public and the businesses.

Let us just take a look at the Strategic Sewage Disposal Scheme which has developed into such a mess. Projects are delayed time and again, and there are possibilities that they will stop at any moment. Today we read from the newspapers that there are repeated rumours lately that the sewage disposal scheme may be dismembered. We have spent such a huge amount of money on the scheme, but none of the desired results can be seen yet. Today the Chief Secretary for Administration briefed us on the scheme. She said that those Honourable Members who were familiar with the technical matters of the first phase of the Strategic Sewage Disposal Scheme would realize the technical difficulties involved in building the tunnels. Then she went on to say that she was happy to inform Members that good progress was being made with the rest of the tunnelling works. I would like to ask, unless all the newspapers today are fabricating their stories, how are we to understand by this claim of making good progress?

Many countries when implementing environmental protection plans will certainly provide some cost-effective options of waste recovery or purification facilities for the relevant industries. The environmental protection industries will at the same time be given enormous assistance so that the pollution problem can be mitigated gradually.

Mr Deputy, I believe we can still remember the case of the closure of the Concordia Paper Company at the beginning of this year. The event triggered off a domino effect kind of closure of many waste paper recycling factories. Indeed, the trouble has been brewing for quite some time. The long-standing indifference on the part of the Government to the industry's value of existence is

the cause of the industry's demise. The waste disposal strategy of the Government makes use of the landfills as the final stage of disposing waste. On the promotion of recycling and recovery, the Government's efforts are mostly empty words devoid of concrete action. They smack of publicity more than anything. Although the territory's industrial waste recovery rate is over 50%, it is entirely due to the waste recovery network built up by the private sector on its own initiative. On the other hand, the recovery rate for domestic waste is less than 10%. Such a disappointing situation is the result of the Government's waste disposal strategy which has made the public reluctant in recycling waste. This results in an increase in the cost of collecting waste for recycling and putting the recycling industry into a very difficult situation.

The long-standing indifference on the part of the Government to the social contribution of the recycling industry and the absence of any support given to the industry have invoked pressure from various sectors in society in recent months. The Government has agreed at last to set aside a piece of land in Kai Tak to the industry as a midway centre. The piece of land is leased at a preferential rate. However, as there is insufficient power supply, and with the absence of government assistance, the industry finds the land quite useless. It makes people wonder whether the Government is really keen on helping the industry, or is it really just doing things half-heartedly to silence opposition.

Mr Deputy, the waste disposal policy of the Government has also scared away many investors who are interested in investing in the local recycling industry. Take the example of used machine lubricants, what the Government is doing now is to give subsidies to the industries in sending the used machine lubricants so collected to the chemical waste treatment centre in Tsing Yi for incineration. In 1997, the cost of incinerating used machine lubricants was \$34 million and the cost for 1998 was \$48 million. On the other hand, the waste treatment centre is able to collect used machine lubricants from garages and dockyards at very low costs in return for a great amount of subsidies from the Government. In the past, there were some local and foreign investors who were interested in investing in the conversion of used machine lubricants into industrial diesel oil. However, having learned of the existing waste disposal policy, they all retreated. The reason is that the waste treatment centre is subsidized by the Government and these investors cannot get enough used machine lubricants through fair competition channels for production purposes.

This is only one of the many examples we have. The biggest worry of

the DAB is that when the large scale incinerator under planning is commissioned, the Government will continue to subsidize the incinerator operator. This will lead to a competition for wastes between the incinerator operator and those in the recycling business. The result will only be a further contraction of the recycling industry against a government-supported operator getting a great amount of recyclable resources for incineration.

Mr Deputy, we are not opposed to the use of government subsidies to dispose of waste materials. However, it should be done according to the principle of cost-effectiveness. The DAB thinks that the policy on waste disposal should be based on cost-effectiveness, and that taxation, land and even loans should be used to subsidize the recycling industry.

Apart from subsidizing the recycling industry, it is also very important to promote recycled products in order to ensure the industry's survival. Organizations in Hong Kong, including the Government in particular, have been pursuing the procurement policy of making purchases from the lowest price offered. Recycled products lose their competitiveness because of their higher cost of production. The DAB proposes an 150% tax write-off to encourage more purchase of environmentally friendly equipment and products. These will serve to help the recycling industry.

In addition, the Government should take the lead in using environmentally friendly products and serve as a model in this respect.

We hope that Hong Kong can make good progress in the direction of environmental protection as proposed in the Chief Executive's policy address, so that we can have a better home in future.

Thank you, Mr Deputy.

PROF NG CHING-FAI (in Cantonese): Mr Deputy, Mr LAW Chi-kwong's motion and Mr LAU Kong-wah's amendment today are both about sustainable development and environmental protection.

On 14 October last year, when I moved a motion debate on "sustainable development for Hong Kong", I only said that this topic should merit extensive discussions by the whole community. However, in his policy address this year, the Chief Executive has highlighted this topic; I am sure that this will certainly

arouse community-wide concern and discussions. I also think that in the Motion of Thanks debate to be held next week, many Members will speak on this topic, too. So, in a way, the motion debate today can serve as a warm-up exercise.

I remember that when I spoke during the motion debate on "sustainable development" last year, I stressed that "sustainable development is a brand new development concept that has been gradually formed after years of exploration and study by the international community." I also requested the Government not to interpret sustainable development merely in terms of environmental protection, though I also said that the latter was certainly the most important part of the former. So, in my motion last year, I requested this Council to urge the Government to uphold "sustainable development" as its development strategy and fundamental policy objective when formulating public policies and development projects in the future, in the 21st century. My motion last year was able to receive the unanimous support of Members of this Council, and I thus felt very much honoured and encouraged. However, as our debate went on, I was so disappointed to notice that no government official was present, except the then Secretary for Planning, Environment and Lands, Mr Bowen LEUNG, who looked so lonely and miserable in the seats for government officials. So, while I did sympathize with him, I could not help feeling, with much regret, that the high-ranking officials of the SAR were all lagging behind the times, as they were still looking at sustainable development as a general environmental issue. My viewpoint is well justified; the ways in which the Hong Kong Government handled the issues of strategic sewage disposal and harbour reclamation around the reunification all make us wonder whether the policy-makers concerned had any understanding of sustainable development.

Mr Deputy, with the above recapitulation, we can now look at the "study" on sustainable development which the Chief Executive undertook to conduct in his second policy address, and we can then try to find out what results have been achieved over the past one year. I am pleased to see that after one year of study, some definite progress has been made. In the third policy address of the Chief Executive, sustainable development is stated as a new "development concept", and the Government also undertakes to require all bureaux to uphold the principle of sustainable development and conduct "sustainability impact assessments" when formulating any major new policy proposals in the future. Besides, the policy address also proposes the establishment of a Sustainable Development Unit. I think all this can show that the Government has indeed made some improvement in its philosophy of governance. I know that many environmental protection organizations are satisfied with the progress made in the policy address this year.

However, they still doubt whether or not the proposed institutional framework can really enable the Government to put its new thinking into practice. Specifically, they have raised two points of concern. First, they query, while it is correct to require the Council for Sustainable Development to report to the Chief Executive, will the Sustainable Development Unit have sufficient powers to play a monitoring role? Second, these organizations hope that the Government can select suitable candidates to sit on the Council for Sustainable Development, with particular emphasis on extensive representativeness.

Mr Deputy, the first things to be done are the formulation of strategic principles for environmental protection and economic development as well as the establishment of the institutional framework required for the enforcement of these principles. After these things have been done, and with the principles thus formulated, we should then turn to deal with those specific issues which are equally important, including the prevention and control of pollution, control of consumption desire, "green" production of goods, clean energy, sustainable development of technologies, environmental protection industries, environmental protection in international trade, international co-operation in respect of environmental protection, environmental education and publicity and so on. We must encourage members of the public to take part, so as to raise their environmental awareness. Without their participation, we will not be able to solve all these problems. Mr Deputy, sustainable development is a long and difficult task of worldwide concern. I hope that this Council can pay more attention to it in the future.

With these remarks, I support the amendment and the original motion.

MR WONG YUNG-KAN (in Cantonese): Mr Deputy, "you can save the environment". As the representative of the Agriculture and Fisheries Functional Constituency in this Council, I am duty-bound to show concern for the impact of marine pollution on the fisheries industry. In recent years the marine environment near the shore has been severely damaged due to large scale dredging for marine fill and dumping of mud carried out by the Government in Hong Kong waters. In addition to deterioration in water quality, the seabed which is the habitat for marine species and a resource of the fisheries industry has also been damaged.

The Government has been carrying out reclamation works along the shore

in decades close. Since the '60s, 3 600 hectares of land have been reclaimed in the Victoria Harbour. The natural washing ability of the Harbour has been diminished greatly. Added to the problem is the injection of large amounts of pollutants into the Harbour, making it heavily polluted. Other than the Victoria Harbour, the Government has planned or is carrying out reclamation or dumping projects elsewhere. For example, the dumping works at Pak Shek Kok in 1996 destroyed in one stroke the otherwise improved water quality at Tolo Harbour thanks to strenuous efforts made since the '90s. Fish farmers in the vicinity suffered great losses because marine life dwindled quickly, and many species of fish there vanished.

In Hong Kong, most reclamation works is conducted by "dredge and fill", in which sand is dug up from the seabed and used as fill material. This is extremely destructive to the seabed that forms the habitat of benthic biota. Polluted mud is dug up and dumped to other marine areas, thereby damaging the habitat and causing irreversible ecological destruction. The damaged seabed can only be expected to recover in 15 to 20 years. Heavy metals and pollutants released from the mud gravely affect the culture system and fish culture zones in Hong Kong. So, the production from marine capture is greatly reduced and the livelihood of our fishermen is greatly affected. Marine products are polluted in detriment to public health.

Furthermore, we must not overlook the damage done to the sea by dumping activities of the Government. The current government policy is putting the mud back into the crater where it comes from so that the part of the seabed which can otherwise recover is destroyed again. Mud contains a lot of bacteria, heavy metals and even toxic materials. It poses an enormous potential pollution hazard, causing irreparable damage to marine life. However, what the Government often does is to put it back into the crater on the seabed. Despite its low cost, the method is a most serious threat to the marine ecology as harmful materials in the mud may filter through. Last year, some 13 million sq m of mud was dumped at the crater to the east of Sha Chau, seriously threatening the ecology nearby.

Mr Deputy, the sea is the economic lifeline of the fishermen. If it was not

well protected, the development of the fisheries industry will be hindered. The DAB urges the Government to formulate long-term policies for the protection of the ocean in its planning for development. Thus the ocean environment can be improved and the livelihood of the fishermen preserved. Furthermore, the people of Hong Kong can thus enjoy clean seafood free from pollution.

Moreover, in order to increase fish production the Government has invested enormously in artificial reefs projects. Had the Government been aware of the immense destructive effect of reclamation works on the marine environment, the remedial actions could have been saved. "It is not too late to mend the fold even after some of the sheep has been lost." The DAB hopes the Government can limit reclamation, dredging and dumping activities to restore the seabed to its old state. On the other hand, we also urge the Government to demarcate areas where fishing is prohibited to protect the marine ecology. We especially need such areas in Sai Kung and Tolo Harbour at Tai Po. The Government can put fish fry there and develop marine sightseeing so that fishermen can culture fish instead of having to rely on catching for living. Thus, capturing is reduced and fishery resources can be recovered and preserved.

Mr Deputy, I would finally like to talk about the water quality at Deep Bay, which is situated at the border of Hong Kong and China. Pollutants come from both sides. But why did the relevant government department target at local livestock farmers for the poor water quality? Since the implementation of the Waste Disposal (Livestock Waste) Regulations by the Government in 1998, the farmers have been observing the guidelines laid down by the Government on livestock waste disposal, but why does the Government still consider them culprits for pollution? More than a decade into operation, the Regulations have made the number of livestock farmers diminish from 9 000 or 10 000 during its heyday to under 1 000 now. Is the Government trying to eliminate the farmers?

We must understand that pollution at Deep Bay originates from both Hong Kong and China. Even if all livestock farmers have vanished, the water there is still polluted without co-operation from the Mainland. I hope the relevant department can take active steps to hold talks with its mainland counterparts for a solution. I also hope that there can be enhanced communication with livestock farmers to help them solve the problem of sewage disposal. Thus the water

quality at Deep Bay can improve at an early date without strangling the survival of livestock farmers.

Thank you, Mr Deputy.

MR HOWARD YOUNG (in Cantonese): Mr Deputy, for environmental protection work in Hong Kong to be successful, the Government must have the future in mind, set long-term and specific objectives, formulate omnidirectional policies and practically and realistically implement environmental protection while the public must make concerted efforts to reduce wastage and protect our environment. In the past, the Government did not set long-term environmental protection objectives and most of the environmental protection policies it made were corrective rather than preventive. It sought solutions in a hurry when pollution problems became serious, but such "piecemeal" efforts can hardly improve our environment effectively.

The Liberal Party is of the view that to better protect our environment and improve the quality of life, the Government must formulate long-term environmental protection policies and set down a schedule of progress for environmental protection work, to promote environmental protection practically and realistically and improve the living environment of the public. The Liberal Party thinks that environmental protection policies should at least include five aspects:

First, the Government should formulate a "sustainable development" blueprint applicable to Hong Kong and make the concept of "sustainable development" the major factor for consideration in respect of social development. At present, many countries have implemented the concept of "sustainable development". China and Britain have respectively made national strategies, policies and specific measures for "sustainable development". As an international city, Hong Kong must immediately draw up a suitable "sustainable development" blueprint and implement the concept of "sustainable development". Moreover, the Chief Executive has indicated in his third policy address that when the Policy Bureaux make new important policy proposals in future, they must evaluate their impact on sustainable development. No doubt, the Government has made a big step forward. However, it will be more positive and straightforward for the Government to prescribe "sustainable development" as one of the important elements of social development and introduce the concept of

"sustainable development" into the course of policy formulation rather than making "sustainable development" assessments after policies have been formulated.

Second, in the light of the actual situation, the Government should also set indices for defining environmental quality. Besides the existing air quality index, the Government can introduce standards of measurement for various environmental elements to let the public know the environmental quality. For example, it can set an index for reflecting the oxygen concentration in marine waters of the Victoria Harbour to accurately measure sea pollution. Moreover, it can also introduce various "environmental protection labels" on an extensive scale. Apart from "energy efficiency labels", the Government can also introduce other "environmental protection labels" such as "recyclable labels" and "recyclable material labels" and so on to let the public know more clearly about the extent to which products are environmentally friendly. "Environmental protection labels" can also encourage manufacturers to produce more environmentally friendly products.

Third, to enhance public awareness of environmental protection, the Government should implement environmental education and formulate omnidirectional environmental education policies. Recently, the tourism sector has conducted a survey on environmental protection, and most of those in the sector think that, among the many measures for improving our environment, implementing environmental education on an extensive scale is extremely important. The Liberal Party thinks that the Government should make "environmental education" the thrust of school education and consider making comprehensive plans:

- (1) in the context of school education, working out an environmental education curriculum and incorporate the curriculum into the education framework to allow students to learn about environmental protection in a more systematic manner;
- (2) providing schools with additional environmental protection facilities to allow students to put environmental protection into practice; and
- (3) encouraging schools to set environmental protection indices, reduce paper use and waste and set specific objectives and progress of energy conservation for compliance by students and teachers.

Apart from promoting environmental protection in schools, the

Government can establish an environmental protection exhibition hall to host regular exhibitions of sophisticated technologies for environmentally friendly construction, waste recycling and sewage disposal so that the public will know more about environmental protection technologies.

Fourth, the Government should also introduce environmental protection technologies into Hong Kong to upgrade our environmental protection technologies. As environmental protection technologies are developing by leaps and bounds, the Government should keep updating and upgrading existing technologies to keep abreast of the times and reinforce environmental protection. The Government should also keep abreast of the development trend of new environmental protection technologies and apply such technologies. For example, Los Angeles in the United States has recently succeeded in developing hybrid engines for vehicles to reduce vehicle exhaust emissions. The Government can introduce such hybrid vehicles into Hong Kong and study the feasibility of promoting them extensively.

Fifth, the Government must also enhance the co-ordination between departments as every dimension of environmental protection involves many different government departments and complicated bureaucratic procedures. The lack of co-ordination and communication between departments often becomes an obstacle for environmental protection policies. To clear away such obstacles, the Government must register a determination to promote environmental protection and set down a progress schedule. It should also make all Policy Bureaux and executive departments understand the Government's environmental protection policies and determination.

The policy address has proposed to set up a Council for Sustainable Development, but it has made up no mention of its composition. The Liberal Party thinks that the Council must comprise those in the business sector who have an overall idea of the concept of environmental protection.

The Liberal Party believes that long-term environmental protection policies

can really mitigate pollution and enhance the people's quality of life. So in addition to consolidating the relevant environmental protection measures, the Government should formulate longer-term environmental protection policies in accordance with the concept of sustainable development, for this is the most elaborate and far-sighted approach.

Mr Deputy, I so submit.

MR LEUNG YIU-CHUNG (in Cantonese): Mr Deputy, I think no one will raise objection to discussions on environmental protection for our surrounding environment has been seriously damaged, directly affecting the lives and health of each and every citizen. Therefore, everyone will readily support actions to protect the environment.

But regrettably, while environmental protection is the theme of the Chief Executive's policy address issued last week, public response is not particularly enthusiastic. The community has shown lukewarm support for the Government's initiatives and many people have even expressed disappointment with them. Perhaps the reason is that in discussing the environmental problem, the Chief Executive and the Government are just repeating the words of others like parrots, echoing others' views on environmental protection without being genuinely committed to protecting the environment. As a result, the Government's policies or objectives are not considered beneficial or readily acceptable to the public.

The Government has focused on the concept of "sustainable development" in discussing the environmental issue. Regrettably, its concept of "sustainable development" is far different from the general perception of "sustainable development" in the environmental context. By "sustainable development", the Government broadly understands it simply as appealing to the public to reduce waste, to have regard for the well-being of our future generations and not to do harm to the environment of our neighbouring regions. But "sustainable development" is indeed not a concept as simple as that. In particular, the green ideology that prevails in Europe advocates not only the protection of the environment, but the fusion of environmental protection with human beings. That the proposals on environmental protection in this policy address have been considered a gross fiasco and so unacceptable is due to the Government's failure

to tie the environmental issue in with the lives of the people. This also explains why the proposals meet with so much public resentment and little support.

Moreover, the Government's policy in environmental protection features quite a number of contradictions. For example, while the Government is committed to tackling the problem of vehicle emissions, it endorses large scale infrastructure developments by expending over \$200 billion to construct roads. This will in turn directly encourage the public to use their cars and create yet another kind of pollution. Furthermore, the Government has plans to construct incinerators at a cost of \$20 billion. But before putting in place those incinerators, has the Government ever considered separating refuse by type for the purpose of collection? We all know that the incineration of refuse will produce excessive toxic gases that pollute the environment. What measures will the Government take to mitigate this?

Just now many Honourable colleagues spoke of the "Concordia" incident, taking the Government to task for not supporting the waste collection industry and sitting idly when the industry was on the verge of perishing. From this, we can see that while the Government appears on the surface to have done a good job over its environmental protection policy, it has failed to meet the demands of the public judging by the actual effects of its policies. More importantly, while the public is most concerned about unemployment, it is regrettable that the Government has failed to tie environmental protection in with unemployment. Environmental protection is not entirely unrelated to unemployment. As many colleagues said earlier, in discussing the protection of environment we may give more consideration to such issues as waste collection and recycling, with a view to creating a great many employment opportunities and hence bringing a piece of good news to the public. Nevertheless, the Government has not considered the matter from this angle, that is from the overall development of society, but focused only on restricting the use of fuels and so on.

Therefore, I think the so-called "sustainable development" principle upheld by the Government only smacks of sheer distortion and misrepresentation, and also a concoction of pretext on the part of the Government, hoping to silence public grievances by using such a neutral topic as its major policy objectives. However, it finally turns out that alongside with the absence of public grievances, there is also the absence of public support. In this connection, we should make reference to the Western concept of environmental protection in our discussion

today. As I said just now, the Western concept underscores not just the protection of the environment. It also advocates that environmental protection should be considered together with the lives of the people. Apart from creating employment opportunities, it gives weight to the participation of people as well as democratization of the institutions, and it also means decentralizing and devolving powers to the masses. These countries will take all aspects into account, instead of considering only one side of the issue. Therefore, in its appeal for environmental protection, the Government is only trying to deceive the people by sweet talk, saying that it has made great effort in this area of work but in reality, it has not brought any substantive benefits to the community as a whole.

Today serves as a good opportunity for me to tell Members that in discussing environmental protection, we must think long and hard about what environmental protection really connotes. Environmental protection means more than a reduction of vehicle emissions. Instead, it requires us to make in-depth consideration, to identify ways to facilitate participation by every member of the community in the environmental protection cause and to strive at same time for better safeguards for our lives. This is the true meaning of environmental protection.

Notwithstanding Members' input in this motion today, I very much hope that we can consider this issue thoroughly in our discussion. Do not think that the problem will be solved simply by educating the public on environmental protection. If the Government does not have a long-term objective for the promotion of sustainable development, and if it fails to fuse environmental or green concepts with the lives of the people, our discussion today will be grossly lopsided without actually achieving any effect at all.

Mr Deputy, I so submit.

MISS CHOY SO-YUK (in Cantonese): Mr Deputy, we can say that this is the "environmental protection year" of the SAR Government. The Chief Executive has made environmental protection the theme of his third policy address and the first motion debate of the Legislative Council in this Session is also on environmental protection. Many Honourable colleagues and I have been advocating to make environmental protection an important policy scope. Now, the Government has finally followed good advice and understood that "without

sound environmental protection, Hong Kong will not have a bright future". This is heartening and worthy of our support.

Two other Honourable colleagues from the Hong Kong Progressive Alliance have expressed their views on air pollution, environmental protection and economic issues and I will focus on waste control, environmental education and co-ordination among government departments.

In respect of waste control, I always think that incentives work better than punitive charges. Collecting "recovery deposits" from the commercial sector is one of the feasible methods. In our debate on the "review of waste control policies" motion proposed by me in January this year, I proposed the collection of recovery deposits for the first time in this Council. Let me elaborate on the mechanism concerned. The Government will return the collected deposits to a producer or an agent who recovers useful waste it produced without sending it to the landfills; otherwise, the collected deposits will be allocated to the recycling fund. This will actively encourage producers to try their best to reduce waste and increase recovery in the course of production, from product design to packaging.

