

OFFICIAL RECORD OF PROCEEDINGS

Wednesday, 15 December 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 LEE CHEUK-YAN

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

THE HONOURABLE RONALD ARCELLI, J.P.

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 CHRISTINE LOH

THE HONOURABLE CHAN KWOK-KEUNG

THE HONOURABLE CHAN YUEN-HAN

THE HONOURABLE BERNARD CHAN

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 CHIN-SHEK, J.P.

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 MARGARET NG

THE HONOURABLE MA FUNG-KWOK

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 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

MR KWONG KI-CHI, G.B.S., J.P.
SECRETARY FOR INFORMATION TECHNOLOGY AND BROADCASTING

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

MISS YVONNE CHOI YING-PIK, J.P.
SECRETARY FOR TRADE AND INDUSTRY

CLERKS IN ATTENDANCE:

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

MR LAW KAM-SANG, J.P., DEPUTY SECRETARY GENERAL

MR RAY CHAN YUM-MOU, ASSISTANT SECRETARY GENERAL

TABLING OF 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>
Electoral Affairs Commission (Printing of Name of Organization and Emblem on Ballot Paper) (Legislative Council) Regulation	306/99
Electoral Affairs Commission (Registration) (Electors for Functional Constituencies) (Voters for Subsectors) (Members of Election Committee) (Legislative Council) (Amendment) Regulation 1999	307/99
Clubs (Safety of Premises) (Exclusion) (Amendment) (No. 2) Order 1999	308/99
Designation of Libraries (Regional Council Area) Order 1999	309/99
Road Traffic (Traffic Control) (Designation of Prohibited and Restricted Zones) Notice	310/99
Social Workers Registration (Specification of Relevant Matter) Notice	311/99
Tate's Cairn Tunnel Ordinance (Amendment of Schedule) Notice 1999	312/99
Midwives Registration (Amendment) Ordinance 1997 (61 of 1997) (Commencement) (No. 2) Notice 1999	313/99
Midwives Registration (Fees) Regulation (L.N. 281 of 1999) (Commencement) Notice 1999	314/99

Midwives (Registration and Disciplinary Procedure)	
Regulation (L.N. 300 of 1999) (Commencement)	
Notice 1999	315/99
Midwives Registration (Miscellaneous Provisions)	
Regulation (L.N. 301 of 1999) (Commencement)	
Notice 1999	316/99

Other Papers

- No. 43 — Queen Elizabeth Foundation for the Mentally Handicapped Report and Accounts 1998-99
- No. 44 — Emergency Relief Fund
Annual Report by the Trustee for the year ending on 31 March 1999
- No. 45 — Social Work Training Fund
Thirty-eighth Annual Report by the Trustee for the year ending on 31 March 1999
- No. 46 — The Accounts of the Lotteries Fund 1998-99
- No. 47 — Report of changes to the approved Estimates of Expenditure approved during the second quarter of 1999-2000
(Public Finance Ordinance : Section 8)
- No. 48 — Consumer Council
Annual Report 1998-99
- No. 49 — Hong Kong Housing Authority
Annual Report 1998/99
- No. 50 — Hong Kong Housing Authority Financial Statements for the year ended 31 March 1999

- No. 51 — Equal Opportunities Commission
Annual Report 1998/99
- No. 52 — Grantham Scholarships Fund
Annual Report for the year 1 September 1998 to
31 August 1999
- No. 53 — Report of the Brewin Trust Fund Committee on
the Administration of the Fund for the year ended
30 June 1999
- No. 54 — The Sir Murray MacLehose Trust Fund
Trustee's Report for the period 1 April 1998 to
31 March 1999
- No. 55 — Report of the Chinese Temples Committee on the
administration of the Chinese Temples Fund for the year
ended 31 March 1999
- No. 56 — Report of the Chinese Temples Committee on the
administration of the General Chinese Charities Fund
for the year ended 31 March 1999
- No. 57 — Revised list of works of the Provisional Regional
Council for the 1999/2000 financial year (during the
second quarter ended 30 September 1999)
- No. 58 — Revised list of works of the Provisional Urban Council
for the 1999/2000 financial year (during the second
quarter ended 30 September 1999)

Report of the Bills Committee on Adaptation of Laws (No. 10) Bill 1999

ORAL ANSWERS TO QUESTIONS

PRESIDENT (in Cantonese): Questions. First question.