I do not support collecting landfill charges from the general public but I suggest collecting reasonable deposits from the commercial sector for a very simple reason. It is because while the "polluter pays" principle appears to be reasonable on the surface, it is actually extremely controversial. Let me give a simple example. When I buy a soft drink to quench my thirst, there will inevitably be one more empty bottle for the Government's treatment. If the Government charges me for that, it appears that the "polluter pays" principle works but it is actually penalizing me for having a soft drink to quench my thirst. However, I cannot help being thirsty. Is it fair to penalize me for that? On the contrary, we can better achieve the aim of environmental protection by charging soft drink manufacturers deposits to encourage them to recover such waste instead of dumping them in the landfills, or by giving them incentives to encourage them to manufacture soft drink bottles with decomposable materials.

The recovery industry is definitely very important in treating solid waste but it is equally essential to build large incinerators to treat waste that cannot be recycled in order to lengthen the life-span of landfills. All along, I have fully supported the Government in building incinerators but I hope the Government

will note that adopting incinerators with the best economic results under the relevant plan will have enormous impact on the economic burdens to be borne by the public in future. Thus, before commencing the construction of these incinerators, the Government must be extremely careful and take into account the factors such as how incinerators will be built, the resources to be used, the types and sizes of incinerators and the choice of suppliers. Definitely, it cannot follow the same old disastrous road of the Economic Services Bureau that wrongly assessed the power requirements in the China Light & Power Company Limited fiasco and make the public suffer great economic losses again.

As regards environmental education, I feel that merely instilling environmental protection knowledge through formal education will achieve limited effects. I suggest that the Government should establish an "environmental education center" to instill into primary and secondary students environmental protection concepts through "live experience and participation". The education centre can allow all primary and secondary school students to live in the centre for a few days by batches. Daily life in the centre is closely linked with environmental protection, including the use of recycled products and solar power generation, waste separation, and self-sufficiency in terms of food, to be coupled with suitable evaluation. For instance, how much energy students have saved during their time in the centre, and how many trees they have saved for the next generation and so on. I believe students will have a more positive perspective on environmental protection and a deeper impression of environmental protection which will enhance their awareness of environmental protection in their daily life.

Lastly, I would like to discuss the co-ordination among various government departments in respect of environmental protection. Although it is encouraging that the Chief Executive has made environmental protection the theme of his policy address, some officials still harbour conservative ideas and old time practices. Thus it is worrying if this will affect the promotion of environmental protection. As we all know, environmental protection encompasses an extensive scope and it almost involves all public sector organizations. However, facts show that many government officials have a weak sense of environmental protection, holding onto their old practices. Even though the Chief Executive says that he supports environmental protection, if the officials of the Environmental Protection Department declines to put it into practice or other government departments stick to their own ways, environmental protection

policies will ultimately be of no avail. Some have remarked that if we want to promote environmental protection in Hong Kong, government officials will need "brain transplants". In my view, this suggestion does not apply to all officials but many officials certainly have such needs. I hope the Government will understand that it can take forward environmental protection smoothly only if it can change the long-standing practices and ideas of officials and make them become fully aware of their responsibilities.

With these remarks, Mr Deputy, I support the amendment and the original motion.

MR CHAN WING-CHAN (in Cantonese): Mr Deputy, what is the meaning of environmental protection? There is a television advertisement which says that environmental protection is a lifestyle of simplicity. It includes things such as the use of furniture and utensils which may be outdated. These should never be discarded wantonly but to be used over a long period of time, for natural resources should not be wasted and so on.

I should like to talk about the issue of air quality. Mr Deputy, the quality of air in Hong Kong has deteriorated seriously over the past 10 years. This has affected not only the health of the public, but also our economic development. We must work in many areas in order to improve the overall air quality in Hong Kong. These include efforts directed against exhaust emissions, fuel quality, maintenance techniques, overall planning, traffic control, enactment and enforcement of legislation, technology and education in environmental protection and so on. I will speak on the amelioration of the air pollution problem through the three areas of exhaust emissions, fuels and China-Hong Kong co-operation.

As Honourable Members have pointed out, the greatest cause of air pollution is diesel vehicles. The Hong Kong Government is determined to mitigate the exhaust emitted from diesel vehicles. A target has been set to make all newly registered taxis use liquefied petroleum gas (LPG) from the end of 2000, and all diesel taxis must use LPG by the end of 2005. There is still much work for the Government to make these a success.

First, the Government should provide some economic incentives to urge

taxi owners to switch to LPG. The industry is of the view that the Government should provide interest-free loans to taxi owners to convert their diesel taxis into LPG taxis. According to the policy address, the Government will provide a subsidy of \$40,000 to taxi owners to convert their taxis into LPG taxis. However, the market for LPG taxis is presently dominated by the large motor car companies. Even if people in the industry wish to use LPG taxis, there is no more supply of LPG taxis in the market. They are worried that the \$40,000 per taxi cash assistance will only benefit the car dealers. For these dealers will willfully raise the price of LPG taxis so that taxi owners cannot actually be benefited. The Government should look into these problems and try to find some solutions to them.

Secondly, the Government should implement a comprehensive set of matching measures. The four temporary refilling stations have already proved inadequate during the trial period of the LPG taxis scheme. Recently, the Government has announced that five lots have been selected to build some mega LPG refilling stations which are expected to be completed on 1 January 2001. These stations will serve to refill as many as more than 2 600 taxis each day during the peak hours when taxi drivers start and end their shifts. The industry is of the view that these mega refilling stations are too concentrated and traffic congestion may be created during the peak hours. There may also be problems of determining the order of taxis refilling LPG. Therefore, I consider that these LPG refilling stations should be as much dispersed as possible.

Besides, the industry is also concerned about the location and number of maintenance and repair workshops for LPG taxis. They think that these workshops are located in areas which are too remote and near the rural areas, and question whether there are such facilities in the urban areas and how many there are. An inadequate number of maintenance and repair workshops and garages for LPG taxis will definitely affect the intention and speed of owners in converting their taxis into LPG taxis. It will present difficulties to the owners and drivers as well. Only when the Government has solved these problems can the promotion of LPG taxis, and LPG minibuses which is being considered, be taken forward smoothly and extensively.

In the long run, the Government must formulate a policy on alternate fuels.

I think that in addition to considering the "no-rail tram system" proposed by Mr Gordon SIU, the Secretary for Planning, Environment and Lands and the feasibility of adopting other electricity-driven vehicles, we must also study the introduction of other environmentally friendly fuels. In certain places in Europe, vegetable oil is being actively developed as a vehicle fuel. The Government should study into the possibility of using it in Hong Kong and whether or not the power generated by such fuel is sufficient to drive vehicles. Preferential treatment should be offered to make environmentally friendly fuels more competitive. In addition, government vehicles should take the lead in using more environmentally friendly fuels.

Mr Deputy, since air pollution knows no geographical boundaries, co-operation should be strengthened between Guangdong and Hong Kong with a view to formulating mitigation plans and policies. Currently, the two places are undertaking a study on the air quality in the Pearl River Delta, and the study is expected to complete by the end of next year. It is hoped that both parties can formulate a strategy and some proposals as soon as possible to solve the air quality problem so that we can truly have blue sky and clean air.

Mr Deputy, I so submit.

MR MARTIN LEE (in Cantonese): Mr Deputy, environmental protection is one of the subjects in this year's policy address of the Chief Executive. According to the Chief Executive, his objective is to make Hong Kong an ideal home and we should join hands to achieve what is known as "sustainable development". In this connection, the Democratic Party is glad to see that the Government has finally given up being an ostrich, and that it is willing to face the environmental issues of Hong Kong squarely. However, knowing where the problems lie is one thing, it does not necessarily follow that the right measures could be applied to resolve the problems.

In order to put into practice the concept of "sustainable development", the Chief Executive intends to set up a Council for Sustainable Development. Earlier on, the Waste Reduction Committee was established to help reduce waste production. These measures are indeed very much in line with the "condescending" attitude of governance to which the Chief Executive has always adhered. If this attitude should continue, the environmental protection efforts

would very easily be reduced to nothing but "environmental slogans" or "environmental public relations" with only a beautiful facade supported not by any practical long-term measures.

In my opinion, what the Chief Executive needs to do is to abandon his practice of giving "condescending" and paternalistic orders to get things done. Instead, he should make his best effort to encourage and mobilize the people to take an active part in the actions to improve the environment of Hong Kong. I believe both the Chief Executive and the government officials should adopt a modest attitude and listen conscientiously to the views of the environmental protection organizations as well as that of the people of Hong Kong. This is because their understanding of the environmental protection issues would most probably be much better than that of the Chief Executive or certain government officials.

The Democratic Party holds that one of the essential elements of "sustainable development" to inspire and give full play to the power of the people, in particular that of the affected sectors of the community. Given that their lives are directly affected by the government policies, they should have the right to participate in the formulation and implementation of the relevant policies.

Last Wednesday, the series of environmental protection policies published by the Chief Executive in his policy address have aroused much dissatisfaction from among the transport sector. This has served to reflect the lack of good communication with the sector on the part of the Government in formulating the relevant policies. As the sector is doubtful about the sincerity of the Government, naturally the confidence of its members in the Government will be undermined, and in turn impact on the progress of the environmental protection efforts.

The Democratic Party believes that the participation of the people is of the utmost importance. It is only after communicating and exchanging views with the local residents, the sectors concerned, the green groups, as well as the various political parties could the Government formulate policies that are more in line with the needs of the people, and implement them in a more effective manner.

Speaking of green groups, I hope that the Government will not deprive

them of their living space. As a matter of fact, there are plenty of merits in promoting environmental conservation through non-government environmental organizations:

- (a) Environmental organizations are voluntary bodies, their enthusiasm in environmental protection is therefore beyond any doubt;
- (b) Being focused only on the environmental protection aspect, these organizations are able to master better the relevant information and materials;
- (c) With operating costs that are often lower than that of the Government, these organizations are able to get things done in a more cost-effective manner.

Regrettably, the role played by the Government has been so confusing that it has served to restrict gravely the development of the environmental organizations. On the one hand, the Government is playing the role as a resources distributor responsible for approving applications for environmental education and community action projects funding; on the other hand, in organizing various environmental activities, the Government is also competing with them for the limited resources.

Quite a number of environmental organizations have reflected to the Democratic Party that since most of the successful funding applications are those submitted for activities organized by the Environmental Campaign Committee under the Government, only very limited resources are left available to them. What is more, when environmental organizations appeal to the private sector for sponsorship, the Government will just follow suit, in which case the private sector would most probably prefer to sponsor the Government. Given the shortage of fund and other resources, naturally the development of the environmental organizations would be gravely restricted. In fact, if the Government should concentrate on its role as a co-ordinator and allow the various green groups to give full play to their strengths, it would be able to make far greater contributions to environmental conservation.

According to the first line of the "San Zi Teachings", men are born good.

With respect to the issue of environmental conservation, however, I believe that "we are born clean". Indeed, nobody would love to live in a dirty and polluted environment — none of us would want to see Hong Kong (fragrant harbour) being turned into a flagrant harbour. As such, the people of Hong Kong have actually demonstrated a certain degree of environmental awareness in terms of their environmental quality expectations.

However, the problem remains that while the Government has never dealt with environmental issues in a serious manner, it has all of a sudden put forward various policies to urge the public to contribute to environmental protection, thereby causing certain sectors of the community to pay exorbitant prices for the cause. Worse still, there are no matching measures to support the various policies proposed. In the end, despite their desirable objectives, the environmental protection initiatives simply fail to win public appreciation.

On the waste reduction front, for example, even if the public should wish to recycle and reuse the waste paper and used glass bottles collected, comprehensive material recovery facilities are simply not available. And in areas where recovery facilities are available, the waste collected may not necessarily be recycled. In this connection, we have heard of schools secretly throwing away their waste paper simply because they could find no facilities to dispose of the collected waste paper.

As regards environmentally friendly products, so far an appropriate set of commodity labelling laws requiring products for sale in Hong Kong to indicate whether or not they are recyclable has yet to be enacted by the Government. As such, consumers who are environmentally responsible are just at a loss as to their choice of products.

Given that Hong Kong is wanting in even the most basic policies and measures, it is utterly impractical of the Chief Executive to expect Hong Kong to rise a status comparable to that of London and New York. What worries people most is that if the efforts of the Government should come out at the small end of the horn, the situation of Hong Kong would be no better than the Chinatowns in New York and London.

Finally, I must stress that the Democratic Party is in support of

environmental protection, and it is for this reason that we believe the Chief Executive's willingness to address squarely the environmental problems of Hong Kong should be appreciated. However, in view of the fact that the policies are being implemented without consultation and sufficient transparency, and that neither the public nor the environmental organizations have been given any chance to participate in the formulation of the policies, we cannot but criticize the Government sternly. In my opinion, unless the Government abandons the condescending attitude it has been holding in administration, we can never truly achieve the objective of "sustainable development".

Thank you.

MR JAMES TIEN (in Cantonese): Mr Deputy, the Liberal Party attaches great importance to environmental protection. It has all along been our belief that if Hong Kong is to become a leading cosmopolitan city, it must undergo complete reforms in terms of its environmental facilities, economy and education system.

Environmental protection is a long-term social investment involving not only infrastructural facilities but also the day-to-day operation and maintenance efforts. In this connection, I believe the vast majority of both the commercial and industrial sectors and the public are in support of environmental protection, yet at the same time they are also concerned that the costs involved might be too high for them. In fact, they have good reasons to harbour such worries. On the one hand, the Government has all along been adhering to the "user pays" principle to require users and polluters to pay for the daily operating expenses of the environmental facilities; yet on the other hand, it has so far failed to put the operating costs concerned under effective control. More often than not, the unfair situation in which "the people have to foot the bill for the banquet hosted by the Government" will be resulted.

One very good example is the Trade Effluent Surcharge (TES). At the very beginning, businesses and industries were assured by the Government that the TES would account for only 20% of the water bill and should be within the affordability of all users concerned. However, the businesses and industries are faced with a different story after the scheme has been put into operation, for the surcharge could amount to over 130% of the water bill. Another example is the Strategic Sewage Disposal Scheme. In regard to this environmental facility

which costs us a fortune, not only were there plenty of problems when the facility was under construction, its operating cost upon completion has also soared way above the estimated level to as much as \$3 billion per annum. In this connection, even the Government has to admit that it could hardly afford to bear such a huge cost. Being faced with the series of new environmental facilities and initiatives to come, how could the commercial and industrial sectors and the public not worry about the heavy burden they have to bear in the future?

Mr Deputy, the Liberal Party is certainly in full support of the cause of environmental protection and raises no objection to the "user pays" principle. However, we hold that the Government must strive to ensure that the various expenses of the environmental facilities, in particular the recurrent operating expenses, should always come under stringent regulation and be in line with the principle of cost-effectiveness. In this connection, I should like to put forward three suggestions:

Firstly, the Government should give the public a detailed account of the financial arrangements of the various environmental facilities, so that the public and the commercial and industrial sectors could have an idea of the environmental expenses they need to bear.

Secondly, the Government should be responsible for more than the full construction costs of all the environmental projects. Instead of transferring the recurrent operating expenses to the public and the commercial and industrial sectors, the Government should bear part of those expenses as well. Given that it has to bear part of the recurrent operating expenses, the Government will control the relevant administrative costs and expenses with greater care. I suggest the Government bearing 30% of the recurrent operating expenses of the environmental projects, leaving the remaining 70% to be borne by users.

Lastly, the best method of controlling operating costs is to place as far as practicable the management of the environmental projects upon completion in private sector organizations in accordance with commercial principles. That way, the Government should be able to cut back many unnecessary administrative expenses. In this connection, I suggest the Government commissioning private sector organizations to manage the landfill sites and the proposed environmentally friendly incineration plants.

Mr Deputy, I should also like to speak specifically on the issues of air

pollution and water pollution mentioned in this year's policy address.

The Liberal Party supports the Government's initiative to assist as far as possible the owners of the 18 000 diesel taxis territory-wide to switch to liquefied petroleum gas (LPG) vehicles; besides, we also agree to the implementation schedule of this scheme. However, with regard to public light buses, the Government has tried to implement the trial scheme in April next year without consulting the sector beforehand, not even on the specific implementation arrangements. Therefore, we hope that the Government could give more consideration to the issues on this front.

As regards the Government's proposal to make a provision of \$1.4 billion for this, we consider the grant not enough to achieve the objective. In our opinion, even if the Government should provide subsidy for the public light buses and the other 70 000 diesel trucks and allocate more than \$1.4 billion for the purpose — since the grants will be spread out over a number of years, the sum is indeed not very large — the savings on the medical front as well as other aspects would be sufficient to cover the additional amount of money required. For this reason, we hope the Government could take the matter into further consideration as well.

Mr Deputy, with regard to water supply, I should like to talk about the source of water rather than the sewage disposal problems. According to the policy address, the quality of water from Dongjian River is very good, and so is the quality of water stored in our reservoirs. However, I believe the Government should investigate into the reason why so many households are complaining against the poor quality of tap water. Would the crux of the problem lies in the pipelines carrying water from reservoirs to the various households, bearing in mind that most of the pipelines have been in use for some 10 to 20 years without replacement? The Government must face up to the issue. Even if the Dongjian water is of very good quality and should remain so when stored in the local reservoirs, the public would still consider it unacceptable if the water supplied to households is polluted.

Last but not least, Mr Deputy, I should like to speak on the wording of the

motion. In this connection, the wording of the amendment proposed by the DAB has suggested "collecting recovery deposits from the commercial and industrial sectors". The Liberal Party holds that it would be very difficult for the commercial and industrial sectors to define the ambit of recovery deposits. Earlier Mr LAU Kong-wah has also referred to the issue, only that he has not provided us with a full definition in this connection. As far as the wording of the proposed amendment is concerned, I am afraid the Liberal Party has found it unacceptable. We cannot but wonder under what circumstances would recovery deposits be levied on plastic bottles and lunch boxes. Would it be cost-effective to do so? If the product concerned should worth as little as a few dollars, would manufacturers be willing to pay the deposits and then recover the used products? So, having regard to the wording concerned, the Liberal Party is unable to lend its support to the proposed amendment.

As regards the original motion of the Democratic Party, it has suggested the Government "adopting appropriate economic tools and taxation policies". Basing on our understanding in this connection, the Liberal Party supports the Government granting tax concessions to environmentally friendly products and services, rather than levying special fees on products or services that are not environmentally friendly enough or even environmentally unfriendly.

Mr Deputy, having considered the wording of the original motion and that of the proposed amendment, the Liberal Party has decided to support the original motion.

Thank you.

THE PRESIDENT resumed the Chair.

MISS CYD HO (in Cantonese): Madam President, in very much the same way as some green organizations have criticized the Chief Executive's environmental protection policy, I would also say that both the original motion and the amendment, as they are worded, do in fact look upon environmental protection as a mere economic issue. So, from such an economic perspective, an economic issue must of course be solved by economic measures. However, it is disappointing to note that neither the original motion nor the amendment has

made any mention of environmental education, at least as judged from how they are worded. I of course have to admit that Honourable colleagues did touch upon this when they spoke, but the fact is that they only talked about this very briefly, not at all in any in-depth manner. So, I will not talk anymore about economic measures. Rather, I will talk about environmental education and other related conceptual issues.

Where there is human habitation, there are bound to be depletion of natural resources and environmental pollution. As the population on earth increases incessantly, our natural resources will be depleted at an increasingly fast pace. The day will sooner or later come when all our natural resources are completely exhausted. Right now, Mr Earth has already started to find it hard to put up with the situation; it is now somewhat unable to completely absorb all the wastes produced by us. And, the advocacy of "green living" originates from a sense of crisis. I think the duty we must discharge today is to maintain the ecological balance. Although we human beings have no alternative but to deplete our natural resources, we must, in the course of doing so, keep these questions in mind: How are we going to keep our natural environment clean? How can we enable the earth to recover in good time, so that it can avoid any perpetual damage caused by our rapid depletion of natural resources? I think all these are the issues we must deal with today. So, what we have to discuss today should not be the handling of wastes, because we must also stress that we should not use any chemicals which are not biodegradable. Besides, we must also make more use of reusable materials as much as possible. And, a more thoroughgoing solution will be to refrain from using too much resources, to avoid unnecessary squandering and luxuries. Therefore, I now urge that while the Government considers how to improve air quality and deal with excessive vehicle emissions — beneficial to Hong Kong though they may be — all these efforts should not just be meant to retain talents in Hong Kong, or to boost the economy and attract foreign investments. We should not promote environmental protection simply for economic reasons; we should do so because environmental protection is an absolute necessity for all of us and for our future generations. Therefore, I urge the Government to promote environmental education.

Quite a number of Honourable colleagues also talked about environmental

education a moment ago. We can actually incorporate environmental education into the curriculums of our primary and secondary schools; we can also introduce a green label law and organize some projects on a healthy city and healthy schools. That way, even those who are not at school will also develop a sense of crisis and thus begin to discharge their duties by refraining from wasting natural resources. I also want to urge our government officials to set a good example. For instance, I ask them not to use any driver service when travelling between Murray Building and the Legislative Council. If they use such a service, four car trips will have to be made each time. But if they travel on foot, the time required will just be three to four minutes.

Naturally enough, when we talk about enhancing our environmental protection efforts, we must inevitably talk about money, because once wastes are produced, they must be handled, and this will inevitably involve money. It is indeed very delightful to talk about environmental protection, about fresh and clean air. However, once money comes into the question, there are bound to be disputes, especially when it comes to the questions of who should pay and from whom to collect the money. Environmental protection is certainly good to society, but just who should be made to shoulder the costs? This is indeed a topic which requires our detailed discussions. My greatest worry comes from the "user pays" principle frequently mentioned by the Government these days. I am even more worried that the Government may use environmental protection expenses and charges as an excuse and try once again to impose a disguised form of "poll tax". This will add to the already heavy burden of the grass-roots and is something I hate to see most.

I appreciate the question raised by the Honourable James TIEN a moment ago: Should the industrial and commercial sector be made to pay all the expenses? This question needs further deliberation. I hope that when we discuss the issue of cost recovery, we can come up with a fair and equitable answer as far as possible. In any case, as pointed out by Mr James TIEN, it will be very useful if the Government can disclose all the relevant financial information. We of course have to realize that environmental protection is an investment that will not yield any direct, tangible returns. Having invested \$1 in an environmental protection project, we cannot possibly expect a return of \$2 from it. However, elsewhere, from reduced medical care expenses, from higher productivity, for example, we can actually notice the cost-effectiveness of our environmental protection investments. I remember that when we discussed the penalties for

excessive vehicle emissions, some Members gave us some statistics on the number of people who suffered from asthma or shortened life-span as a result of poor air quality. Well, the total hospitalization expenses incurred by all these people can tell us what returns we can expect to get by investing in environmental protection. Although there may not necessarily be any direct causal relationship between the two, I still hope that our friends in the industrial and commercial sector can realize that such returns will benefit us all. I agree that we should devise some appropriate economic measures and impose charges on producers causing pollution, so as to meet the expenditure on wastes handling. But I also doubt whether it is at all feasible to collect deposits and landfill charges from the industrial and commercial sector. I agree that this is one of the possible measures, but this may not be entirely practicable. Therefore, I hope that we can continue to discuss the issue with an open mind and seek to work out a charging scheme which is fair and equitable to all.

There is one point in Mr LAU Kong-wah's amendment which I especially appreciate. One day, during a private discussion, he and I both agreed that the co-operation between Guangdong and Hong Kong was indeed very important. We thought so, because the two places are so closely linked together, because the air currents from the Mainland can flow into Hong Kong in a matter of several hours, and because two of our daily necessities, water and food, come from the Mainland. Actually, non-staple food imported from the Mainland accounted for 30% of all the non-staple food consumed in Hong Kong in 1998. We know that many chemical insecticides are used in the process of growing these non-staple produce. And, we also know that hormones and asthma drugs are unnecessarily added to some livestock feeds in the Mainland. All this has not only polluted the environment, but also jeopardized our health. In this respect, I very much hope that the co-operation between Guangdong and Hong Kong can be enhanced. I also hope that the Hong Kong/Guangdong Co-operation Joint Conference can set up various different working groups under it and allow the free participation of Legislative Council Members. As we know, we Legislative Council Members do want to do something, but we do not have too many channels. So, I hope that the Government can assist us in joining these working groups. That way, those of us who want to do something for the cause will be able to do so through proper and formal channels. Thank you, Madam President.

MR NG LEUNG-SING (in Cantonese): Madam President, with "Quality Home"

as a theme, the third policy address of the Chief Executive seeks to promote the community's awareness of environmental protection and formulate a long-term policy on environmental protection. Today, this Council discusses a motion on environmental protection, showing that the community is placing more and more emphasis on environmental protection. The Government, the Legislative Council and the people of Hong Kong are now prepared to live up to their words and make concrete planning for the sustainable development of the Hong Kong community.

As the Chief Executive said in the policy address, the whole community, including the people, the business sector and all government departments, needs a change of mindset. They must start working in partnership to ameliorate the problem of environmental pollution in Hong Kong. This is I believe very important. Environmental protection should be the responsibility of every government department. There must be co-ordination and leadership. Each department must share the responsibility for the implementation of each relevant policy. I suggest that when the next policy address is delivered, the Progress Report of each Policy Bureau should include a report on the effectiveness of its work on environmental protection according to the actual circumstances, in order to show that the Government practises what it preaches. For the business sector and the people in general, environmental protection means not only a change of the traditional way of life and the habits of consumption and production, it also implies higher operating costs and a heavier financial burden. In this respect, the whole community must be prepared to pay according to use. In view of the recent development of the local economy, the Government must take into account the impact on operating costs and the financial burden of the people in introducing concrete environmental protection policies and plans, and implement them gradually and properly. It should give priority to development projects that can stimulate the local economy, create job opportunities and promote the environmental protection industry.

Madam President, in terms of implementing concrete environmental protection policies, the policy address proposes to formulate a new comprehensive transport strategy perceived in the context of environmental protection. In my view, this is certainly a right approach. However, I noted that its focus is on making modes of passenger transport more environmentally friendly. Actually, one should also consider freight transport. This point was already made in today's question time. For instance, we can consider building a

freight transport network based on a railway system between the airport, container terminals and land crossing points and the locations of some major warehouses. Such a system can be linked to a certain extent with the existing passenger rail system. If proved feasible, this will achieve the aim of environmental protection in terms of freight transport, as well as improving the road conditions, thus killing two birds with one stone. In order to carry out environmental protection work, Hong Kong must co-operate with its neighbouring regions. Co-operation means that we should not just clean up the sources of pollution in our own territory, but should help the other side to clean up its sources of pollution as well. For instance, with regard to the problem of water pollution, co-operation means that we cannot just ask or help the other side to confine pollution to its own territory. Since Hong Kong has an edge in terms of technology, capital and concept, it should take a greater initiative in helping others, thus benefiting from it in the end.

Madam President, in my view, the original motion and the amendment under discussion today are well intentioned and their aims are basically consistent. The amendment goes one step further by proposing more concrete policy directions in terms of promoting the environmental protection industries, strengthening the co-operation with the Mainland, stressing the cost-effectiveness of environmental protection work and so on, and deserve our support in principle.

Madam President, I so submit.

MRS MIRIAM LAU (in Cantonese): Madam President, environmental protection is one of the thematic highlights of Chief Executive, TUNG Chee-hwa's third policy address. The motion "Protecting the Environment" introduced by Mr LAW Chi-kwong today has undoubtedly advanced the debate on some of the contents of the policy address. In the debate on the policy address next week, I will comment on behalf of the my constituency on the relationship between transport and environmental protection in detail. Today, I would like to submit two principles on behalf of my constituency to ensure that the various environmental protection policies can secure the support of the general public, including the transport industry, so that they will be more effective in improving the environment.

In my view, two principles must be established in respect of environmental

protection before people in various sectors can work together to further the cause. The first principle is co-operation, and the second shared commitment.

The first principle is co-operation. In various passages in the policy address, the Chief Executive stressed co-operation with people from all sectors and co-operation between the Government and the people, especially in terms of environmental protection. While these words are still ringing in our ears, the Government contradicts itself by unilaterally deciding to launch a half-year liquefied petroleum gas (LPG) minibus trial scheme starting in April next year, without consulting the trade. It also plans to ask the trade to switch to LPG minibus from 2001 onwards.

With such high-handed executive orders, how can the trade co-operate with the Government? Actually, the trade supports environmental protection and is prepared to work in partnership with the Government to promote environmental protection. But what does the Government know about the operation of the minibus trade? What does the Government know about the fact that the trade still has doubts about LPG vehicles? Although the Government is oblivious to all this, the trade has always been co-operative. Over the past few months, it has had numerous meetings with government departments and has asked the Government to explore the feasibility of minibus switching to cleaner fuel. However, the Government has not given any response. Instead, it has drawn up plans behind closed doors, unilaterally formulating a plan and setting deadlines. In what way has the Government worked in a co-operative spirit and discussed with the trade beforehand?

This is just one example. There are numerous other examples of the arbitrary ways of the Government. If the Government hopes that the environmental protection policies will have the support of the general public, including the relevant industries, it must abandon its arbitrary ways and enter into real partnership with various sides starting from the formulation of policies, rather than asking the other party to co-operate after formulating a plan.

The second principle is shared commitment. Everyone should play a part in environmental protection, since everyone will benefit after the environment is improved. Therefore environmental protection is more than just a slogan. We should not just accuse others and put the blame of pollution on other people. Rather, everyone should put principles into practice. We should make an effort

and a commitment to solving the problems of pollution with action.

We have to admit that pollution is the product of economic prosperity. While benefitting from the economic achievements, we have to bear the consequences brought about by the economy together. While we need modes of transport such as taxis, minibus, buses and trucks, many people ignore the question of how to deal with or reduce their emissions. They refuse to listen or understand the difficulties involved. They just apportion the blame to the owners and drivers, who should therefore bear all the costs.

In his policy address, the Chief Executive specifically raised a question and that is, who is to pay for the day-to-day operating and maintenance costs of the pollution mitigation facilities the capital costs of which have been paid for by the Government? I would like to ask a question too. After members of the trade have spent their life savings on the purchase of environmentally friendly vehicles, who is to pay for the extra day-to-day operating and maintenance costs, if they are higher than those for diesel vehicles?

As the Chief Executive said, it is everyone's responsibility to prevent and control pollution. Insofar as air pollution is concerned, vehicle owners cannot bear all the responsibility and costs on their own. Therefore, the Government should inject more resources into improving the air quality and share some of the responsibility. The general public can also share part of the responsibility, such as by accepting higher fares. Members can share part of the responsibility by assisting the transport industry in dealing with problems of maintenance and repair. They should not take the simplistic view that vehicle emissions can be reduced and the problems of maintenance and repair can be solved, or that the high emissions of pre-Euro-standard diesel vehicles can be reduced by increasing fines.

Just now, I have proposed two principles on behalf of the Transport Functional Constituency to complement today's motion. I hope that government officials and Honourable Members will consider them carefully.

Madam President, I so submit.

MRS SELINA CHOW (in Cantonese): Madam President, just now I met Mr

Peter WONG, Honourable Member of the former Legislative Council and senior member of the Liberal Party outside this Chamber. The Liberal Party has become increasingly concerned with environmental issues since the mid-1990s with Mr Peter WONG as our spokesperson. As we all know, Mr WONG has all along been very enthusiastic about environmental protection and devoted much time and effort to the cause, and his efforts have always been fully supported by the Liberal Party. To cite an example, we had all along been in full support of Mr WONG when he was negotiating with the Government in relation to the implementation of the "user pays" principle. So, from this Honourable Members can see that the Liberal Party has indeed attached considerable importance to the cause of environmental protection.

This year, I believe Members would most probably have heard of the "3E" policies of the Liberal Party, and one of which is: "Environment". In this connection, our "Environment" policy covers a scope far greater than the limited scope of environmental issues, for the conception we have is to beautify the environment as a whole. Nevertheless, environmental protection still constitutes a very important part of our policy. If Members should have kept an eye on the work of the Government on this front over the past eight to 10 years, I believe they would most probably agree with me in that the efforts made by the Environmental Protection Department (EPD) at the beginning only served to agitate not only the people but also the heaven. This is because the EPD officers were always working behind closed doors and minding only their own affairs. They said they were to promote environmental education, but I am afraid nothing educational had been achieved on their part. Why? Because they have devised all the rules themselves and forced them on others, anyone not complying to the rules would be punished. What is more, the rules were applicable to not only the public but also government departments. Actually, they were treating the various government departments in very much the same way as they have treated members of the public. As such, even though the various government departments were not opposed to environmental protection, they did harbour strong sentiments against the EPD. Given the non-accommodating attitude held by them then, EPD staff were unable to win the co-operation of others, not to say arouse the environmental awareness and environmental concern of the people. Fortunately, things have changed for the better now. With Mr Gordon SIU as Secretary for Planning, Environment and Lands, we can rest assured that a new broom sweeps clean. I hope that the new staff of the EPD will bring us new directions and good changes.

It is an undeniable fact the policy address published by the Chief Executive

this year has indeed opened up new horizons for us on this front. Nevertheless, we still consider some of the attitudes adopted by the Government in this regard imbalanced. Just now Mr James TIEN and the Honourable Mrs Miriam LAU have also expressed their views in this respect. In my opinion, Mrs Miriam LAU has always been the aggrieved party. This is because people are always criticizing her for not doing enough work on this front when in reality she has indeed made a lot of contribution to the environmental protection efforts of the transport sector. Indeed, it should be the members of the sector she represents who have the responsibility to put in their best efforts. Members of the transport sector should indeed work hard on the economic front and on practical implementation to make the environmental protection measures a success. Yet why are they still airing such strong dissenting views? I believe the Government must be held responsible for that to a large extent, bearing in mind that the attitude adopted by most government officials are far from liberal. As a matter of fact, I have received representations from other sectors as well. With regard to metal salvage and scrap iron, for example, in order to dispose of the waste material, the EPD has formulated policies such as granting land to the relevant industries for the purpose. However, not only was the land granting method unacceptable to the industries concerned, the relevant policies have also failed to cater to their needs. But why? This is because the EPD has unilaterally formulated the rules behind closed doors without taking into account the needs of the industries. Should the industries fail to follow the rules, they would be punished. In other words, the EPD, being unable to identify the genuine needs, has resorted to punitive measures to achieve its purposes. Yet does it follow that we should do away with punitive measures? Certainly not! Given that the vast the minority of the sector are able to comply with the rules, the non-complying minority should be rightly punished. However, the Government should never resort to intimidating those people. On the contrary, it should try educating those people, and providing them with the necessary assistance in a friendly manner.

The commercial and industrial sectors are indeed pitiable. In the eyes of the Government, the payments for some fees and charges will not mean a thing to the commercial and industrial sectors; as such, businesses and industries always have to pay more in whatever circumstances. In reality, however, over 90% of the businesses and industries are small and medium enterprises. To these enterprises, keeping the business running is by no means an easy task. But because of the Government's conviction that fees and charges will not mean a thing to them, their operating costs have increased, thereby making it more difficult for them to remain in business. So, is it not fair to say that the

Government is in effect dealing a blow to our economy? Hence, the Government should cease separating the commercial and industrial sectors from the general public. Perhaps the Government has grown used to this divide and rule practice, but I still wish it would avoid employing this practice in the field of environmental protection. In fact, the purpose of the Government is just to justify its measures. However, regardless of whether it is the people of Hong Kong or the commercial and industrial sectors that the Government is trying to justify its policies to, as far as environmental protection is concerned, I just hope it would stop talking about the "polluter pays" principle. Otherwise, every person on earth would just be considered a polluter. As a matter of fact, under the existing arrangement, it is not the polluter but whosoever uses the facilities or services concerned who pays. The responsibility of the Government should be to justify to us that the measures adopted are completely cost-effective. Given its poor track record in this respect, the Government must make an effort to justify to us that the measures adopted this time around are truly cost-effective and fair.

In the past, there have been plenty of unfair cases on the environmental front. Restaurants and food premises, for instance, have been treated very unfairly. Yet I am not going to recap the details here, since a lot has been said already. Regarding the unfair systems and formulas, the Government should conscientiously review its past practices, with a view to coming up with measures that are genuinely fair. On the other hand, to give the public a more positive perspective on environmental protection, the Government should devote more efforts to greening Hong Kong and promoting the community environmental actions, so as to enable the people to witness and to benefit from the results of environmental programmes. Thank you, Madam President.

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

(No Member responded)

PRESIDENT (in Cantonese): Mr LAW Chi-kwong, you may now speak on Mr LAU Kong-wah's amendment. You have up to five minutes to speak.

MR LAW CHI-KWONG (in Cantonese): Madam President, regarding Mr LAU

Kong-wah's amendment, let me remind Members that when I submitted my motion to the Legislative Council Secretariat, I also notified some Members of the contents of my motion. Actually, my primary concern is that this Council can approve a motion that supports environmental protection. Therefore, I told other Members that they should let me know as soon as possible if they had any other views. That way, I could incorporate fellow Members' views as much as possible, thus making it unnecessary for them to delete words from my motion or to add words which qualify my original intent, as what Mr LAU Kong-wah has done. Had Mr LAU discussed the contents of my motion with me, we might be able to work out a mutually acceptable solution, and I would have found it easier to support his amendment. If he had done that, things would have been easier.

In fact, in my original motion, the expression "apart from strengthening the co-operation with the mainland authorities in promoting environmental protection work" was not found. This was because the Chief Executive had already mentioned this point, I thus did not want to deal with such a specific item in my motion. But a colleague told me I should mention co-operation with the mainland authorities, so, I added that part to the motion. Well, frankly speaking, if the Democratic Alliance for the Betterment of Hong Kong (DAB) opposes this motion, it will give the Democratic Party an advantage in the forthcoming District Councils Election. But that was not my aim. I just wanted a motion that can be passed.

Let me now talk about the amendment, and explain why we find it difficult to accept. The first strategy of the original motion, for example, reads: "attaching importance to factors relevant to environmental conservation and sustainable development in formulating various social and economic development plans". This was followed by a semicolon. However, Mr LAU replaced it by a comma and then went on to say "and specifying the targets for environmental improvement to ensure that the various environmental protection policies can materialize". This qualifies my original intent regarding social and economic development plans and narrows it down to the setting of environmental improvement targets, and their realization in environmental protection policies. But my original intention was to widen the scope. I do not oppose the wording of Mr LAU, but then he qualifies the scope, with the result being that certain things need not be studied or done anymore. This defeats the original intent of the motion.

Another part of the amendment that is hard to accept concerns the deletion

of "using economic means such as introducing private participation and competition to expedite the implementation of infrastructural projects for environmental protection", for which Mr LAU offers no reason. Let us look at the Central-Mid-levels escalators as an example. Why does the Government have to run these escalators itself, instead of handing over their operation to a private contractor? Private operators may get profits from advertising along the escalators. The Government does not have to pay a cent for their operation, and it can even collect fees from the contractor. In fact, similar escalators can be built elsewhere. And I believe that if the industrial and commercial sector is allowed to advertise along these escalators, the Government may even be able to save the expenses for building them. Why do we not use economic means such as the introduction of private sector participation. However, he has proposed to delete this point, and this somewhat upsets me.

Another amendment proposed by Mr LAU concerns the deletion of the expression "economic tools and taxation policies" from the original motion and substitution by "using economic means such as collecting recovery deposits and landfill charges from the commercial and industrial sectors." The idea of collecting recovery deposits from the commercial and industrial sector is conceptually acceptable, and we can further discuss the detailed technicalities involved. However, the whole amended sentence does not seem to make good sense per se. Collecting recovery deposits and landfill charges all at the same time would mean double penalties. Landfill charges are usually collected from construction contractors. Why should they be collected from the commercial and industrial sector? How about the construction contractors?

So, having looked at the amendment, we feel that if he had only added to the contents of the motion rather than deleting words from it, there should be no problem at all. At the same time, I would like the DAB to note that in the original wording of my motion, there is no mention of a green tax. I hope Members can hold more discussions about how taxation policies can help the environmental protection cause. To conclude, the Democratic Party cannot support the amendment proposed by the DAB.

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in

Cantonese): Madam President, I am very glad that the topic of environmental protection through sustainable development has been made the subject of the first motion debate held by the Legislative Council in the 1999-2000 Legislative Session. This encourages me greatly, because this shows that our direction of improvement is correct. Later on, I will talk about Mr LAW Chi-kwong's motion and the wording of Mr LAU Kong-wah's amendment.

Let me point out here that whatever the outcome of this motion debate will be, the SAR Government will still attach great importance to the valuable opinions of these two Members and all the comments made by each and every other Member during this debate; their opinions will be taken on board as the guiding philosophy of the SAR Government when it seeks to promote sustainable development in the future. So, I would say that the outcome of the debate is not important at all. What is most important is that we can all share one common direction.

Sustainable development does not follow one single path only. We cannot possibly say that once Hong Kong has reached a certain stage of development, it can then be regarded as having achieved the goal of sustainable development. What is involved is a very long process, and, like all other places or countries which pursue sustainable development, Hong Kong must do thinking on it constantly, every day. Sustainable development is a subject which requires "life-long" exploration, and there can be no end to such exploration. So, the debate today, or the debate next week, or the debates to be held by the Legislative Council and all walks of life in the community in the days and years to come, will all assist us greatly in setting down a direction of sustainable development in the future.

Why are we faced with so many environmental problems now? Well, since the policy address of the Chief Executive has already identified very clearly all those areas which are currently plagued with environmental problems, I will not repeat all those points here. Suffice it to say that our environmental problems are caused by three factors. First, over the past four to five decades, in particular over the past 20 years, we have undergone a period of very rapid economic growth; and during the same period, our Asian neighbours also experienced very rapid economic growth, at a pace even faster than ours. So, to a certain extent, we now have to face the immediate problems brought about by our rapid economic growth. In the past, because of our preoccupation with

economic development, we were unable to deal with some of the resultant environmental problems. However, we must now start to deal with them, because if they are allowed to further deteriorate, not only will our economic development come to a standstill, but our quality of life will also see dramatic deterioration.

Second, when we discussed the issue of new town planning in the past few days, Members gave us a lot of valuable insights. I must admit that some of our environmental problems are in fact the results brought about by our new town planning strategy. As far as the planning of a new town is concerned, the construction of road networks inside the new town has hitherto remained one of the major projects which requires huge investments. All these roads are invariably constructed on the very same piece of land where large numbers of 50-storeyed or 60-storeyed buildings are also erected. These very tall buildings are scattered apart, forming kind of a screen which traps all the vehicle emissions inside the area. It is thus small wonder that air pollution has become such a serious problem.

Third, Members have expressed a lot of views today. Perhaps, we might have failed to arouse full public awareness to the importance of moving in this direction. So, whenever people talk about environmental protection, they will think that it is the responsibility of the Environmental Protection Department (EPD), the responsibility of the SAR Government, the responsibility of the Legislative Council and so on. Precisely because of this, this time around, we aim not only to deal with future environmental problems, but also to promote sustainable development. In other words, we aim to strike a balance between economic development and the conservation of our natural environment; we wish to work out a direction of development by striking a balance between economic development and people's quality of living. So, we are not going to confine our attention to issues like air pollution, sewage disposal, treatment of wastes and water quality. Rather, when we study all these problems and try to work out solutions, we will also seek to design a better living environment for our future generations; in terms of planning and infrastructure construction, we will seek to reduce as much as possible all those problems which our future generations may otherwise have to face. So, this time around, besides environmental protection, besides co-operating with the Guangdong province, we will also do more thinking on town planning, on urban renewal, so as to make sure that the future residents of what are now old urban areas do not have to face any similar environmental

problems in the future.

Since so many environmental issues are covered in such great detail in the policy address, Madam President, please pardon me for not discussing each of these issues here, and, perhaps, for not responding to each and every point raised by Members as well. In the debate to be held next week, circumstances permitting, I may discuss some of the major points put forward in the debate today. Besides, on other future occasions, whether in the Environmental Affairs Panel or other panels on public works, I can also speak further on each of these individual issues.

Let me now comment briefly on the major issues contained in the original motion. The first issue concerns the objective of environmental protection. Mr LAW Chi-kwong suggests that when formulating economic and social development programmes, we must attach importance to environmental conservation and sustainable development. This point has in fact been given complete recognition in the policy address. So, in the future, when the Government formulates any public policy, it will adhere to the principle of sustainable development and give simultaneous consideration to both environmental and socio-economic factors. As pointed out by the Chief Executive, sustainable development is much more than simply environmental protection, and it is thus the common responsibility of all Policy Bureaux and government departments.

Members should have all read the document "Hong Kong Moving Forward" published by the Transport Bureau. And, I now quote one of the objectives set out in this document: "Transport infrastructure and services will be provided in an environmentally acceptable manner to ensure the sustainable development of Hong Kong". So, as Members can see, this already marks the first step towards achieving their desired objective.