Toxic Metal Contents in Soil of Parks

1. **MR LEUNG YIU-CHUNG** (in Cantonese): *Madam President, it was reported that, according to the results of a laboratory test on the levels of lead, cadmium, zinc and copper contents in the soil, the levels of cadmium content in all the 56 soil samples taken from the parks in the urban areas were higher than the relevant international standards. In this connection, will the Government inform this Council:*

- (a) *whether the Housing Department, Urban Services Department, Regional Services Department, Agriculture and Fisheries Department and other departments concerned carry out tests regularly on the contents of toxic metals in the soil of the parks under their management; if they do, of the details; if not, the reasons for that;*
- (b) *of the maximum allowable levels of toxic metal contents in the fertilizers and pesticides used in the parks, as stipulated by these departments; and*
- (c) *of the plans to reduce the excessive level of cadmium content in the soil of the parks in urban areas?*

SECRETARY FOR HOME AFFAIRS (in Cantonese): Madam President, on the basis of the information provided by the Agriculture and Fisheries Department, Environmental Protection Department, Department of Health, Housing Department, Urban Services Department and Regional Services Department, the answers to the Honourable LEUNG Yiu-chung's questions are as follows:

- (a) Government departments do not carry out regular tests specifically on the heavy-metal contents in the soil of the parks under their management. The reasons are as follows:
- (i) All pesticides used by government departments are products registered under the Pesticides Ordinance (Cap. 133).
 - (ii) The Agriculture and Fisheries Department rarely applies fertilizers or pesticides in the country parks.
 - (iii) The ingredients of the fertilizers used by the two Municipal Services Departments are mainly nitrogen, phosphate and potassium which do not pose a health hazard to humans.
- (b) The pesticides used by government departments are products registered under the Pesticides Ordinance (Cap. 133). The Agriculture and Fisheries Department will evaluate the chemistry toxicity and environmental impact of their ingredients before the pesticides can be registered. There is no registered pesticide which has cadmium as an active ingredient in Hong Kong. Fertilizers commercially available in local markets mainly contain nitrogen, phosphate and potassium. As these fertilizers usually come from mineral rocks, trace amount of metals such as cadmium and copper could also be found as impurities.
- (c) The laboratory test results that Mr LEUNG Yiu-chung mentioned probably refer to the report on the levels of heavy-metal contents in soil published by the Hong Kong Polytechnic University recently. According to the report, the levels of cadmium content in the soil samples taken from the parks in the urban areas are higher than the desirable level set by the Netherlands only but are far below the level that requires intervention. The present levels of cadmium content of the soil in the parks of the urban areas will also not pose a health hazard. Relevant departments will continue to monitor the situation closely with specialists and use fertilizers with the lowest cadmium content whenever possible so as to reduce the possibility of heavy-metal contamination in the soil of the parks.

MR LEUNG YIU-CHUNG (In Cantonese): *Madam President, cadmium is a heavy metal element which can easily accumulate in human body. It can cause serious damage to our internal organs, particularly the liver and kidneys, and affect hormone secretion which will lead to infertility. For these reasons, I think the Government should attach importance to contamination by cadmium. But very regrettably, in his main reply the Secretary stated that government departments do not carry out regular tests on the heavy-metal contents in the soil of the parks under their management. I found it very strange that the Secretary said in part (c) of the main reply that the present levels of cadmium content of the soil in the parks of the urban areas will not pose a health hazard. I wonder how the Secretary came to know the cadmium content of the soil in the parks and then made the judgment that the present level of cadmium content is not so high as to affect our health. Does the Secretary actually believe in the report made by the Hong Kong Polytechnic University and based on its findings, he came to the view that the level of cadmium content is not too high and therefore took no further action? In fact, has Hong Kong set up its own standard? Moreover, does the Government have plans to conduct regular tests?*

PRESIDENT (in Cantonese): Which Secretary is to make a reply?