Mr LAU Kong-wah says that specific objectives should be set down for improving our environment. In this connection, the Planning, Environment and Lands Bureau and other Policy Bureaux have already laid down some specific objectives for air quality and other environmental matters, and some of these objectives have in fact been expounded in the policy address, one example being the objective of abating air pollution. As for what step should be taken next, I will work with my colleagues in my bureau and other Policy Bureaux, so as to set

down some work objectives for such environment-related issues as air pollution. However, before such work objectives are set down, we will first discuss with the relevant advisory bodies and the various sectors affected, so as to make sure that all those belonging to different fields and sectors can seek progress under one common objective.

If the Government wishes to achieve sustainable development, it must set a good example itself. In this connection, we have actually made a lot of efforts, only that we have not made them known to members of the public. One example is that the paper we are now using is recycled paper, and another example is that the paper purchased by the Government Supplies Department is all recycled paper as well. And, there is one more thing, perhaps. When I came here to give a briefing to Members a couple of days ago, I initially planned to bring with me a huge pile of documents and papers. But in the end, I decided not to do so, and gave a computer diskette to the Legislative Council Secretariat instead. By doing so, I hoped to save resources on the one hand. On the other hand, as Mr SIN Chung-kai said a moment ago, I hoped to achieve our administrative objectives with the aid of the latest technologies.

The second subject is naturally environmental conservation. Last week, I already promised that I would work out an integrated environmental conservation policy within the next few months. Here, I wish to thank all those who have worked so hard to lay a solid foundation for nature conservation, including those who have worked on the biodiversity survey, those who have submitted their views to the Environmental Impact Sub-committee under the Advisory Council on the Environment chaired by Mr Peter WONG and the researchers in different institutions and private bodies. We do know that many people may seek to hinder the cause of nature conservation in the name of development. Our objective is to bring forth a three-win situation in the future: First, allowing suitable room for development; second, achieving full-scale nature conservation in the course of development; and, third, benefiting the people directly through all these development and conservation strategies.

With respect to ecological protection, we have actually achieved some admirable success in quite a number of areas. However, as I said a moment ago, we might well have failed to publicize them as examples of our successful efforts. So, all that people can notice is severe damage to our natural environment, whether in private or public places. In the near future, we will certainly seek to

reduce such damage and base our work objectives on our past success.

On economic tools and taxation, I wish to point out that I do not think that environmental protection is necessarily costly. I can actually cite an example from the commercial sector which can prove that sometimes, environmental improvement can indeed come hand in hand with economic efficiency. There is a major airline in Hong Kong which has succeeded in saving \$10 million annually by paying some simple attention to resource utilization and material recycling. And, there is also a major electronic components manufacturer who finds that the new process he has adopted to cut water consumption and operating costs has brought forward a reduction of pollutant emissions as a spin-off. All this serves to prove that environmental protection can reap economic benefits.

Mr LAU Kong-wah urges the Government to adopt the most cost-effective methods to tackle environmental problems, and he also urges the Government to offer financial assistance and concrete policies of support to encourage the development of environmentally-friendly industries. The Government supports his broad direction. What we need to explore now is how we should work with the industrial sector in such a direction. There are still many technicalities which need to be discussed. In the case of the waste paper industry, for example, our assistance is in the form of land provision, but it may be possible for us to provide assistance in other respects. As long as we can explain to the whole trade beforehand, and as long as fair arrangements can be made, the Government is definitely prepared to offer the assistance required for the development of the industry.

In regard to private participation, the motion urges that private organizations should be allowed to take part and to compete, so as to step up the pace of environmental protection work.

Over the years, the participation of private organizations has remained a main feature of our environmental protection projects. We will consider the possibility of increasing the opportunities for private participation as much as possible; we will also continue to ensure that the relevant services are always introduced under fair competition, and that the existing regulatory framework can promote quality environmental protection services in a more effective manner.

On the "polluter pays" principle, Mr LAU Kong-wah refers specifically to

the collection of recovery deposits and landfill charges for the purpose of encouraging the industries concerned to adopt more environmentally friendly modes of production. Others have also put forward many suggestions relating to implementing the principle.

There has been an increasing recognition in the industrial and commercial sector that such modes of production can serve as an important incentive to encourage the adoption of innovative technologies aimed at reducing material wastes and separating wastes, which will in turn increase the potential of recovery and reuse. The material recovery rate achieved by the industrial and commercial sector is now already higher than 50%, but we will not become complacent because of this rate. We still need to make more improvements in the handling of materials in the construction industry and in domestic wastes separation.

And, while we seek to increase the energy efficiency throughout Hong Kong, we also need to maintain environmental infrastructure and services. The fairest and most effective method will be to collect from users charges which are able to reflect the extent of the pollution and the quantity of wastes produced by them. I am pleased to see that Members have started to discuss this matter again. In the days and months to come, I will continue to hold detailed discussions with Members, so as to find out how best to truly realize the "polluter pays" principle, and also to ascertain where to and where not to provide any government assistance.

On cross-boundary co-operation, Mr LAU Kong-wah lays particular emphasis on the cross-boundary partnership between Hong Kong and the Mainland, and he also asks for more transparency in this respect. As Members are aware, the Chief Executive and the Governor of Guangdong Province have already issued a six-point statement on this issue. So, it can be seen that Hong Kong and the provincial authorities of Guangdong do in fact share common objectives in respect of environmental improvement and sustainable development in the region. Recently, I have received an invitation from the provincial authorities of Guangdong; they very much hope that the people of Hong Kong can visit Guangdong to look at what they have done for environmental protection there. Having listened to Members' remarks, I have an idea. Perhaps, we can make some arrangements for Members to go with us to Guangdong to look at their environmental protection facilities. I cannot promise that all the

60 Members will be able to go, (*laughter*), however, for enhanced transparency, we can at least show that we are doing our utmost to let the people of Hong Kong (not just our colleagues in the EPD or the Planning, Environment and Lands Bureau) realize our common objectives and what work has been done in Guangdong to protect the natural environment there. For the detailed arrangements, we can follow up and examine them.

While we seek to enhance our understanding of the present state of our natural environment, we also provide assistance to the various environmental protection research projects. It is hoped that members of the public can thus be enabled to know what kinds of research work on environmental protection have been conducted by industries and the academic community, whether in Guangdong or in Hong Kong. I also have the intention of inviting Guangdong provincial officials to attend some of the public seminars to be held in Hong Kong in the future.

Lastly, I wish to talk about how some common people react to the treatment of environmental protection and sustainable development in the policy address. Last week, a telephone opinion survey was conducted by the University of Hong Kong, the Chinese University of Hong Kong and the Hong Kong Institute of Asia-Pacific Studies. A total of 807 people were successfully interviewed. The interview actually touched upon many issues dealt with in the policy address, but I am going to talk about four of the questions only. One question reads: Are you supportive of the idea that "sustainability impact assessments" of major new policy proposals must be carried out, so as to achieve sustainable development and environmental protection in Hong Kong? Five options were offered: Very Supportive, Quite Supportive, Unsupportive, Very Unsupportive and No Idea. The findings reveal that 95% of the respondents chose "Very Supportive" and "Quite Supportive". A breakdown of this 95% shows that 12.4% chose "Very Supportive" and 83.4% chose "Quite Supportive".

The second question reads: Are you supportive of the idea that measures should be taken to speed up the banning of diesel vehicles causing serious air pollution? 83% of the respondents chose "Very Supportive" and "Quite Supportive". The third question reads: Are you supportive of the idea that wastes, including domestic refuse, should be reduced and recycled? 97% of the respondents chose "Very Supportive" and "Quite Supportive". The fourth

question reads (there were in fact many more questions, but I do not want to take up too much of Members' time here): Are you supportive of the idea that the Government should give priority to the development of those modes of public transport causing less pollution, such as railways? 90% of the respondents chose "Very Supportive" and "Quite Supportive".

In the past few days, I attended some interviews on the radio, and I disclosed my office telephone number to a certain representative of the affected trade. Initially, I thought that only this representative would ring me up. However, as it turned out, besides this representative, other members of the public also rang me up, saying that they wanted to say a few words to me. And, while I was walking on the streets, some passers-by also went up to me, asking, "Mr SIU can I just say a few words on the environmental protection policy of the SAR Government?" Their message is very clear: The approach of the Government is correct, but it must keep up its efforts. This is most encouraging, not only to me and my colleagues in the Bureau, but to all those other colleagues in other government departments who have been working in this direction over the past few decades. This is also a greatest enlightenment to us all.

Thank you, Madam President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the amendment, moved by Mr LAU Kong-wah to Mr LAW Chi-kwong's motion, be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raised their hands)

Mr LAU Kong-wah rose to claim a division.

PRESIDENT (in Cantonese): Mr LAU Kong-wah has claimed a division. The

division bell will ring for three minutes.

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

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

Functional Constituencies:

Dr Raymond HO, Mr LEE Kai-ming, Mr Ambrose CHEUNG, Mr HUI Cheung-ching, Mr CHAN Kwok-keung, Mr CHAN Wing-chan, Dr LEONG Che-hung, Mr WONG Yung-kan, Mr Timothy FOK, Mr FUNG Chi-kin and Dr TANG Siu-tong voted for the amendment.

Mr Kenneth TING, Mr James TIEN, Mr Edward HO, Mr Michael HO, Miss Margaret NG, Mrs Selina CHOW, Mr Ronald ARCULLI, Mr CHEUNG Man-kwong, Mrs Sophie LEUNG, Mr SIN Chung-kai, Mr Howard YOUNG, Mr LAU Wong-fat, Mrs Miriam LAU and Mr LAW Chi-kwong voted against the amendment.

Geographical Constituencies and Election Committee:

Miss CHAN Yuen-han, Mr Gary CHENG, Mr Jasper TSANG, Mr LAU Kong-wah, Mr TAM Yiu-chung, Mr David CHU, Mr NG Leung-sing, Prof NG Ching-fai, Mr MA Fung-kwok, Mr CHAN Kam-lam, Mr YEUNG Yiu-chung, Mr Ambrose LAU and Miss CHOY So-yuk voted for the amendment.

Miss Cyd HO, Mr Albert HO, Mr LEE Wing-tat, Mr Martin LEE, Mr Fred LI, Mr James TO, Dr YEUNG Sum, Miss Emily LAU, Mr Andrew CHENG, Mr SZETO Wah and Mr HO Sai-chu voted against the amendment.

THE PRESIDENT, Mrs Rita FAN, did not cast any vote.

THE PRESIDENT announced that among the Members returned by functional constituencies, 25 were present, 11 were in favour of the amendment and 14 against it; while among the Members returned by geographical constituencies through direct elections and by the Election Committee, 25 were present, 13 were in favour of the amendment and 11 against it. Since the question was not agreed by a majority of each of the two groups of Members present, she therefore declared that the amendment was negated.

PRESIDENT (in Cantonese): Mr LAW Chi-kwong, you may now reply and you have two minutes and 57 seconds.

MR LAW CHI-KWONG (in Cantonese): Madam President, I am indeed very grateful because one third of the Members have spoken. I also wish to thank the Government for spending nearly half an hour on giving such a positive reply. In particular, I must also thank the Government for its reply that it may arrange exchange visits to the Mainland for Members of this Council, including those from the Democratic Party. Though we have discussed environmental protection many times before, it is still a very good thing for the Legislative Council to discuss this topic again during its first debate in this Legislative Session. We should be allowed to go to the Mainland to exchange views on environmental protection.

I must remind the Secretary of one point: While we do agree that policies on natural resources and the protection of the ecology must be laid down, we also hope the Government can at the same time consider whether it is necessary to lay down a comprehensive legal basis for such efforts. This is not just a policy issue. This is also a legal issue.

I want to focus on the issue of taxation now, because I am worried that colleagues from the Democratic Alliance for the Betterment of Hong Kong are still against the original motion. I stressed that only products causing damage to the environment should be taxed. This point, I believe, is incontestable. Take batteries as an example. Batteries contain lead and mercury, which damage the natural environment. So, we can actively consider the imposition of taxes. In

my original motion, I did not mention any environmental protection tax. Do we have to pay any tax for the carbon dioxide we exhale, given the fact that carbon dioxide is harmful to the environment and every one of us has to breathe? Of course not. So, several principles have to be considered when we are tackling the issue of tax. The first principle relates to whether toxic materials are really produced, and whether there are any negative effects on living organisms? If yes, we must actively consider the imposition of taxes. The second principle concerns the biodegradable ability of the toxic wastes in question. If the toxic wastes concerned are highly biodegradable, there should not be any big problem. If the opposite is the case, we should actively consider the tax aspect. In addition, two other factors may help us decide when not to levy taxes. First, the availability of substitutes. If a certain thing has no substitute, it will not do users or manufacturers any good if taxes are forcibly imposed. Second, necessity. One example is air. We all need air and so we should not levy any taxes for that. The rationale behind this is that things that are required as absolute necessities in our day-to-day living should not be taxed at all.

To sum up, the motion today does not require Members to hold discussions on any specific issues. I just hope that we can set down a principle and do more thinking on how best we can assist in protecting the environment. I hope Members can support the original motion. Thank you, Madam President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Mr LAW Chi-kwong, as set out on the Agenda, be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(No hands raised)

PRESIDENT (in Cantonese): I think the question is agreed by a majority

respectively from each of the two groups of Members, that is, those returned by functional constituencies and those returned by geographical constituencies through direct elections and by the Election Committee, who are present. I declare the motion passed.

PRESIDENT (in Cantonese): Second motion. Referendum on the two Municipal Councils.

REFERENDUM ON THE TWO MUNICIPAL COUNCILS

MR FRED LI (in Cantonese): Madam President, before explaining why I urge the Government to hold a referendum on the retention or abolition of the two Municipal Councils, I would like to state that as this Council is scrutinizing the Provision of Municipal Services (Reorganization) Bill, I will not express my views on the merits and demerits of dissolving the two Municipal Councils. In fact, the Democratic Party has clearly stated its position on many occasions in this Council. We oppose the dissolution of the two Municipal Councils, and so we need not discuss our position here. As the focus of this motion debate is on referendum, I call upon Honourable colleagues not to discuss the contents of the Bill but try their best to focus on our inclination with regard to referendum.

I would also like to take this opportunity to condemn the Government. When I sought to make an appointment to meet Secretary Michael SUEN last week on behalf of the Democratic Party and to discuss with him this topic, I was sorry about the Government's response. The Bureau responded that as it already knew the views of the Democratic Party on referendum from press reports and that Mr SUEN had ahead expressed his opposing views through the media, there was nothing new and the Administration did not need to meet us. According to such logic, the panels of this Council will not need to convene meetings in future for so long as government officials and Honourable Members have expressed their views in the press, they no longer need to hold meetings here. We are very sorry about the fact that the Government has acted in such a perfunctory and irresponsible way.

Madam President, after I intimated to the press last week that I would

propose this motion debate in this Council, the Government, that is, Mr SUEN and some political party members immediately made responses in the press. They pointed out that the retention or abolition of the two Municipal Councils was a highly complicated issue and its dissolution could not be determined in a "yes" or "no" manner. According to them, a referendum should only be used to decide important constitutional arrangements. In their view, dissolving the two Municipal Councils is not an important constitutional decision, and some even doubt if conveniently holding a referendum on the same day as the District Councils Election is holding no respect for referendum. In regard to these specious opposing views, I can only make two points to express my regret. Firstly, some people voiced opposition, out of conditioned reflex, without understanding the meaning of a referendum. Secondly, some thought that a referendum is only applicable to important constitutional affairs and hence bragged casually about it.

On completion of the review of district organizations by the end of last year, the Government said that the public supported it in directly taking charge of food safety and environmental hygiene, thus it finally decided to dissolve the two Municipal Councils. The two Municipal Councils have recently commissioned some academics to conduct a survey, and the survey is highly credible as it is not conducted by Members. I believe the Honourable Ambrose CHEUNG will later discuss this survey in detail. Among all respondents in this survey, 74% supported that a merged municipal council should take charge of municipal services. As the views of the Government and the two Municipal Councils differ, and many people actually have different views on the retention or abolition of the two Municipal Councils, the Democratic Party suggests that a referendum should be held, whereby the public can directly decide on the retention or abolition of the two Municipal Councils and the way in which municipal services will ultimately be provided.

According to the Government, the retention or abolition of the two Municipal Councils is not an important constitutional issue (I read this in the press. As Mr SUEN declined to meet me, I did not know if this was really what he thought. Perhaps, the Secretary can say something about this later). I do not agree with the Government. Actually, the Urban Council has existed for more than 100 years, it occupies a place in the representative government structure and it is the first elected council. With functions similar to those of councils in foreign countries, the two Municipal Councils are the only bodies with policy-making powers in the three-tier representative government structure in Hong Kong. The subordinate municipal services departments will implement

the policies made by Members of the two Municipal Councils. Therefore, the Government's comments have diminished the constitutional roles played by the two Municipal Councils. It also seeks to conduct a review of district organizations in a non-political perspective. Yet, the existing functions of the two Municipal Councils cannot be replaced by this Council or District Councils which are purely advisory bodies. The abolition of this tier of representative government will have important political consequences on the constitutional development of Hong Kong.

I definitely think that a referendum is now the most democratic mechanism. Some controversial issues should be handed over to the public to directly and democratically decide the direction to be followed by the Government in order to solve social problems. The existing functions of this Council are extremely limited and I think that public policies should not be controlled by political elites who have the people's mandate. When appropriate, the power should be handed over to the public. A referendum is the most democratic way of returning political power to the people.

Madam President, in May 1998, the Labour Party Government of Britain held a plebiscite for citizens of London to decide whether the Great London Assembly, dissolved for more than 10 years, should be restored and to return the mayor of London by direct election. More than 10 years ago, the Tory Government of Britain dissolved the Great London Assembly because it wanted to monopolize the political powers, but the Labour Party came into power and resumed local democracy a decade or so later. What can we learn from this piece of British history a decade or so ago?

I would like to quote what President ROOSEVELT of the United States said, as I do not know how to translate it into Chinese, please allow me to read it out in English:

"I believe in the initiative and referendum, which should be used not to destroy representative government, but to correct it whenever it becomes misrepresentative."

A state leader of a democratic government should be broad-minded and knowledgeable, and he should let the public rectify any wrongful acts of an elected government, so, a referendum is all the more suitable to an undemocratic place like Hong Kong.

Madam President, as time is running out, I would leave the Honourable

Albert HO to make other points, including the point that a referendum can be used to determine very complicated issues and why we advocate holding a referendum on the same day as the District Councils Election.

Madam President, I would also like to add that, the two Municipal Councils expressed their views and held discussions on today's motion at their meetings yesterday. I did not attend the meeting of the Provisional Regional Council so I did not know what happened. As the voting result showed that a majority did not support this motion, Dr the Honourable TANG Siu-tong will be voting against his will today. Yet, he will soon have no constituents. After the abolition of the two Municipal Councils, Dr TANG will not have to be accountable to his constituents. So long as he is acting according to his conscience now and thinks that he should support a referendum, he should do so. I also believe that when the representatives of the two Municipal Councils vote in this Council, they do not need to listen to the views of their constituents. I believe it is impossible for them to do so. Every representative should vote according to his conscience and continue to do what he thinks he should. Nevertheless, I observed an interesting phenomenon at the meeting of the Urban Council. Members belonging to the Democratic Alliance for the Betterment of Hong Kong (DAB) did not speak but they voted against the motion. I am not sure why they did so and I hope that DAB Members in this Council will express their views later.

Yet, I read in the press that DAB representatives have said that as everybody knows that the DAB supports "one Municipal Council, one department", it is not necessary to hold a referendum. But we are not discussing whether the DAB has made an about-turn or changed its position. Rather I want to hand over an important issue to the public for decision. I do not want to know the views of the DAB. Now that the name of the DAB contains the word "democratic", it should understand that a referendum is the most direct way to let the public make a decision. A referendum has never been held in Hong Kong, but does it mean that we cannot make this step? The Chief Executive has asked us to make three steps, why can we not make this step and hold a referendum?

I hope that Members in the Liberal Party will respect Liberal Party members in the Urban Council because Liberal Party members in the Urban Council have voted for this motion in the Provisional Urban Council meeting. I do not know if the Liberal Party is really very liberal. While the Liberal Party

members in the Urban Council supported me, Liberal Party Members in this Council oppose me. I really do not know the Party. Liberal Party members in the Urban Council have been co-operating well with us but Liberal Party Members in this Council oppose us, I hope that the Liberal Party will tell us whether it is that liberal. I hope we will approach this issue calmly. As we have never held a referendum, I know that it is extremely difficult to do so but it does not mean that we cannot make this step. A referendum is also feasible insofar as timing is concerned. We should not allow technical problems to impede us from making this step.

After a referendum has been conducted on 28 November, the date of the District Councils Election, it is fine if the public supports the abolition of the two Municipal Councils. Any way, the Provision of Municipal Services (Reorganization) Bill is under scrutiny in this Council. If the public asks for the retention of the two Municipal Councils, the Government can immediately pass an emergency bill to lengthen the term of office of the two Municipal Councils by half a year. After all, as there are representatives of the two Municipal Councils in this Council, an amendment bill on "one Municipal Council, one department" can be introduced half a year later for passage by this Council. The problem can then be resolved.

With these remarks, Madam President, I beg to move.

Mr Fred LI moved the following motion: (Translation)

"That this Council urges the Government to conduct a referendum on the retention or abolition of the two Municipal Councils, which should be held on the same day as the 1999 District Councils Election; this Council also requests the Government to respect the outcome of the referendum."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That motion moved by Mr Fred LI, as set out on the Agenda, be passed.

PRESIDENT (in Cantonese): Earlier on when Mr Fred LI moved his motion, he made it very clear that this motion sought this Council's agreement to urge the Government to conduct a referendum on the future of the two Municipal Councils.

The thrust lies in whether or not to conduct a referendum, so no debate shall arise on whether the two Municipal Councils should be abolished. For this reason, I hope that in this motion debate, Members will co-operate by confining their speeches to the motion. If Members should discuss at length the merits or demerits of abolishing the Municipal Councils, I would be compelled to ask the Member concerned to speak on the theme of the motion.

The debate will now begin.

MR GARY CHENG (in Cantonese): Madam President, Mr Fred LI does not need to remind us and we will surely respond immediately. We certainly understand the motion fully after reading it. We are absolutely not discussing the merits or demerits of the retention or abolition of the two Municipal Councils today. Although Mr Fred LI has said that he will not discuss this issue, he has more or less touched upon it. This motion seeks our views on a referendum but I am very puzzled after reading the motion. What does the referendum to which Mr Fred LI referred mean? Having mentioned the referendum, he then said that the Government should respect the outcome of the referendum. According to Mr Fred LI's remarks just now, he obviously regards a referendum as decisive. In my view, a referendum can be interpreted as a survey among all people that allows everybody to express his views, and it can also be interpreted as a plebiscite and a final decision.

These two different interpretations are somewhat contradictory on the basis of what Mr Fred LI has said. Mr Fred LI made it very clearly that allowing the public to directly make a decision on the retention or abolition of the two Municipal Councils is a devolution of powers. We should we not just let the elites (I think he is referring to us) in the representative government make the decision. This is one interpretation of a plebiscite, that is, a decision will be made by all people direct. If this is the case, then the part of the motion requesting the Government to respect the outcome of the referendum is not necessary. After all people have made a final decision, why does he need to ask the Government to respect the result? Regardless of whether it is a survey among all people or a plebiscite, who can participate? Is it the case that only registered voters can participate? The referendum is suggested to be conducted on the same day as the 28 November election, but does it mean that only those who have registered as voters for the 28 November election can vote? If some

people are very much concerned about the retention or abolition of the two Municipal Councils but they have not registered as voters for the District Councils Election, can these people vote, express their views or participate in the plebiscite? It seems to me that Mr Fred LI's proposal has been made on impulse and he has not pondered over many specific and practical issues.

If a referendum is interpreted as a survey among all people in order to know their will, as Mr Fred LI has always said, the people's will has always been clear. Mr Fred LI has referred to Mr Ambrose CHEUNG's document which we have received. In the last paragraph of the document, Mr Ambrose CHEUNG stated that "it can be seen from the above analysis that most people have obviously indicated that they support merging and retaining the municipal council structure and oppose abolition". If we wish to collect people's views and assume that the result of these surveys are scientific, reasonable and normal, then we would have already known the views of the public, why do we need another survey?

If a referendum is interpreted as a plebiscite, then it becomes a more serious issue. I am not sure if Mr Fred LI really does not know the procedures of a plebiscite. We have made a similar study and learnt that if the government of a country or region needs to conduct a plebiscite, it should at least have legal or even constitutional provisions for that. In some regions, court rulings may even be required to decide upon the topics that can or cannot be decided by a plebiscite. The realistic situation is entirely not the case with Mr Fred LI's proposal under which a referendum can be conveniently conducted together with a geographical election if the proposal can be made a month or so before the election.

I do not dismiss the possibility that it may be necessary to hold a referendum in Hong Kong in future, but we do not have such provisions or such a structure now. How can a referendum be held as there are now less than two months from the election? Obviously, if we hold a plebiscite or survey, we hold it to understand people's views and try to meet them. We all know, and just as Mr Fred LI has said, he has a clear position on the retention or abolition of the two Municipal Councils. If Mr Fred LI and his colleagues can selectively propose a topic for referendum, we can hardly rule out the possibility that other political parties or other people may similarly propose other questions for a plebiscite. Therefore, I have to ponder over this because I should not miss this

chance. Now that a Democratic Party Member has proposed holding a plebiscite, we might as well take this opportunity to include additional topics for the public to vote on. For example, do Hong Kong people support an interpretation of the law by the National People's Congress? Do they support the Government's entering the market? Is Mr Martin LEE's remark that Hong Kong can only become the Chinatown in New York an insult to the Chinese? Do we think that the arrangement for dealing with the 1.67 million new arrivals is acceptable? We might as well propose these topics for the public to vote on. Thank you, Madam President.

MR RONALD ARCULLI: Madam President, I rise to speak on this motion on behalf of the Liberal Party.

Unfortunately, my research does not permit me to go into the details that the Honourable Gary CHENG has gone into. Thus, I will get straight to the point about the pros and cons and the desirability of a referendum as posed in the motion by the Honourable Fred LI, which reads, "That this Council urges the Government to conduct a referendum on the retention or abolition of the two Municipal Councils", and he goes on to say when it should be held and that the Government should respect the outcome of the referendum. I did not see anything in there about the combination of the two Municipal Councils into one, or the Urban and Regional Services Departments into one.

Be that as it may, if we look at experience elsewhere, referendums are not used very often and I suspect part of the reason is that the government of the day, which already controls a majority in parliament, would not like to put the issue to the people. It may be the most democratic way to find out the views of the people over particular issues, but governments of the day like to be able to control their own destiny. And I would confess that there must be some elements of that for those who do not favour a referendum on any given issue.

Insofar as the present issue is concerned, I think that if you look at Hong Kong in the context of what has happened to us over the last 50 years, or indeed over the last 10 years, Hong Kong's future, when it was under negotiations in the early '80s, must have been the single most important event in the history of Hong Kong and its people. There was no referendum.

Now, I am quite sure that some of my friends in the Democratic Party will

say that that by itself should not prevent a referendum on the issue of the Municipal Councils. But I think that history, obviously, can be prayed in aid to look at whether or not it is a desirable methodology or mechanism to suss out the feeling of the public at large.

So far as I can remember, big and small democracies like India, the United States, Germany, Japan, Costa Rica, Israel, have not for the last 50 years used a referendum. My research does not take me back beyond that, but I think 50 years is good enough for modern history. I think Britain, on a national basis, has probably used a referendum when they were deciding whether to stay in the European Economic Community. And that was in the mid-1970s. Sweden, Norway and, possibly, Austria have also used the referendum method. As we know, Switzerland uses it almost every other year, but that is their system of government. I think they used it even to decide whether or not they should permit foreign guest workers to remain working in Switzerland. The answer is actually quite obvious in the sense that I do not think that the Swiss themselves would like to sweep the streets or do the hard labour and menial jobs which they rely on imported labour, so to speak.

Thus, as far as the merits or demerits of referendum are concerned, perhaps the latest example would be what has happened in Quebec when the province was put to the issue of independence, and it was rejected by a very narrow majority of just over 50%. So, the other 49 point something percent obviously did not feel very happy about the result. And I think to this day, there is still a large debate looming. So, you can actually say that in certain circumstances, it actually divides a community rather than presents a solution to or unites a community.

As far as we are concerned, this Council, after 14 or 15 years, will become a fully elected legislature. I know that some of my colleagues here tonight feel that some of us are here on sufferance. Nonetheless, we come in the same door. We have one vote, and that is the system we will have, certainly at least if we adhere to the Basic Law and we only undertake a review in a few years' time.

In terms of the mechanism itself, the question may be simple. I certainly would be fascinated to see how you decide a complicated question in a referendum, which I believe the Honourable Albert HO is going to tell us about. I am afraid I have to read that in the Hansard, because I will be unable to stay and

listen to his elucidation on that particular point.

But I think our position really is quite simple. The Liberal Party does not favour putting the question that Mr Fred LI has put in a motion to a referendum. And much as I understand, and to some extent, we sympathize with his position and the position taken and we do not feel that we can support his motion. Thank you, Madam President.

MR AMBROSE LAU (in Cantonese): Madam President, I reckon we have never used a referendum to resolve specific policy issues in the history of Hong Kong, and it should not be used recklessly.

We may faintly recall that an Honourable Member from the United Democrats of Hong Kong moved a motion on 21 April 1993 which urged the Government to hold a territory-wide referendum on the 1994-95 electoral arrangements, but the motion was not approved. This time, Mr Fred LI has also proposed conducting a referendum, if he means a plebiscite, I do not think it is feasible.

Madam President, a plebiscite is often held by a state power organ in accordance with legal provisions. The state power organ voluntarily devolves the power to handle major issues to all citizens to make a decision by direct voting. In some countries, referendums are usually held in three situations; first, where there are explicit legal provisions, for instance, Article 11 in Chapter II of the existing constitution of France adopted in 1958 specifies that "the President of the Republic can refer a bill that does not contravene the constitution but may affect the operation of the existing system for a plebiscite."; second, where it is especially specified in the international treaty, for example, the Maastricht Treaty on European union "specifies that member states should hold a referendum before a specified date"; and third, when a sovereign state fails to make a decision on major issues involving domestic policies or foreign affairs, it shall relinquish that power and leave it to decision by referendum. For example, the independence of Quebec in Canada is handled this way.

If we interpret referendum as stated in the motion as a way to understand people's will, I do not think it is essential to do so. For more than a year from the consultation period in June or July last year till now, the community has fully

expressed its views on the relevant issue. Honourable colleagues have also got enough information and time to grasp people's will. Besides, Members can express their inclination in the course of scrutinizing this Bill on the basis of such views and suggestions.

The Hong Kong Progressive Alliance thinks that is constitutional, lawful and reasonable for the Government to conduct a public consultation and gazette a bill on the two Municipal Councils for examination and scrutiny by a Bills Committee of this Council.

Madam President, I so submit.

MR ALBERT HO (in Cantonese): Madam President, the Government pointed out in its review report on district organizations published in October last year that although the quantity of the views collected was taken seriously, the quality of the views was equally important too. It then immediately indicated that the public supported the Government to take charge of matters related to food safety and environmental hygiene. This shows that, in the course of collecting views, the Government has adopted different attitudes in handling views for and against its proposal. In other words, views will be considered very important if they agree to the Government's taking charge of municipal services. As for other opposing views, including those collected by opinion surveys of various organizations, the Government will use every possible means to belittle them in the report. Frankly speaking, the Democratic Party does not believe in the neutrality of the Government's conclusion. We would rather set a topic regarding the retention or abolition of the two Municipal Councils and let the public decide on the future direction for our municipal services, rather than allowing the Government to twist public opinions arbitrarily. In other words, we prefer to manifest public opinions by way of a referendum. This will prevent the Government from resorting repeatedly to the tactic of manipulating public opinions, as well as enabling the public to arbitrate the situation in which the Government and the two Municipal Councils are obviously sticking to their own views. In my opinion, a referendum, being the most democratic means, will provide a reasonable channel for ironing out contradictions in the community.

In September, the Democratic Party conducted a telephone survey with a

view to collecting public views on solving the issue pertaining to the future of the two Municipal Councils by means of a referendum. The findings of the survey show that more than 70% of the respondents agree to a referendum and a majority of them also support conducting a referendum on the same day when the District Councils Election is held this year. Public opinions in this aspect are crystal clear. The question now remains whether or not the Government has the determination and broad-mindedness to put the decision in the hands of the people.

Madam President, in its earlier response to the holding of a referendum to decide the retention or abolition of the two Municipal Councils, the Government pointed out that the dissolution of the two Municipal Councils should not be taken as a yes or no question. It is actually a very complicated subject. The Government considers that only constitutional matters of enormous import should be decided by a referendum. If the Government's argument holds, the retention or abolition of the two Municipal Councils is indeed a major constitutional issue, just as explained by Mr Fred LI earlier. Madam President, if this is not a constitutional issue, why was it so important that Members of the three tiers of representative government had to get off the train at the transfer of sovereignty? If this issue is too complicated for the public to understand, why was it possible for the British Government to conduct a referendum on the retention or abolition of its local councils? Has the Government underestimated the public's knowledge of municipal services or is the Government basically trying to go on making decision on behalf of the public by grasping all powers in its hand and thereby refusing to let the public take part in this decision of profound impact?

In fact, it is relatively rare for the United Kingdom to resort to such means as referendum. Other countries, such as Ireland and Switzerland, have conducted a number of referendums. For Ireland, its most well-known incident was to let the public decide whether divorce and abortion should be permitted. As for Switzerland, it has conducted more than 400 referendums in more than a hundred years since 1848. The majority of the issues decided are related to social policies instead of constitutional issues. Therefore, the earlier remark made by the Government that only constitutional issues need to be decided by means of a referendum is indeed far from the truth. For many countries, this is not really the case.

All these illustrate that the Government's argument that only constitutional

issues should necessitate a referendum does not hold at all. They also expose the fact that our Government only wishes to, in the absence of a democratic mechanism, monopolize all powers in deciding on important public policies and is unwilling to hand the powers back to the public to enable them to guide the Government in deciding on major issues. I want to cite one more example for the Government's reference. In 1988, all Chilean nationals were allowed to decide whether or not to extend the tenure of the president, Augusto PINOCHET, even though Chile was under his autocratic rule at that time. Of course, we have not studied how the referendum was conducted in an in-depth manner. But even an autocratic president feared no referendum, what is our Government afraid of?

The Democratic Party eagerly hopes that the Government can, once acceding to the proposal of conducting a referendum, consider holding it on the District Councils Election day by placing an additional ballot box to let eligible voters to make another decision simultaneously in casting their votes. As for the point raised by Mr Ronald ARCULLI regarding the matter on which we are going to decide, it is indeed very simple and the question is: "Are you in favour of the Government's proposal of dissolving the two Municipal Councils?". The arrangement of polling on the same day can definitely make a better use of government resources and reduce costs, as well as giving the public a real opportunity to take part in making an important decision.

As there are still two more months before the District Councils Election, the Democratic Party is of the view that the Government should have ample time to make preparations and all the necessary arrangements. As to the question of the legal basis for the referendum, it is not definitely impossible if the Government has the will to do it for we still have two more months. But given the current attitude held by the Government, I believe it is not going to work. Even if this referendum lacks a legal basis, the survey we conducted in this manner has at least identified a clear bearing of public opinion, thereby producing a very important moral binding effect. This is going to be extremely important for the whole society. Just now, Mr Gary CHENG has made a long speech. In my opinion, he has only raised a lot of technical issues, without indicating in unequivocal terms that he objects to a referendum in principle. They can put forward their views, if any, for discussion but first of all they have to express support

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

MR ALBERT HO (in Cantonese): Thank you, Madam President.

MR LAU WONG-FAT (in Cantonese): Madam President, on the question of whether or not the two Municipal Councils should be abolished, my position is very clear in that I am always opposed to the abolition of the two Municipal Councils. That said, I do not agree with Mr Fred LI's motion which calls for a referendum.

Everyone knows that the question of a referendum is in itself highly controversial. The controversy involved is comparable to that on the retention or otherwise of the two Municipal Councils. Lumping them together will only serve to complicate the matter further. It may turn out at any time that the point at issue is overshadowed by a peripheral one, in which case troubles will be unduly stirred up.

Madam President, Hong Kong has never been an independent political entity and it has never used referendum as a means to resolve problems. Even under the governance of the British Hong Kong Administration, the power-that-be as strong as the former Governor Chris PATTEN had not attempted to promote his way of thinking by a referendum. We should concentrate on exploring practical ways to thwart the scrapping of the two Municipal Councils. Any proposal which sidetracks the major issue will only give rise to more unwarranted disputes, obscuring the focus of the question. This is not in the least conducive to resolving the problem. In its special meeting chaired by me yesterday, the Provisional Regional Council also resolved to oppose to holding a referendum to be conducted on the retention or abolition of the two Municipal Councils.

With these remarks, Madam President, I oppose the motion.

DR TANG SIU-TONG (in Cantonese): Madam President, I have always

doubted whether the Government's proposal to abolish the two long established Municipal Councils and replace them with a centralized organ is the best solution for the provision of food safety and environmental hygiene services. That is why I have joined the two Municipal Councils in asking the Government to shelve the abolition of the two Municipal Councils and to reopen a rational, pragmatic discussion with the community. In such discussion, active consideration should be given to implementing the "one Municipal Council, one department" proposal put forward jointly by the two Provisional Municipal Councils, based on the present division of powers and responsibilities. The restructuring of municipal services should be dealt with in a gradual and orderly fashion after a consensus of the great majority has been reached. Having put forward the relevant arguments repeatedly inside and outside the Legislative Council a past occasions, so I will not repeat them here.

Unquestionably, the retention or abolition of the two Municipal Councils should be decided by the people, and I agree that a referendum is one of the many methods for collecting and reflecting the views of the people. As to whether this method should be used to canvass public opinion on this occasion, we have to consider the issue at hand and whether the conditions exist for the conduct of a referendum, including whether clear and simple options can be provided in order to reach a consensus. Many complex questions are involved in the restructuring of municipal services. In terms of the organizational framework, the options include maintaining the status quo, combining the two Municipal Councils, replacing the two Councils with an administrative department, or having one council or both councils of the outstanding two tiers of government take over their work after abolition. Apart from the organizational framework, a decision is also warranted on the restructuring of the functions and powers. Those who support keeping the same organizational framework might not want the functions to remain unchanged. If a referendum is used to find out people's wishes, the community must first decide who is to determine the options on the ballot and how many options should be provided to ensure fairness before holding the referendum. This involves many technical problems. If we put all the options on the ballot indiscriminately, there might be too many options. The more options there are, the smaller would be the chance to obtain a majority. Failing a consensus, the referendum will be meaningless.

Madam President, I wish to stress one point and that is, the future of the

two Municipal Councils should be decided by the people. However, the issue is very complicated. There are many technical problems involved in a referendum. As Mr LAU Wong-fat mentioned just now, the Provisional Regional Council held a special meeting yesterday to discuss this at the request of several members. They came to the conclusion that it would be inappropriate to decide the retention or abolition of the two Municipal Councils with a referendum. Therefore, as the representative of the Regional Council in the Legislative Council, I have to oppose the motion in accordance with the decision of the meeting of the Regional Council.

The Democratic Party has always advocated that one should answer to one's constituents. Just now, Mr Fred LI urged me not to answer to my constituents. I wonder if he is asking me to be more slippery. Is it because I am not slippery enough that I should learn to be more slippery, and adopt a "lose-hit, win-take" attitude?

With these remarks, Madam President, I oppose the motion.

MISS MARGARET NG: Madam President, in one way or another, Members in this Council has debated the question of whether the two Municipal Councils should be scrapped. By now, we all know each other's position very well. I should like to concentrate on just one point, the point that I feel most strongly about. There must be no disenfranchisement without consent.

Of course, the language of Article 97 of the Basic Law does not require us to have a three-tier system of representative government or to keep the present structure of district administration. If we are starting from scratch, we may well

PRESIDENT (in Cantonese): Miss Margaret NG, the theme of this motion is whether a referendum should be conducted but in your speech so far, you have only spoken on whether or not the Municipal Councils should be abolished in future, a question which should be discussed when the debate on the Second Reading of the relevant Bill resumes in this Council. Therefore, please speak to the question of a referendum.

MISS MARGARET NG (in Cantonese): Madam President, I have mentioned

the thrust of my speech earlier on. If we are to disenfranchise the voting right of a certain person, we must obtain his consent. Therefore, I would like to prove why there is "disenfranchisement" in the first part of my speech. What matters is not whether we should do so but whether there is disenfranchisement?

PRESIDENT (in Cantonese): Miss NG, I do not quite understand how the disenfranchisement that you mentioned correlates with the question of whether a referendum should be conducted on the abolition of the two Municipal Councils.

MISS MARGARET NG: Madam President, it may not be of dignity for us to continue this debate and perhaps it will waste more time. It will take me seven minutes. But in view of the fact that Madam President feels a question about this, may I suggest that my speech, which is written, be sent up to you. If you, having looked at it, were to come to the conclusion that it should not be delivered, I will abide by the President's decision. Thank you.

MISS CHOY SO-YUK (in Cantonese): Madam President, the Hong Kong Progressive Alliance objects to conducting a referendum on the retention or abolition of the two Municipal Councils on the District Councils Election day this year for it is inappropriate for the issue to be resolved by way of a referendum.

To think that a referendum can be conducted by merely putting one more ballot box beside the one for the District Councils Election might not only belittle the significance of the District Councils Election, but also distract voters' attention from the Election. Furthermore, it might play down the dignity of the referendum.

A referendum appears to be simple. It actually involves a cobweb of constitutional, legal and technical problems. Can Hong Kong conduct a referendum given that the Basic Law has not provided for such a mechanism? If the answer is affirmative, what issues can a referendum decide? Is the referendum result going to carry any constitutional effect? Is it mandatory? How can we define voters who can take part in the referendum? Is it necessary to consult every member of the public on whether or not a referendum should be conducted? Which piece of legislation in Hong Kong has explicitly provided for

a referendum to be held jointly with the District Councils Election? What mechanisms does our legislation have that allow preparations to be made for the holding of a referendum in just more than a month? Can all these problems be resolved before the District Councils Election day?

Are we respecting the rule of law, acting in a pragmatic and reasonable manner as well as being accountable to Hong Kong if we speak lightly of a referendum without considering all these problems and the constitutional and legal procedures?

Madam President, even if we set aside the confusion that may possibly be caused to the District Councils Election by a referendum on election day, a referendum is still not a suitable means to deal with the retention or abolition of the two Municipal Councils.

The retention or abolition of the two Municipal Councils is not going to be solved by merely conducting a referendum and consulting the public views briefly. To handle the issue by way of a referendum will not only discourage various sectors of the community from seeking the best solution, but also simplify the whole matter. What is more, it might mislead the public into thinking that the retention or abolition of the two Municipal Councils only concerns the two Councils, thereby ignoring such other issues as administrative arrangements, resource allocation and reorganization of the powers and responsibilities of the District Councils. What good will it bring with respect to improving Hong Kong's municipal services?

Should the Government's proposed administrative and resource arrangements fail to improve the municipal services, this Council and the District Councils can still vote against the Government. There is indeed no need to spend extra resources on conducting a referendum, the effectiveness of which remains questionable.

With these remarks, Madam President, I oppose the motion.

MR HO SAI-CHU (in Cantonese): Madam President, I do understand why the

Democratic Party, which has a number of seats in the two Municipal Councils, are worried because the scrapping of the two Municipal Councils will greatly affect its political interest. However, in spite of the worries and opposition, I think it is absolutely inappropriate for the Democratic Party to casually propose holding a referendum to determine the future of the two Municipal Councils.

First, a referendum is an extremely solemn political act through which all citizens can directly decide certain social issues of great importance. Therefore, a referendum is, generally speaking, only applicable to amending constitutions or deciding such extremely important issues as the future of a nation. It is not to be used indiscriminately. Even the United States, a super democratic nation, has conducted no referendum in the last half century.

According to the Basic Law, the Government of the Hong Kong Special Administrative Region (SAR) should be an executive-led government. Apart from holding rational debates in the Legislative Council, the Government may listen to the public views in order to make a decision. But that does not mean we can resort to holding a "referendum" indiscriminately in order to resolve problems. To conduct a referendum in a forcible manner will only violate the executive-led mechanism of the SAR Government.

Looking back at the last hundred years or so, Hong Kong has been practising an executive-led system, which has helped the Hong Kong Government to operate smoothly. Even when Sino-British talks about the future of Hong Kong reached a crucial stage in the '80s, the British Government dared not conduct a referendum in Hong Kong rashly for the purpose of determining our future. Compared to the future of Hong Kong, the retention or abolition of the two Municipal Councils is of much less importance. I just cannot see why we need to conduct a referendum on this latter subject. Even in some places where referenda had been conducted, were all the problems resolved eventually? Not necessarily. Earlier in the debate, the Mr Ronald ARCULLI cited Quebec as an example. For instance, it was finally decided by a referendum that Quebec was to remain a part of Canada. However, the difference between the votes for and against the proposal was 0.6%, that is, less than 1%. Under such circumstances, even though a decision was reached, those in favour of independence continued to solicit support in opposition of the voting result. This shows that a referendum is very often not a solution.

Second, since 1985, Hong Kong has been developing democratic

representative government. Now Hong Kong has a legislature with all its members returned by election. Major sectors, professions in the community, as well as the general public are able to elect their representatives to reflect their views in this Council. We must respect this democratic mechanism and this elected Council. We should believe that representatives of public opinions in this Council will discharge their duties by accurately reflecting the views held by various sectors of the community on the retention or abolition of the two Municipal Councils. We should also trust that Members of this Council are wise enough to make the right decisions.

We will be shirking our responsibilities as well as casting this Council a vote of no confidence if we imprudently throw the question pertaining to the two Municipal Councils to the people for a decision. Once a precedent is set, people might keep on proposing referenda to decide on certain trivial or really important social issues. This will only lead to disputes and the credibility of this Council will be undermined. This Council has already been criticized for being useless. If this is allowed to go on, this Council will become even more useless.

Madam President, the Liberal Party is very much concerned about the retention or abolition of the two Municipal Councils. We also understand that there is a divergence of views between the Government and political parties. But a referendum is a tool of enormous import that cannot be invoked arbitrarily. The Liberal Party finds it impossible to support the motion moved by the Democratic Party, which asks for a referendum to determine the future of the two Municipal Councils.

With these remarks, I oppose the motion.

MR YEUNG YIU-CHUNG (in Cantonese): Madam President, Mr Fred LI has moved a motion in the hope of conducting a referendum on the retention or abolition of the two Municipal Councils. He knows that is not possible but he is still determined to do it. He is trying to cause trouble; he is staging a show. He has also equated eligible voters for the District Councils to voters for the referendum. He seems to have taken the matter too lightly.

A referendum is an important tool. It should not be used indiscriminately.

Past events have shown that a referendum is mostly used for voting on single, important constitutional issues such as extension of the tenure of a president, constitutional amendment, or issues relating to civil rights such as religious freedom or abortion legislation. Mr LI also mentioned the point that a referendum can test whether or not a community is democratic. I think this is a rather sweeping statement. The reason is that the number of democratic regimes resorting to referenda is actually very small. What happens in some totalitarian countries is just the other way round. For instance, in 1929 and 1934, Mussolini conducted two referenda in Italy to support his totalitarian rule. Therefore, to judge whether a place is democratic from the angle of a referendum does not hold water.

Let us look at today's question to see if it meets the requirement as having a single theme. We think the most important point lies in whether or not members of the public are fully aware of the development of the whole event, the pros and cons of the retention or abolition of the two Municipal Councils and whether the community is very much divided over the matter. As far as these issues are concerned, I think the public are far less familiarized and concerned with the retention or abolition of the two Municipal Councils when compared with the earthquake in Taiwan. On the contrary, if the public opinion is clear, why do we still need a referendum?

The District Councils Election will be held next month. How can we prevent confusion from arising if we decide to conduct a referendum hastily alongside with the Election while they are completely different in nature? Furthermore, with less than two months to go before the District Councils Election, it is doubtful as to whether or not we can draft a piece of legislation on the holding of a referendum. And most important of all, the issue lacks sufficient and mature brewing, even if all the technical problems can be overcome. The mere emphasis on the finding that 60% of the public are aware of the Government's plan to dissolve the two Municipal Councils at year end does not mean that the community has given serious thought to and fully discussed the matter.

Mr LI mentioned in his motion that "This Council also requests the

Government to respect the outcome of the referendum." What is meant by "respect"? I think Mr LI might regard "respect" as implementing the relevant outcome. In this connection, a number of technical problems will be involved. Do we also need to give due respect to the number of votes? Mr LI also cited an example in which a referendum was used to restore the Greater London Assembly and to return the mayor of London by election to show that Hong Kong can model on Britain. However, I must point out that they are completely different in nature. What London did was to decide whether a regional head and an administrative body for supervising the regional head were required. The body I am referring to is an organization with actual power. In the case of Hong Kong, the two Municipal Councils are regional organizations with no political power. Therefore, they are different in terms of both nature and level. Furthermore, the referendum conducted in London was criticized for its low turnout rate. Its credibility has also been subject to varying degrees of doubt.

Indeed, do we have any means other than a referendum? In terms of procedure, Members may state their position during the Committee stage or Second Reading debate and at the vote on Second Reading. In accordance with the existing statutory procedures, they may make use of the mandate devolved on them by voters, to deal with the retention or abolition of the two Municipal Councils, rather than resorting to an approach which is not legally binding and lacks a specific legal basis to substitute the policies formulated by legislative procedures with a referendum. I would like to urge Members not to underestimate their own ability and relinquish what they have accomplished too early.

With these remarks, Madam President, I oppose the motion.

MR LEUNG YIU-CHUNG (in Cantonese): Madam President, today we are debating the motion moved by Mr Fred LI. The wording of the motion is: That this Council urges the Government to conduct a referendum on the retention or abolition of the two Municipal Councils, which should be held on the same day as the 1999 District Councils Election; this Council also requests the Government to respect the outcome of the referendum."

Looking at the wording of the motion, the last part of the sentence, that is,

"this Council also requests the Government to respect the outcome of the referendum", is the most important. That is to say, the referendum is in fact not legally binding, otherwise the word "respect" will not have been necessary. Because of this point, I think the questions which have been raised by many Honourable Members just now are perfunctory, because the last part of the motion has made it clear already. The reason why Honourable Members have questioned the feasibility of the proposal and whether or not there is ample time to enact relevant laws and so on, is probably due to the fact that they have not read this sentence. This is what I understand by the wording of this motion, otherwise there will be no need for the last sentence and it will be fine if it says clearly that a referendum should be conducted. I would therefore think that if Honourable Members can take a closer look at the wording of the motion before they speak, then we will be able to save the time used in discussing some irrelevant points.

The second point is that someone says that there is a big difference between the elections in the municipal assembly in London and that in Hong Kong. But come to think about this. Our Urban Council has a long history of 117 years. It has developed over such a long period of time, and no matter how it has grown from an undemocratic framework to an appointment system and finally to a democratically elected institution, it has indeed undergone a very long process. Since it has such a long history, why can we not show more respect for the question of its retention or abolition? Is there any value in passing the motion in such a haste? I really cannot understand why the question of the retention or abolition of an assembly with such a long history is not important. What makes it different from the municipal assembly of London? As a matter of fact, under the existing three-tier system, the two Municipal Councils are comparatively speaking the most powerful institutions, for they are the only institutions which have policy-making powers. What we are doing in this Council is just making laws which will only come into force after the Chief Executive has given his consent. Under the former Letters Patent, the Legislative Council and the Executive Council were only advisory bodies for the Governor and they had very little power. However, in those days the two Municipal Councils, especially the Urban Council, had more powers. They could make policies of their own. Why can we not respect these facts of history and stop saying that they cannot be compared with other assemblies?

It is true that elections and voting cannot be equated to democracy. And

the effects of these may not be the most desirable. But to put it in another way, all democratic countries respect elections and referenda. We should be moving towards a democratic system. Even the Basic Law envisages that a democratic system should emerge in Hong Kong. Given that, why are we not making it come true? I just fail to understand.

Many countries in the world have held innumerable referenda. According to the information I have got, a total of 800 referenda have taken place. Why can we not hold a referendum like other countries? Take the example of Switzerland, its mechanism for holding referendum has been there for 150 years. A referendum is held in Switzerland on minor matters such as adding or deleting a tax item as well as on an issue of grave importance such as the design of a political system. Can we not follow the practice of other countries? The key point is: can we or can we not do so? Those Honourable Members who indicated that they were opposed to the idea had not really put forward any concrete views. They were only saying that there was something improper about holding a referendum. And they said that they felt confused and asked why the Legislative Council was not respected and so on. We do not in fact want to show any disrespect to the Legislative Council. It is only because people will find it hard to respect the Legislative Council, for not all the Members of the Council are returned by direct elections. Some of these Members are returned by some coterie elections which do not seem to resemble anything at all. How can we regard those Members elected in the coterie elections or so-called functional constituencies to be representatives of anything at all? How many people are they representing? How many people have elected them? These are the questions we have been asking.

What I am going to say now may sidetrack from the topic, however, there may actually be some relevance. Our discussions on the issue of a referendum now are not confined to the issue of the two Municipal Councils. When we discuss the progress of developing a democratic political system, we are also touching on a future question espoused in the Basic Law. Come 2007, the political system that we are talking about may need to be decided by a referendum. Therefore, we are not just discussing the issue of the two Municipal Councils alone, we are also dwelling on the issue of holding referenda which has long-term and forward-looking significance. What I want to say is: It will not mean anything at all if Honourable Members can achieve a technical defeat of the referendum motion, because the wording has already solved the technical

difficulties. I hope Honourable Members can take a good look at the wording before airing their views. Thank you, Madam President.

DR LEONG CHE-HUNG: Madam President, I rise to speak against this motion and I will be very brief. I initially did not intend to speak but, having heard some of the remarks, I thought that I could not but express my personal feeling.

Madam President, it has always been my belief, and I have heard from many Honourable Members of this Council, that we are the people's representatives. Yes, some of us are elected by a fairly small constituency, while some of us are elected by a very big constituency. But together, we cannot deny the fact that we are representatives of the people.

We are elected by them and have been given their mandate to represent them in this Council to monitor, to vet, to object or to approve the Government's policies and the implementation of policies. This must be what we are, Madam President. If we are to request a referendum and we are asking the Government to move a referendum, are we saying that we have doubt on our constitutional status? Are we then denigrating the mandate that the community has placed on our shoulders when they cast their respectful votes a year and a few months ago?

In the usual situation, it is more likely that the government of the day would call a referendum in an attempt to challenge, and I quote, "unfavourable decisions of an elected legislature", that the government does not believe, does not trust the legislature or the government challenges the legislature and therefore, it calls for a referendum to refute that.

If each Honourable Member in this Council were to consult their own constituents on this matter, by all means. But I stand against that this Council should urge the Government to conduct a referendum for an issue that I feel that this Council has the full right to make a decision on ourselves. Thank you.

MR AMBROSE CHEUNG (in Cantonese): Madam President, the significance of a referendum lies in the fact that it can help us understand what the public preference is on certain important issues. Regarding the retention or abolition of the two Municipal Councils, I can see there is a difference of opinion between

the Government and the public. The difference arises from the fact that the views of the Government and those of the public are not exactly the same. From what I have collected up to this day (and this is all I have got in the past year or so), we can see what the results of opinion polls are. There are altogether 14 surveys, including the ones conducted by the Government and the Constitutional Affairs Bureau. Of these 14 surveys, 12 are in support of the merger or retention of the two Municipal Councils. As for the remaining two, one is in favour of dissolving both of them, while the other contains a fifty-fifty split in opinions. From the 14 surveys, I can see that for those surveys with a majority response in support of a merger, over 40% of the respondents support an amalgamation, while those who support the establishment of a municipal assembly have also amounted to over 50% of the respondents in most of the surveys concerned. However, those who support the dissolution of the two Municipal Councils account for 11% to 32.7% of the respondents.

So, these are the public opinions collected by different groups and organizations. The stance of the Government is at variance with that of the public because it has all along been stressing that the public supports the Government's dissolution of the two Municipal Councils. I have studied the two surveys conducted by the Government, or I should say its collections of opinions because they were not scientific surveys. In the two collections of opinions, a total of 4 938 submissions have been received. 75% of the submissions support the retention or merger of the two Municipal Councils. But the Government knew it could not present such a conclusion and so it classified the submissions instead. First, it separated the 710 submissions made by individuals or organizations, showing that 32.7% of them support a dissolution and 37.3% an amalgamation. 10.7% are in favour of a retention of the existing structure of the two Municipal Councils. That is to say, 48% support the establishment of a municipal assembly against a 32.7% support for a dissolution. What response has the Government given? Madam President, the Government says it is quality, not quantity that counts, a position taken by it at the Panel on Constitutional Affairs. Then it says it could see that there were 2 565 submissions with the same views. Among them, 97% support the retention of a single municipal council. Therefore, naturally, the Government questioned the origins of the submissions sharing the same views. But since it is quality, not quantity that counts, the Government based its conclusions on the 1 663 questionnaires it has collected

PRESIDENT(in Cantonese): Mr Ambrose CHEUNG, I am afraid I have to

interrupt you. Before the debate began today, I made it clear that the focus should be on whether a referendum should be conducted to determine the retention or abolition of the two Municipal Councils. What you have said so far should have been left for the resumption of the Second Reading debate of the Bill. So, I hope you can come back to the topic of referendum.

MR AMBROSE CHEUNG (in Cantonese): Madam President, when I began my speech I said a referendum was necessary because of the divergence in views. Thus I was trying to elaborate my point by citing the figures to facilitate my explanation for the support of a referendum. So, please let me say quickly that in the 1 663 questionnaires, 17% support a dissolution but 44% an amalgamation. In the Government's consultation report, however, it did not dare to say so. In paragraph 2.6 in Chapter 12, it was said: "The majority of the respondents supported the proposal for the Government to assume direct responsibility for food safety and environmental hygiene, while views on the future structure of district organizations were again diverse. A summary of the views reflected in the 1 548 completed questionnaires collected at public forums or by the District Offices is at Annex A." It is clearly stated in Annex A that 44% of the respondents support an amalgamation of the two Municipal Councils. But the Government says the views are diverse. I do not think it can absolve itself of trying to mislead the public.

Madam President, I now want to say I was glad to hear several political parties say they oppose holding a referendum because they have a good grasp of what the public views are. The Democratic Alliance for the Betterment of Hong Kong (DAB) said clearly that they have. I hope the views they have grasped are the same as those shown in the document I have circularized to Members. I also reckon that the DAB has done its own poll. The DAB interviewed 684 people in June 1998. 68% of the interviewees supported an amalgamation, and 32% a dissolution. I trust it is due to this reason that the DAB has maintained that "one Municipal Council, one department" or an amalgamation is the majority will of the public, and thus

MR GARY CHENG (in Cantonese): Madam President, a point of order.

PRESIDENT(in Cantonese): Have you got a point of order, Mr CHENG? Mr CHEUNG, please sit down.

MR GARY CHENG (in Cantonese): Madam President, I do not think we need to discuss here which Members support or oppose "one Municipal Council, one department" proposal. We should debate whether or not it is right to hold a referendum.

PRESIDENT(in Cantonese): Thank you for the reminder, Mr Gary CHENG. Mr Ambrose CHEUNG, you may now continue. But please bear in mind that the emphasis should be on the suitability of a referendum to determine whether the two Municipal Councils should be retained.

I am stressing that point for the benefit of all Members. Certainly, I cannot remember what every Member has said in this Council about the subject in previous debates, but you will be the one who knows best. It is of course relevant today to debate about the issue of a referendum but if you repeat the relevant views on the topic and I happen to recall what you said, I would ask you not to repeat.

Mr CHEUNG, I will make an allowance for the time lost. Please continue.

MR AMBROSE CHEUNG (in Cantonese): Thank you, Madam President. I have presented the survey findings to illustrate why some political parties consider a referendum is not necessary. The reason probably is that they have grasped a very clear indication of public views. I understand that some political parties have conducted their own surveys, and so they can grasp very clear public views, sufficiently reflected by the survey findings.

However, I was disappointed with the Liberal Party and the Hong Kong

Progressive Alliance. Why? Because although the Liberal Party said it is against a referendum, it did not state clearly whether it has grasped the preference of the public. It only said it did not consider a referendum necessary. I heard nothing about how it had tried to obtain public views. Maybe I can when Members of the two political parties rise to speak later.

In addition, 28 November will be the election day for the District Councils. I think if Members consider a referendum can reflect whether or not people support scrapping the two Municipal Councils, they may consider putting down in their platform for the District Councils elections their position about the referendum issue. Members can tell voters their position regarding the issue. Thank you, Madam President.

MISS CYD HO (in Cantonese): Madam President, the issue of the retention or abolition of the two Municipal Councils has indeed been a topic of debate for a very long time. It is a long and painful process. However, under the existing political system, the wish of the public cannot be reflected in a fair assembly of sufficient representation. This has thus led to the present abnormality. The Government said that the proposal had the overwhelming support of public opinion, but then the findings of many opinion polls show the contrary. Therefore, I understand why Mr Fred LI has moved this motion and I am in support of it. The motion seeks to use the most objective, scientific and accurate means, that is, a referendum, to show what public opinion is.

Just now I have heard a lot of opposing views which are mainly about two points. The first is that we have never done this before and there is no existing mechanism for it. The second is that there is not enough time for it and it is technically impossible. I think we should look at the matter from two perspectives. The first is that we do not have any democratic system now, but then does the public have the right to let their wishes known through a referendum? Are we opposed to the possession of that right by the public? As for the recognition of referendum as a right, I have not heard of any strong opposition to it expressed by the Honourable Members. There are only doubts as to whether it is proper or not to use a referendum to decide on the retention or abolition of the two Municipal Councils. Second, people said that it would be too rash to hold a referendum. Today we are already in the second week of October, and we are now talking about whether or not a referendum should be

conducted at the end of November, and whether there is any sufficient base of voters, and is there any mechanism or legal support for it and so on. I am well aware of the concerns and in fact I have the same worries myself. It would indeed be too much of a rush if we want to hold such a large scale referendum on 28 November. But then I cannot see a more appropriate date other than 28 November.

We have talked a lot on this matter and it is not today that the matter has been first brought up. Some Honourable Members proposed some time ago that this issue should be decided by a referendum. In fact, we have all had experience of this: whenever the Government wants to implement a policy or a measure, it does not matter how many votes that Honourable Members have got, and how many voters they represent, the Members returned through direct elections will never be able to override a decision made by the Government. Strangely enough, the Government has been saying all the time that it has got the support of a majority of the public. The views which the Government has collected also show that their policies are well-supported. It is precisely because of this that the difference continues to exist. The difference is not between different people in society, but between the Government and the people. In my opinion, to prove whether or not such a difference does exist, the easiest way is holding a referendum.

Madam President, there is a saying which goes like this: Where there is a will, there is a way. So, if we really want to find out where in fact public opinion lies, we can certainly find a way. If 28 November is too much of a rush, then can the Government suggest postponing the voting on the retention or abolition of the two Municipal Councils, and to discuss what should be the mechanism for a referendum? However, the Government does not give consent to postponing the voting, and so Honourable Members have put forward this topic for discussion in the hope that a referendum can be held on 28 November. If the Government is determined to defy public opinion and does not want to find out the truth, and if it is bent on depriving people of their right to vote and take part in public affairs, then it can certainly furnish a lot of grounds and reasons. And these may be some quite good ones as well, including the claim that it is too rash to hold a referendum, that there is no mechanism for it, and that ways to define voters have not been identified and so on. These are all very good reasons to be used to forestall the holding of a referendum.

Madam President, the Government will send its representatives to the

United Nations in early November to attend a conference on the International Covenant on Civil and Political Rights. I think many non-government representatives and some Honourable colleagues of this Council who are going to attend the conference will discuss this matter. The right to vote is part of the right to take part in public affairs. At that time, I hope the Government can give a good account as to how it can disenfranchise the voters of the two Municipal Councils when no consent has been obtained and no consultation has been held. The Government will have to explain whether this move is a contravention of Article 25 of the Covenant.

Madam President, I wish to talk about the mechanism for referendum in Switzerland. Many Honourable colleagues have cited examples from other countries. They said that a referendum would be held in Switzerland every other year. I would like to point out, however, that Switzerland does not merely put matters up for decision by referendum, and things are not to be decided by the number of votes alone. After a topic is brought up, the Swiss Government will give subsidies to many civilian groups to hold many seminars of various scales, in the hope that all the citizens can have a better understanding of the contents of the issue. The Swiss Government will also hold such seminars. However, in the present topic we are discussing, our Government has not handled the matter well enough. It has not given any subsidies to the civilian groups to hold seminars on this. Under the present political framework, the Government has not presented its views fully and clearly to the public, nor has any comprehensive information been given. Therefore, even if it is a rush to do so, I would still support Mr Fred LI's motion, that is, to hold a referendum on 28 November, that is, the same day as the District Councils Election. Thank you, Madam President.

MR JASPER TSANG (in Cantonese): Madam President, if the Swiss hold seminars before every referendum, I wonder if they will be spending every day in seminars. They did not hold a referendum every other year but for over 400 times in more than 100 years. Honourable Members have earlier cited Switzerland as an example, but Switzerland is a fairly unique country among many countries. So if we want to learn from Switzerland, we must learn from its entire mode of governance.

Mr Ambrose CHEUNG said that the DAB opposes the holding of a

referendum to decide on the retention or abolition of the two Municipal Councils because it has grasped people's will. I am sorry it is not the case, and we have never said that we have grasped people's will. So, how can we grasp people's will? We have to conduct a survey. Mr Ambrose CHEUNG's document also contains information on the survey conducted by the DAB. Yet, a survey is no substitute for a referendum. Certainly, we cannot equate a survey to a referendum just as we cannot equate a survey to an election. If we can do so, we do not have to spend a lot of resources holding elections. We need only conduct a survey to see which candidates are supported by the public to become Members of this Council. If we do so, the Democratic Party may win an outright victory. Just see how happy they are. *(Laughter)* Do we still need elections? Similarly, how can a survey involving hundreds or thousands of people replace a referendum? It is impossible.

Madam President, I originally wanted to respond to Mr LEUNG Yiu-chung's remarks because he has criticized a few Honourable Members including those in the DAB. He said that we had not read carefully the wordings of Mr Fred LI's motion before expressing our views, and he repeatedly said that Members' queries were unnecessary. He also said that if we read the contents of motions carefully in future, we do not need to waste time. It is a pity that Mr LEUNG has left the Chamber now. I did not notice if Mr LEUNG was also absent from the Chamber when Mr Fred LI spoke and moved his motion. We have read Mr Fred LI's motion carefully and listened to his speech very carefully. But Mr LEUNG has not done so. Mr Fred LI stated the point clearly when he spoke, and it was repeated by Mr Gary CHENG, and that is, the issue would be handed over to the public for them to make a decision directly. Why do we not return the power to the people, he asked. This has been explicitly stated.

Mr Albert HO is more honest. He also knows where the problem lies and when he responded to Mr Gary CHENG's remarks, he said that there is still time for legislation, providing there is a will on the part of the Government. He also finds this necessary but it seems quite hopeless to do so in view of the Government's attitude. He also said that even though there is no legal basis, a referendum should also be conducted to understand the people's will. Therefore, some Members and I have not casually made our remarks without reading the motion carefully, or discussed whether a survey or a plebiscite should be conducted. When Mr Fred LI sums up our debate later, he may make this point more clearly because the outcome of the referendum will be binding. It is not

necessary to request the Government to respect the outcome of the referendum, as suggested in the motion. The Democratic Party may think that the Government will simply defy the law, and even if the outcome of the referendum is legally binding, the Government will not observe it. Thus, it says in advance that the outcome of the referendum is legally binding and the Government cannot act casually. Is that what Mr Fred LI meant? Mr LEUNG Yiu-chung has not listened carefully.

Such being the case, I would like to give some information. Yesterday, a visitor from Italy talked to me about their referenda. Just like Honourable Members, he cited the example of Switzerland. According to Mr LEUNG Yiu-chung's statistics, 800-odd referenda were conducted in the last century or more and 400-odd were held in Switzerland. We will have an idea if this is a large number or not. The constitution of Italy provides for a referendum and there are specific legal provisions for its conduct. There are also many other restrictions. According to the law, a referendum cannot be conducted for certain issues such as policies related to taxation. A referendum can only be held to repeal existing laws but not to legislate. Moreover, there are provisions for the turnout rate. If those who voted only account for a very low ratio of eligible voters, the referendum will be nullified. It is because the parliament is returned by voters and the issue to be voted on is important. With a low turnout rate, it means that they do not intend to vote and wish to hand over the issue to the parliament for a decision. Therefore, the referendum will be nullified. Of course, this is only the Italian system, and other countries do have different systems. In Switzerland, for example, the Swiss think that it does not matter even if few people voted because their philosophy is that those who have not voted are actually handing over the decision-making rights to those who have voted and they regard them as their representatives.

Miss Cyd HO said earlier the Government would have to explain the disenfranchisement. I believe nobody will object that the public should have the right to elect. Take the District Councils Election as an example, eligible voters should have the right to elect but I do not think it is not necessary for us to spend so much time carefully scrutinizing legislation on the election. There must be a legal basis and a legal system to safeguard their rights and ensure that they can exercise their rights. We are discussing a major constitutional act in this Council, how can a plebiscite be conducted without a legal basis?

Since it is a major constitutional issue to decide whether a referendum

should be deemed as a voting mechanism, I suggest that the Democratic Party should first propose holding a plebiscite to decide whether a plebiscite should be held to make a decision on this issue.

Thank you, Madam President.

MR JAMES TIEN (in Cantonese): Madam President, the Liberal Party has expressed its views on Mr Fred LI's motion but as Mr Fred LI has earlier queried why some Honourable colleagues in the Liberal Party indicated yesterday at a meeting of the Provisional Urban Council that they supported Mr Fred LI's motion about holding a referendum, I hope to respond to his queries and offer an explanation.

Mr Tommy CHEUNG spoke on behalf of the Liberal Party at the meeting of the Provisional Urban Council. I know that Mr CHIANG Sai-cheong and Mr CHAN Noi-yue voted in support of Mr Fred LI yesterday but the Liberal Party did not agree that they should do so. Early the day after tomorrow, we would ask them to give the Standing Committee of the Liberal Party explanations. We will decide whether we will punish them after listening to their explanations.

Madam President, I have brought a document to this meeting today. Initially, I just thought that I would leave the document here and I would not use it but I think that I can use it now. Madam President, Mr SZETO Wah moved a motion debate in the former Legislative Council on 21 April 1993. I am sorry that I have to speak in English because the document is in English.

Referendum on political development (in English):

Mr SZETO Wah moved the following motion: "That this Council urges the Government to hold a territory-wide referendum on 1994-1995 electoral arrangements." It talks about territory-wide referendum.

During that motion debate, this is what the Honourable Fred LI said: "In some other countries and regions, referendum is also used as a procedure for the public to come to and indicate its decision directly. Nevertheless, we all along believe that referendum should not be made too abstract. We should not regard

it as the only most democratic method, nor should we regard it as the best and most appropriate way of decision-making in whatever circumstances. Many problems in a society, particularly those relating to the balance to be struck between public policies and public interests, usually involve considerations from various aspects, levels and perspectives. They have to be settled on the basis of comprehensive debate and have to be accepted by the majority of the population. Such a decision will then bring about greater good to society. A referendum with a simple answer of "Yes" or "No" is not necessarily the most effective or the most constructive way of deciding social policies."

He further went on to say, "On the basis of the above various considerations, Meeting Point objects to the holding of a referendum before first undertaking a detailed and comprehensive study into the mechanism and operation criteria of a referendum."

He further went on to say, "As for the representation of public opinion, our elected Legislative Councillors are public representatives in the political system. If all of our colleagues in this Council can honestly act according to public opinion, public opinion will receive attention and consideration. Should we turn our back on public opinion, then a so-called 'referendum' which has no binding effect will be after all useless."

The result of the debate was 18 votes in favour and 29 votes against. Mr Fred LI was one of those who voted against the motion.

MR JAMES TIEN (in Cantonese):

I wonder why Mr Fred LI opposed a referendum then but he has moved this motion today on behalf of the Democratic Party. Has he made an about-turn? Or, has he not made an about-turn as he has switched from the Meeting Point to the Democratic Party?

DR YEUNG SUM (in Cantonese): Madam President, I would like to thank Mr

James TIEN for presenting again the remarks made by Mr Fred LI a few years ago concerning a referendum on political development. Why has Mr Fred LI moved a motion on a referendum on the retention or abolition of the two Municipal Councils? The reasons are very simple. After he has joined and received the baptism of the Democratic Party, he has acquired a better understanding of participation by all people. Therefore, I can easily answer Mr James TIEN's question.

We have got some basic knowledge about referendum from Mrs Selina CHOW and I am grateful to her for her explanations. In fact, we basically agree with her. Given our intention to move this motion, how can we not conduct relevant studies? Obviously, we do not have such legislation in place now. As we are discussing whether this Council should approve of the principle of a referendum, it will not be difficult for the Government to enact a law on the basis of this principle, if the motion is passed: The biggest problem is: Will this Council approve that this method should be adopted to decide this issue? What Mr Jasper TSANG said earlier is mainly the technical aspect of it. But if we do not even have a principle, the Government will not enact legislation. Therefore, we are discussing the principle today.

As Mr Gary CHENG has said, why do we have to request the Government to respect the outcome of a referendum when in fact the referendum will have made a decision? We all know that, very often, the Government will not follow the people's will. We have criticized the Government for many times in this Council. Even though some motions have been passed by this Council, they still need the signature of the Government but the Government may not do so. Therefore, after this Council has made a decision, we hope that the Government will "respect" the decision.

Miss CHOY So-yuk has said that holding a referendum on the same day as the District Councils Election will downgrade the referendum. According to a survey conducted by the Democratic Party, most people agree that a referendum should be held and a great majority support holding a referendum while the District Councils Election is held. We are fully aware of the people's will, and if the Government really holds a referendum while the District Councils Election is held, the public will not think that it is downgrading the referendum. Besides, there is no such indication in the outcome of the survey.

Mr Ronald ARCULLI said that a referendum is normally held on a single

question but the abolition of the two Municipal Councils appears to be a very complicated issue. Actually, we have long been discussing whether the two Municipal Councils should be abolished and as Mr Albert HO has said, it is not very difficult to set a question. The question may read: "Do you agree that the two Municipal Councils should be abolished?".

Now that we are fully aware of the people's will as expressed by Mr Ambrose CHEUNG, why has the Democratic Party proposed to hold a referendum? In fact, the problem does not lie with us, but the Government. The Government does not accept the public opinion as collected by us and it still says that people have divergent views. We may see how Secretary Michael SUEN will respond later on. Mr Ambrose CHEUNG has stated clearly that the result of the survey shows that more people support merging the two Municipal Councils, but the Government says that this is not the case. The Government says that the two Municipal Councils must be abolished. If so, it is not meaningful for us to go on arguing. The Chief Executive has stated in his policy address that the two Municipal Councils should be abolished, but the survey supports merging the two Municipal Councils. How can the problem be handled? It cannot go on like a fast knot. Therefore, we suggest holding a referendum for all people to participate in the decision-making process. This method is good, and is better than having endless debates in this Council. When it comes to the relevant bill later in the Session, we will have a debate again. The Government has said that people will support it while Mr Ambrose CHEUNG has said that the survey supports us. What should be done? I think that a referendum will be a peaceful solution.

As to the wastage of resources, it is precisely because we do not want to waste resources that we suggest holding a referendum while the District Councils Election is held. We will expend more resources if we specially hold a referendum ceremoniously. In my view, holding a referendum while the District Councils Election is held will not expend a lot of resources.

Generally speaking, a referendum is held to handle major issues. If the Government really decides to abolish the two elected Municipal Councils with long history and executive powers, it is actually making a major constitutional decision. Why are we not confident to hand over such a major constitutional

issue to the public for a decision? Actually, this is not an ordinary issue but a solemn constitutional issue. As it is a solemn constitutional issue, why do we not hand it over to the public for them to express their views and intentions?

Thank you, Madam President.

MR NG LEUNG-SING (in Cantonese): Madam President, this motion today, which calls for a referendum to be conducted on the retention or abolition of the two Municipal Councils is based on two justifications. Firstly, the retention or otherwise of the two Municipal Councils involves significant policy matters. Secondly, such a policy is highly controversial.

On the first justification, the Basic Law provided that district organizations which are not organs of political power may be established in the Hong Kong Special Administrative Region (SAR) under the constitutional system which features a separation of powers of the legislature, the executive and the Judiciary. Given that this is a non-mandatory requirement, the SAR may, in light of the actual circumstances, take no action to set up such organizations or instead establish district organizations with a more streamlined structure. This provision spells out that such organizations are not political in nature and that their establishment is not compulsory. Therefore, we can come to the view that the restructuring of the existing district organizations does not involve constitutional matters.

It is true that a policy may still be very important even if it does not involve constitutional matters, but the key question lies in our perception of the importance of a policy. For example, in countries where strict religious doctrines prevail, policies concerning divorce and abortion may be considered extremely important so a referendum must be conducted for a decision. Nevertheless, whether or not a policy is regarded as extremely important to a nation or territory entirely rests on the actual circumstances there, and we must not make sweeping generalizations in this regard. In Hong Kong, for instance, no referendum has ever been conducted as far as I can remember over the policy on death penalty, albeit it being a life-and-death matter which perhaps carries profound significance.

Madam President, when it comes to the history of the two Municipal

Councils, their establishment is not the outcome of a referendum either. Therefore, even if the Municipal Councils consist of elected Members who are representative of public opinion, it does not follow that their retention or otherwise must be decided by a referendum. Some asserted that only the two Municipal Councils are given policy-making powers under the three-tier system of assembly, but this is really a question of the definition and extent of such powers. From what we can see, the two Municipal Councils have been primarily playing the role of providing cultural and recreational services, as well as services in respect of environmental and food hygiene. More importantly, if the assertion that the two Municipal Councils have policy-making powers is substantiated, its compliance with the provisions on political structure in the Basic Law does warrant further discussion because Article 62 of the Basic Law provides that the executive authorities of the SAR shall be responsible for the formulation and implementation of policies.

On the second point, there is no denying that the policy on revamping the district organizations is controversial, apparently similar to quite many public issues on which public views are divergent. This has precisely reflected the complexity of the matter because the reorganization exercise involves the streamlining of public administration institutions and the improvement of co-ordination and efficiency in its operation. Therefore, it is inappropriate to make a decision through a referendum by asking a simple question of "yes" or "no". This is similar to the hearing of a complicated commercial case in that it is inappropriate for a verdict to be reached by the conventional jury system. The relevant legislation which decides on the retention or abolition of the two Municipal Councils should be subject to the approval of the Legislative Council which represents public opinion following extensive public consultation and in-depth policy studies. Only in this way can the process be truly scientific and legitimate. This is also the approach that a representative government should adopt. If we hastily resort to a referendum to decide on policy matters, I think this is not something that an elected Legislative Council should do. Also, it is unscientific and even irresponsible to do so.

With these remarks, Madam President, I oppose the motion.

PRESIDENT (in Cantonese): Honourable Members, Miss Margaret NG

requested me to read the script of her speech. Well, this really made things somehow difficult for me indeed, because while I had to listen to other Members' remarks, I also had to spare time on reading Miss Margaret NG's script. Dealing with two things simultaneously is indeed not easy at all.

Miss Margaret NG remarked that the abolition of the two Municipal Councils would be tantamount to a disenfranchisement. This argument was frequently used in the past to justify the retention of the two Municipal Councils, which was why I initially thought that she was talking about whether or not the two Municipal Councils should be abolished. However, having read her script, I now see that her reference to electors' right was simply meant to help her state her position on the question under debate today. So, I rule that Miss Margaret can continue with her speech.

For the sake of coherence, Miss Margaret NG, you can start your speech afresh, and you will have seven minutes for that.

MISS MARGARET NG: I am obliged to Madam President. I will start from where I left off.

There must be no disenfranchisement without consent. Of course, the language of Article 97 of the Basic Law does not require us to have a three-tier system of representative government, or to keep the present structure of district administration. If we are starting from scratch, we may well come up with a different model. We may consider a two-tier system to be best for Hong Kong.

But we are not starting from scratch. Before they were temporarily replaced by the provisional councils at the change of sovereignty, the Municipal Councils have already existed for some time. In other words, the people of Hong Kong had enjoyed the right to vote for their representatives in these Councils for all those years.

This is a right to vote for a council with powers to make policies and to control a substantial part of public expenses, not just to advise or to monitor the Government in the prescribed areas of responsibility. To use the words of Article 97, these Councils are "responsible for providing services in such fields as culture, recreation and environmental sanitation". So for all those years, the

residents of Hong Kong have enjoyed a very direct participation in these fields by voting for their representatives in these Municipal Councils. To disband the Councils is, therefore, to take away this right. This is disenfranchisement.

The Administration argues, "but the residents of Hong Kong can still vote for the Legislative Council and the District Boards, now glorified into 'District Councils'. So they still have the vote." However, the question is, what is the net gain or net loss of the public's participation, or the power of the residents of Hong Kong can exercise? In my view, there is a net loss. The District Councils do not begin to replace the Municipal Councils. It is exchanging decision power for the right to be consulted. What executive or decision power there is in the District Councils is negligible.

As for this Council, the right to vote for this Council cannot replace the right to vote for the Municipal Councils. This Council does not do what the Municipal Councils do. We are not "responsible for providing services" in any field. Besides, the power to legislate, all the power this Council has with respect to policies in any field is one of monitoring, debating, overseeing and holding the relevant body accountable. What the Government proposes is to replace participation in a decision power with participation in a monitoring, overseeing power. The net loss is clear as day.

So, Madam President, where there is a reduction of the power of the people to participate through the ballot box, there is to that extent disenfranchisement. I do not say that disenfranchisement is forbidden. I do say that it requires clear consent. The Government can tempt, can seduce the people to consent, but it may not rob, not even on the basis that it is good for the people, that it is in fact better for them not to have the vote, and not even on the claim that the robbery is supported by the opinion polls of various shades of reliability.

If the Government is so confident that its proposal is so wonderful and has overwhelming support, let the Government put it to the test. Refusal to put it to the test can only suggest that the Government fears the outcome.

Madam President, I do not fear the outcome, because I am prepared to be guided by it. If the people feel the time has come for the Municipal Councils to come to an end, we, in this Council, still have the responsibility to maximize democracy and accountability and open government. But which way we should

go must be based on the clear consent of those who now have a vote, and I can see no other way of doing so than by referendum. If we have a referendum, the method proposed by the Honourable Fred LI is surely the most economical.

Madam President, I support the motion.

MR LEE WING-TAT (in Cantonese): Madam President, Mr Fred LI and my other colleagues have spoken at length on the main arguments of this motion debate. I would like to talk about another issue.

Whenever we discuss issues that involve principles and technical difficulties, I often get the impression that when Honourable colleagues oppose some principles, they frequently object to them under the excuse of difficulties in implementation and technical difficulties. Today, only three Members of the DAB have participated in the debate. They made their points very well and they have done a lot of research. However, they are unwilling to comment on one thing and that is, whether a referendum should be held in principle to decide major constitutional issues and social policies. Putting Mr Fred LI's motion aside, should this be done in principle? If a consensus can be reached in the legislature or in the community, we can then discuss the referendum mechanism or the procedures.

Very often, I am worried that the Government and some people or bodies who object to participation by all people might use these excuses to stall for time. Take the recent suggestions to amend the Basic Law as an example, we have all sat on the Panel on Constitutional Affairs. In my view, we should discuss issues such as whether or how to amend the Basic Law. However, the Government does not want to discuss with us. Thus, it keeps on stalling, using technical difficulties and timing as its excuses. If it goes on like this, the technical procedures will still not be clarified by 2005 or 2006, and it will say by then that there is only one year left and therefore time is insufficient. By 2007, we will still not be able to amend the Basic Law.

Of course, we agree that the schedule is a bit tight. The Democratic Party knows that this motion will attract criticisms. We also know that our proposal lacks a legal basis for the time being. We are aware that today's voting result will not be legally binding on the Government or have any legal effect. We

admit that the Democratic Party has come up with a motion that is fraught with difficulties under such limitations. However, as Mr Albert HO said just now, if we pass the motion to hold a referendum, the decision will bring moral pressure to bear on the Government to take action. During the era of the colonial government, that is, the British Hong Kong Government, when we discussed in 1987 holding direct elections in 1988, a proposal was also made for a referendum. At that time, I even thought of raising money to find voting venues, because I knew that the government of the day opposed direct elections in 1988 and it did not want to hold direct elections in 1988. Therefore, they could only be held among the people. There was even a suggestion to hold a referendum among the people. If we still fail to reach a decision in principle on this matter, I suppose this kind of debate will go on and on. Whenever matters involving major policies arise and people need to participate in decision making, some people will give many technical reasons to oppose this, while groups and Legislative Council Members will not take a stand.

When Mr Jasper TSANG and Mr CHAN Kam-lam talked about a plebiscite today, they have cited a lot of information and difficulties. However, they did not answer one question and that is, whether their party believes that a plebiscite should in principle be held if necessary. Even if they are to specify the prerequisites, should a referenda be held at certain times in principle? In world history, only some 400 referenda have been held over the past hundred years or so. Even so, does this not show that a referendum should be held at certain times, in certain places and under certain conditions? Should we not make a decision on this principle? Should we not give the people this right? The two Honourable colleagues have not answered these questions. They just kept on saying that it could not and should not be done now.

I believe that Secretary Michael SUEN will give a similar answer and that is, that the Government is not prepared to do so now. He will not consider one question: Should the Government in principle allow the people to exercise their right to a plebiscite under certain conditions and circumstances? If so, people would of course ask him about the conditions, time, factors to be taken into consideration, technical conditions and legal basis for doing so. I wonder what the Secretary meant by nodding. He might be answering my question. I hope his answer was "yes", meaning that the Government is willing to hold a referendum under certain conditions and circumstances. If not, when Mr SUEN speaks later on, he will just say that there is not enough time and that one must

not be reckless and so on. Then, he will say that the Government opposes the motion. But he will never answer the fundamental question of whether the people should have the right to a plebiscite.

The three Honourable colleagues from the DAB did not answer this question. But some other Honourable colleagues from the DAB such as Mr LAU Kong-wah, Mr TAM Yiu-chung, Mr YEUNG Yiu-chung and Miss CHAN Yuen-han have not yet spoken. Actually, they can answer my question about principle. Given the most stringent conditions, plenty of time and the soundest legal basis that Mr Jasper TSANG referred to, do they think that the people should enjoy their right to a plebiscite? After they have answered this question, it would be easy to deal with the matter. If they answer this question, we will feel that they are sincere about giving people this right to decide on matters which have a great bearing on them. If they evade this question, they would just quibble as I have said time and again, and they will keep saying that the people and the community should not do so because of technical problems, the realistic situation, timing and so on.

They always say that we must not be reckless (I forgot which Member said we must not be rash just now). However, today, no Member has said that he supports a referendum under certain conditions and circumstances. What they said are incomplete. They all talked about why it should not be done, but not the principle on which it should be done.

Of course, today's debate serves only as a start. Since we have started a debate on a plebiscite, irrespective of the outcome, the Panel on Constitutional Affairs under the chairmanship of the Honourable Andrew WONG should begin to discuss the issue. We should have the right. We will continue to follow up and discuss this question. Honourable colleagues, especially those of the DAB, are welcome to respond to my question.

Thank you, Madam President.

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

(No Member responded)

SECRETARY FOR CONSTITUTIONAL AFFAIRS (in Cantonese): Madam

President, most of the Members who spoke a moment ago did not support the idea of conducting a referendum on the reorganization of district organizations. The position of the Government on this issue is exactly the same. And, I think we really have to look at the whole process relating to the reorganization of district organizations.

The actual process started about two years ago when the Chief Executive mentioned in his first policy address that the Government would conduct a study on this issue. So, it can be said that the process has been an open and transparent one right from the very beginning. As far as I can recall, up to this very moment, the review has been going on for more than two years. In the course of the review, we have been holding discussions with the relevant Legislative Council Panels on each step we take and on each issue we deal with.

Let us look once again at what the Chief Executive said on this topic in his second policy address. He said that he had reached the decision that the two Provisional Municipal Councils should not continue to exist when their current tenure expired on 31 December 1999. And, he also made it very clear in his policy address this year that a new framework would be put in place on 1 January next year. Why was he able to come up with such decisions? That is because we have been doing a lot of work in a whole process relating to the issue; we are not simply not making any new and abstract proposals out of thin air. We have undergone a long process, and this process is almost coming to an end now. We have been doing a lot of work throughout.

Members should know very well how members of the public think about this issue. In case members of the public really think that the Government has made any errors at any time during the whole process, they can always voice their opinions on these errors enthusiastically, and easily as well. There is in fact no need for anyone to conduct any survey, because public opinions can always be voiced very clearly.

Well, then, at some specific points of time during the process, different people did carry out various opinion surveys. But we should realize that the public views collected in these surveys can at best only reflect how people thought about some particular matters under the specific circumstances at the time of the surveys. In contrast, today, we are able to come up with a comprehensive picture of the whole matter. So, we now know what our objective is and how

we should achieve it. A moment later, I will give a brief account on what we underwent during the whole process.

As early as June and July last year, we already put forward various schemes on reorganizing district organizations. Members should still remember that we published a consultation document at that time, and the community at large, members of our representative assemblies and the trades and sectors concerned were all invited to voice their opinions. At that time, many different opinions were put forward. We collated these opinions very carefully, and we then tried to strike a balance and work out a scheme acceptable to all. In connection with such a scheme, as we can still recall, we did in fact do a lot of work at the beginning of this year. Please note that this is a part of the whole process.

The District Councils Bill which we submitted in mid-December last year is the first part of the process. The Bill was subsequently passed by the Legislative Council in March this year. I think Members should still remember this very well; so I do not think that I should recap the points raised by me at that time, nor do I think that I should discuss once again the different views held by the Government and Members. The first District Councils of the SAR will commence operation on 1 January next year. The District Councils will be responsible for cultural, recreational and sports activities and for monitoring the provision of community facilities within their respective districts. This is the first ordinance relevant to the topic under discussion.

What is the second relevant piece of legislation that we considered during the same process? The answer is the Legislative Council (Amendment) Bill which we submitted to this Council in February this year. The Bill proposed to delete the two functional sector seats held by the two Municipal Councils in the Legislative Council and to give these two seats to the District Councils and the catering industry. This Bill was passed by the Legislative Council in mid-July this year. Members should also know very well what happened at that time: how disputes arose; how we settled them; how we finally accepted the arrangement and how the Bill subsequently became part of our laws. I do not think that I need to say anything more on all this.

The most important piece of legislation is the Provision of Municipal

Services (Reorganization) Bill which we submitted to the Legislative Council for scrutiny in April this year.

When we were going about with the relevant legislative work, we often asked ourselves, "Are there any major and significant voices of opposition from the public?" During the process, I was invited to some phone-in radio programmes, and my colleagues also attended some district board meetings. So, in most cases, we were able to know what members of the public thought about all these matters. Let us not go too far, and let us just think about this: Whenever we read the papers or listen to the radio in the morning, we can always know what grievances people have, their emotive reactions and their understanding of individual issues. We are able to know all this, and Members should also be able to do so, too. I think we will all agree that it is very easy to know what members of the public think. But have we ever heard many people voicing their opposition to our measures? Since the enactment of the ordinance by the Legislative Council, has anyone ever voiced any strong opposition? So far, have we ever heard any discussions on these matters among members of the public? The situation as I see it has convinced me clearly that the proposed reorganization of municipal services has actually received people's tacit consent or even approval.

Let me now turn to the issue of referendum. As mentioned by several Members, as early as 21 April 1993, there was already a motion, moved by Mr SZETO Wah, on deciding the future development of our political structure by a referendum. Well, as these Members have already talked about the voting result of this motion, I am not going to talk about it anymore. As far as the Government is concerned, our position remains exactly the same as that upheld by my predecessor in this very Chamber back in 1993. Although the background circumstances and subjects of these two motions on holding a referendum are slightly different, our position in regard to the holding of a referendum has remained basically the same (and, as mentioned by some Members, a referendum to me is in fact a plebiscite).

Although a plebiscite does appear to be a satisfactory way of gauging the people's opinions, it also has its limitations. A truly meaningful referendum must allow the maximum participation of all the people. However, there are only 2.8 million registered electors in Hong Kong now, and if we are to allow the remaining 1 million or so eligible but unregistered electors to also take part, we

must carry out a separate and full-scale registration exercise. This will not only require huge resources, but will also take a very long time.

Mr Albert HO asked a question on legality. He wanted to know whether there would be any legality if we did not do all these things. The simple answer is naturally "no".

Besides, in a referendum, the people's opinions are gauged in the form of simple questions which require "yes" or "no" answers only. This is a very crude method of gauging public opinions. However, the reorganization of municipal services can indeed take many different forms, and all the possible schemes will involve complex institutional reforms. That is why we do not think that it is at all appropriate to make a decision on this matter by a simple referendum.

Also, as pointed out by many Members, in other countries, referenda will be held only when major constitutional matters are involved or when society as a whole is seriously divided on some particular matters. In these countries, the holding of a referendum is invariably governed by very specific legal requirements, with the qualifications of voters and voting and vote-counting procedures all clearly set out in the relevant laws. And, the holding of a referendum is also preceded by very careful and meticulous preparation. At present, we do not have any laws on referendum. And, as pointed out by some Members, the enactment of a new law on this will take quite some time. So, I would say that the sincerity of the Government is simply not involved.

Another problem relates to whether or not the Government should be bound by the outcome of a referendum. In other words, as rightly pointed out by some Members, we must consider whether we are going to hold a plebiscite, or simply just an opinion collection exercise. Actually, in Hong Kong, we have long been adopting a policy-formulation mechanism which is both time-tested and widely accepted by all sectors in the community. Under the existing mechanism, the Government is responsible for formulating policies and putting them into practice after consulting the Executive Council. If the implementation of the relevant policies requires the enactment of any legislation or funding support, the Government will certainly submit the appropriate bills and appropriation requests to the Legislative Council for support and passage. If the Government is going to be bound by the outcome of a referendum, the mechanism I have just described

will be dealt a heavy blow. However, if the Government is not going to be bound by the outcome, what then is the use of holding a referendum?

We have now entered the stage of having to implement the reorganization of municipal services. As I have just pointed out, we have undergone a very long process, and by now, we are already travelling on a river of no return. At this very stage, we cannot possibly repeal all those relevant laws which were passed by the Legislative Council in the past one year, and we cannot possibly consider the whole thing from scratch again. If Members think about this point carefully, and if they can consider the serious implications involved, they will certainly share my view.

The Legislative Council is currently scrutinizing the Provision of Municipal Services (Reorganization) Bill, and we are also making the administrative arrangements required for the setting up of a new framework. I sincerely hope that Members can finish their scrutiny of the Bill and pass the required law as soon as possible, so that the preparatory work for the new institutional framework can be completed in good time before the end of this year. We hope that in the next century, we can provide better and more cost-effective municipal services to the community.

Thank you, Madam President.

PRESIDENT (in Cantonese): Mr Fred LI, you may speak to reply. You still have four minutes 33 seconds.

MR FRED LI (in Cantonese): Madam President, the Secretary for Constitutional Affairs told us that he frequently listened to people's opinions on the radio, and he also said that people did not indicate any objection to the idea of "scrapping the two Municipal Councils". But are the opinions voiced in phone-in radio programmes more reliable than scientific and impartial opinion surveys as an objective reflection of public views? If the Secretary thinks that the views expressed in phone-in radio programmes are really so scientific and accurate as a reflection of public views Well, many of the callers criticize Mr TUNG severely. Does this mean that many Hong Kong people want to criticize Mr TUNG? Does this mean that many Hong Kong people are not satisfied with the

performance of Mr TUNG and his administration? Well, since the Secretary is nodding, I assume that he agrees to my viewpoint. Is it not very contradictory then? What I am trying to say is that to the Government, public opinions mean only those opinions which it likes to hear, when all the objective opinions will be dumped into dustbins.

Does this Government want to force me to put forward a proposal on conducting a referendum on the issue? Well, this is precisely what I am going to do today. It is crystal clear that the Government is determined to disregard the findings of opinion surveys, accept only those public views which it approves of, and ignore all those views which we put forward over the past one year. So, I am forced to make such a proposal even when time is so tight and when there are so many problems and loopholes. The Government has simply refused to listen to any opposite views, saying only that since it has already made up its mind, it will not listen anymore to other opinions. I find this very unfortunate. Time is indeed very tight if we are to hold a referendum on 28 November, and many colleagues have also mentioned this point. This is not the most satisfactory solution, I must say, and I have never said so indeed. But I do think that people's votes are the only way to resolve the dispute between the Government and those Legislative Council Members supported by public opinions.

There are only 2.8 million electors, and they certainly do not make up the entire population of Hong Kong. But these electors are all over the age of 18, and they can represent the opinions of 70% of the entire population. They represent, to say the least, a very great part of our public opinions. Hong Kong has never done this before. If half of the 2.8 million electors, that is, about 1.4 million people, can turn out for the referendum, then we will be able to hear a very loud and significant voice of the people on whether the two Municipal Councils should be merged or abolished. Such a figure is going to make a new record in Hong Kong. Naturally, what is even better is that all the Hong Kong people, not just the electors, can voice their opinions in the referendum. But because of the time constraint, I think this is the only way to achieve the best results.

Many colleagues do not support the idea of holding a referendum because they think the "scrapping of the two Municipal Councils" is not a major constitutional issue. They argue that a referendum is not warranted, because referenda are seldom held in foreign countries on issues like this. So, many of

them wonder why Hong Kong should conduct a referendum on this issue. Recently, a referendum was held in East Timor on its independence. And, in 1996, in Taiwan, during the Presidential Election, the residents of Taipei were asked to cast their votes on the construction of a nuclear plant in the city. So, the views of all Taipei residents on the construction of a nuclear plant was gauged during the Presidential Election, and although the results were not legally binding, the Taiwan government was still supposed to respect the people's decision. Why have I used the word "respect" in my motion? It is precisely because this is not a law, and I do not have any ordinance to hand on this issue. So, I only call upon the Government to respect the decision of the people on this issue.

Finally, I really have to thank Mr James TIEN for mentioning the motion I moved in 1993, for his "appraisal" of my work. I hope he will not carry out any "appraisal" on Mr CHIANG Sai-cheong and Mr CHAN Noi-yue because they are both directly elected members of the Provisional Urban Council. Mr Tommy CHEUNG is an appointed member of the Provisional Urban Council, and he did not say anything on the issue. So, I cannot understand why he cast a negative vote. I hope Member can see that some six years has passed since 1993, and I have become more politically mature and more confirmed in my democratic aspirations.

I so submit, Thank you, Madam President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Mr Fred LI as printed on the Agenda be passed. Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raised their hands)

Mr Fred LI rose to claim a division.

PRESIDENT (in Cantonese): Mr Fred LI has claimed a division. The division

bell will ring for three minutes.

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

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

Functional Constituencies:

Mr Michael HO, Miss Margaret NG, Mr CHEUNG Man-kwong, Mr Ambrose CHEUNG, Mr SIN Chung-kai and Mr LAW Chi-kwong voted for the motion.

Mr Kenneth TING, Mr James TIEN, Mr Edward HO, Dr Raymond HO, Mr LEE Kai-ming, Dr LUI Ming-wah, Mrs Selina CHOW, Mr HUI Cheung-ching, Mr CHAN Kwok-keung, Mr CHAN Wing-chan, Dr LEONG Che-hung, Mrs Sophie LEUNG, Dr Philip WONG, Mr WONG Yung-kan, Mr Howard YOUNG, Mr LAU Wong-fat, Mrs Miriam LAU, Mr Timothy FOK, Mr FUNG Chi-kin and Dr TANG Siu-tong voted against the motion.

Geographical Constituencies and Election Committee:

Miss Cyd HO, Mr Albert HO, Mr LEE Wing-tat, Mr Martin LEE, Mr Fred LI, Mr James TO, Mr LEUNG Yiu-chung, Dr YEUNG Sum, Miss Emily LAU, Mr Andrew CHENG and Mr SZETO Wah voted for the motion.

Miss CHAN Yuen-han, Mr Gary CHENG, Mr LAU Kong-wah, Mr TAM Yiu-chung, Mr David CHU, Mr HO Sai-chu, Mr NG Leung-sing, Prof NG Ching-fai, Mr MA Fung-kwok, Mr CHAN Kam-lam, Mr YEUNG Yiu-chung, Mr Ambrose LAU and Miss CHOY So-yuk voted against the motion.

THE PRESIDENT, Mrs Rita FAN, did not cast any vote.

THE PRESIDENT announced that among the Members returned by functional constituencies, 26 were present, six were in favour of the motion and 20 against it; while among the Members returned by geographical constituencies through direct elections and by the Election Committee, 25 were present, 11 were in favour of the motion and 13 against it. Since the question was not agreed by a majority of each of the two groups of Members present, she therefore declared that the motion was negated.

NEXT MEETING

PRESIDENT (in Cantonese): I now adjourn the meeting until 2.30 pm on Wednesday, 20 October 1999.

Adjourned accordingly at five minutes past Ten o'clock.

Annex I**WRITTEN ANSWER****Written answer by the Secretary for Health and Welfare to Mr LEUNG Yiu-chung's supplementary question to Question 1**

The information covering the period April to August 1999 is attached. This is obtained by social workers when counselling individuals who have attempted suicide or when talking to or counselling, their families. Similarly, information is obtained from the families of those who have committed suicide and who receive counselling or other forms of support. Members will appreciate that this is only based on five months' data and as the Secretary for Health and Welfare mentioned in his main reply, a longer period of data collection is required in order to assess the impact of individual factors on these unfortunate incidents.

Statistics Maintained by the Social Welfare Department
on the Number of Suicides and Attempted Suicides
(April to August 1999)

	<i>Committed Suicide</i>	<i>Attempted Suicide</i>
No. of Cases	123	770
Plausible Contributory Factors*		
(a) Mental illness/suspected mental illness	36	169
(b) Financial Problem	27	96
(c) Marital relationship problem	21	282
(d) Dating and courtship	20	154
(e) Unemployment	15	39
(f) Unknown	15	9
(g) Physical illness	11	37
(h) Others	11	104
(i) Personality problem	9	83
(j) Death/illness of family members/close friends	2	18
(k) Study problem	1	23
Total	168	1 014

* More than one reason may apply in a case.

Note: These statistics cover only cases handled by social workers in Family Service Centres and Social Welfare Department's Medical Social Work Service Units.

WRITTEN ANSWER**Written answer by the Secretary for Health and Welfare to Miss Cyd HO's supplementary question to Question 2**

Under the Comprehensive Social Security Assistance (CSSA) Scheme, the Director of Social Welfare may, at his discretion, grant assistance to applicants who do not satisfy the residence requirement. The objective of this provision is to ensure that people in genuine financial difficulties will be able to receive assistance to meet their basic and essential needs.

To ensure proper use of public resources and consistency in exercise of the discretion, the Social Welfare Department (SWD) issued specific guidelines in April 1999 to the Social Security Field Units setting out the considerations for exercise of discretion to grant assistance to applicants not meeting the one-year residence requirement. In general, the discretion will only be exercised for genuine hardship cases, and the SWD will assess whether the applicants have other means of support, for example, savings, assistance from their families, and so on, before deciding whether to exercise discretion.

Between May and the end of September 1999, consideration was given to whether discretion should be exercised to grant assistance to 173 applications. Nineteen of such applicants were found to be in genuine difficulties and were granted CSSA. The other applications were rejected because the applicants had alternative means of support.

Annex III**WRITTEN ANSWER****Written answer by the Secretary for Planning, Environment and Lands to Mr NG Leung-sing's supplementary question to Question 3**

In regard to the question as to how many notices were issued under the Air Pollution Control Ordinance (APCO) which led to 12 prosecutions in the past three years and how many air pollution abatement notices and notices under section 30 of the APCO were issued in the same period, the following additional information is provided for Members' reference:

- (a) 12 prosecutions were brought in 1997, 1998 and first eight months of 1999 against contractors who failed to comply with the requirements stipulated in nine of the notices issued by the Environmental Protection Department (EPD) in respect of excessive smoke emissions from construction machinery. Of these nine notices, seven led to a single prosecution each, one resulted in two prosecutions and another one resulted in three prosecutions. Failure to comply with the requirements of a notice could result in more than one prosecutions so long as the offence continues.
- (b) A total of 17 notices were issued under APCO against excessive smoke emissions from construction machinery in the same period. Of these notices, 15 were air pollution abatement notices issued under section 10 of APCO and two were issued under section 30.

Annex IV**WRITTEN ANSWER****Translation of written answer by the Secretary for Transport to Mrs Miriam LAU's supplementary question to Question 4**

Regarding the particulars and timetable for the project, the Government of the Hong Kong Special Administrative Region (SAR) explained in detail to the Guangdong authorities during the Annual Border Liaison Review Meeting held in May this year, as well as during the working group meetings under this mechanism. Moreover, through the daily collaboration and communication of the relevant departments on both sides, the relevant mainland departments have already gained a thorough understanding of the project.

The smooth operation of the boundary control points hinges on the close co-operation between the Hong Kong and the mainland authorities. In order to improve on traffic congestion in the nearby area of the border control points, the SAR Government held a meeting with the relevant mainland departments at the end of September. Representatives of the Transport Bureau again made a report to the Guangdong side as regards the latest progress of the construction of kiosks at Lok Ma Chau, and requested the mainland authorities to take corresponding action. The Guangdong side promised that it would, in due course, consider strengthening its manpower resources according to the actual situation to tie in with the expansion project at Lok Ma Chau.

The provincial authority of Guangdong and the municipal authority of Shenzhen attach great importance to the congested cross-border traffic. They have already stepped up efforts to co-ordinate the operation of the control points, and have actively implemented a series of improvement measures:

- (1) strengthening management manpower resources and their deployment for the control points, as well as strengthening co-ordination;

WRITTEN ANSWER — *Continued*

- (2) increasing the number of inspection passages and adjusting the design of control point passages, so that customs passages can correspond to the border inspection passages. Moreover, in order to facilitate vehicles in crossing the border, the office for health quarantine and that for animals and plants as well as for inspection of trading commodities will be re-designed;
- (3) acquiring new computer system and installing backup facilities by the Shenzhen customs, and with effect from 1 August, setting up automatic identification system for electronic number plates to facilitate the inspection of unladen vehicles entering the Mainland;
- (4) rationalizing operating procedures and simplifying inspection formalities;
- (5) strengthening traffic management and regulation at Huanggang Crossing; and
- (6) setting up the Huanggang Crossing Emergency Co-ordination Group which is responsible for co-ordinating emergency measures at Huanggang Crossing within a short span of time.

As regards the SAR, apart from the project of constructing 10 additional pairs of kiosks at Lok Ma Chau, we have also implemented a series of measures to improve traffic flow:

- (1) strengthening of management resources for the land control points, increasing the flexibility of manpower deployment as well as the transparency and accountability of customs clearance;
- (2) stepping up of management and monitoring of traffic conditions in the vicinity of the land control points;

WRITTEN ANSWER — *Continued*

- (3) launching of the pilot scheme to designate special lanes for processing unladen cargo vehicles in collaboration with the transportation sector starting from mid August. The Scheme has commanded the general support of the sector and has significantly eased cross-border traffic congestion; and
- (4) setting up of an emergency response system to deal with serious cross boundary traffic situations. The SAR Government will classify traffic congestion at the control points into three levels. Under the co-ordination of the Government Secretariat, the departments concerned will monitor the situation and make reports on it so as to confirm the reasons for the traffic congestion and assess the circumstances and their impact. Moreover, the respective departments will exchange information among themselves for deploying manpower and expediting the services provided by the kiosks, and adopting special traffic regulatory and management measures. The departments concerned will also disseminate information to the public, liaise with the trade and co-ordinate with the relevant mainland authorities.

With co-operation from the governments on both sides and the support of the transportation trade, there has been a marked improvement on cross-border traffic since the latter half of August. The SAR Government will continue to monitor the flow of traffic and maintain close contact with the relevant mainland departments and the trade so as to ensure a smooth flow of cross-border traffic.

Annex V**WRITTEN ANSWER****Translation of written answer by the Secretary for Transport to Mr LAU Kong-wah's supplementary question to Question 4**

Just as what I explained to Legislative Council, the present parking site (see Site 1 on the attached map) can already accommodate 200 container trucks. In order to cope with the possible traffic congestion effectively, the Government has already identified a new parking site (see Site 2 on the attached map) which can accommodate 80 container trucks or 170 lorries. This site will be opened to freight carriers where necessary. A mechanism has been put in place whereby the police will decide when to open such parking sites, having reference to the length of the queue of vehicles on the approach road leading to the Container Terminal.

Annex VI

ADAPTATION OF LAWS (NO. 5) BILL 1998

COMMITTEE STAGEAmendments to be moved by the Chief Secretary for AdministrationClauseAmendment Proposed

Schedule 1 By deleting that Schedule.

Schedule 4 By adding before section 1 -

"1A. Section 2 of the Magistrates Ordinance (Cap. 227) is amended, in the definition of "party", by repealing "Government" and substituting "HKSAR".

1B. Section 15(1) is amended by repealing "Government" and substituting "HKSAR".

Schedule 4, By deleting "of the Magistrates Ordinance (Cap. 227)".
section 1

Schedule 4, By adding before paragraph (a) -
section 5

"(aa) in Form 88, by repealing "上述法院" and substituting "上述法庭";

(ab) in Form 89, by repealing "上述法院" and substituting "上述法庭";

(ac) in Form 90, by repealing "上述法院" and substituting "上述法庭";".

Annex VII

ADAPTATION OF LAWS (NO. 9) BILL 1998

COMMITTEE STAGE

Amendments to be moved by the Secretary for Financial Services

<u>Clause</u>	<u>Amendment Proposed</u>
Schedule 2, section 1	By deleting everything after "Central" and substituting "Authorities or the Government of the Hong Kong Special Administrative Region under the Basic Law and other laws".
Schedule 5, section 1	By deleting everything after "Central" and substituting "Authorities or the Government of the Hong Kong Special Administrative Region under the Basic Law and other laws".
Schedule 6, section 1	By deleting everything after "Central" and substituting "Authorities or the Government of the Hong Kong Special Administrative Region under the Basic Law and other laws".
Schedule 7, section 1	By deleting everything after "Central" and substituting "Authorities or the Government of the Hong Kong Special Administrative Region under the Basic Law and other laws".
Schedule 8, section 1	By deleting everything after "Central" and substituting "Authorities or the Government of the Hong Kong Special Administrative Region under the Basic Law and other laws".
Schedule 9, section 1	By deleting everything after "Central" and substituting "Authorities or the Government of the Hong Kong Special Administrative Region under the Basic Law and other laws".

- | <u>Clause</u> | <u>Amendment Proposed</u> |
|---------------------------|--|
| Schedule 10,
section 1 | By deleting everything after "Central" and substituting "Authorities or the Government of the Hong Kong Special Administrative Region under the Basic Law and other laws". |
| Schedule 11,
section 1 | By deleting everything after "Central" and substituting "Authorities or the Government of the Hong Kong Special Administrative Region under the Basic Law and other laws". |
| Schedule 12,
section 1 | By deleting everything after "Central" and substituting "Authorities or the Government of the Hong Kong Special Administrative Region under the Basic Law and other laws". |
| Schedule 13,
section 1 | By deleting everything after "Central" and substituting "Authorities or the Government of the Hong Kong Special Administrative Region under the Basic Law and other laws". |
| Schedule 14,
section 1 | By deleting everything after "Central" and substituting "Authorities or the Government of the Hong Kong Special Administrative Region under the Basic Law and other laws". |