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, for cases where individuals are affected or contaminated by cadmium, the main source is food. When plants absorbed cadmium from the soil, people who have eaten them will also take in cadmium as well. But cadmium will not be transmitted directly from the soil to the human body, so at present, it is unnecessary to carry out tests on the toxic metal contents of the soil in the parks.

PRESIDENT (in Cantonese): Mr LEUNG, which part of your supplementary question has not been answered by the Secretary?

MR LEUNG YIU-CHUNG (in Cantonese): *Madam President, I was asking the Secretary whether Hong Kong will set a standard in this regard? Just now the Secretary mentioned the desirable level set by the Netherlands. Will Hong Kong set up its own standard? Moreover, while cadmium in the soil may not directly affect or be passed onto us, the problem is will Hong Kong carry out regular tests on the level of cadmium content?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, I believe that we will certainly review the situation when necessary. However, according to the currently available information on the impact of metals on humans, we do not consider it necessary to conduct such a review. But we will certainly do so when necessary.

DR RAYMOND HO (in Cantonese): *Madam President, just now the Secretary mentioned that we are now using the standard of the Netherlands only. Have we actually compared the standard prescribed in the existing legislation in Hong Kong with the international standard? When was the existing legislation reviewed to see if it needs to follow the international standard? In the event of revisions of the international standard, have we revised ours accordingly?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, we will set up the relevant standard when necessary. As I explained earlier, for cases where heavy metals have an impact on humans, contaminated food is found to be the main source. If the soil contains heavy metals, plants will absorb them from the soil and people who have eaten such plants will be affected consequently. However, we do not grow crops for human consumption at these places in Hong Kong. There is no information showing that a review is warranted but we will conduct a review if necessary.

DR RAYMOND HO (in Cantonese): *Madam President, the Secretary did not answer my question as to whether there are international standards that can be used as references.*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, if we do grow crops for human consumption at these places, it is certainly necessary to stipulate the levels of heavy-metal contents of the soil. However, as most of the parks in Hong Kong do not grow crops for human consumption, it is not necessary to prescribe the relevant standards.

MR HOWARD YOUNG: *Madam President, the wording of the question seems to imply or conclude that the presence of heavy metals in soil does come from fertilizers or pesticides and the Government has replied along this line. I would like to ask the Government whether it has the knowledge of any scientific explanation that heavy metals in soil do not necessarily come from pesticides or fertilizers as in the question, so as to make sure that we are not barking up the wrong tree in finding a solution, or should I say, not sniffing at the wrong pesticide in order to find a solution?*

SECRETARY FOR HEALTH AND WELFARE: Madam President, heavy-metal contamination, especially for cadmium, usually comes from industrial sources. It is found that certain industrial processes can cause certain damage there. And in most instances where there was poisoning of individuals or where there was an impact on individuals, it really came from industrial processes. It usually occurs in factories where they are producing cadmium-related products, where one might get acute poisoning by heavily inhaling those compounds. Of course, in Hong Kong, we do not do that. In the disposal of cadmium products or industrial waste, the cadmium content can contaminate the environment. It might then be absorbed by the agricultural produce to be digested by individuals. For seafood, if there is contamination of waters and you have the seafood contaminated with cadmium, and through consumption of large amount over a long period, you might get chronic poisoning. There are two kinds of poisoning. One is acute poisoning which is usually related to industrial processes, and the other one is chronic poisoning, which has to do with environmental processes and industrial waste.

In the case of pesticides, in fact, all the pesticides that we used in Hong Kong do not contain cadmium as an active ingredient. For the fertilizers that we used in Hong Kong, most of them do not contain cadmium. However, there may be some contamination by cadmium if we use fertilizers containing phosphate, and phosphate is also found in the soil. But of course, we do not use cadmium as a fertilizer, because it can cause contamination. So, in the context

of Hong Kong, we feel that there is very little risk of getting any such contamination of heavy metals in the soil. And if there is, it is really related to the environmental processes or industrial waste.

MISS CYD HO (in Cantonese): *Madam President, in parts (a) and (b) of the main reply, the Secretary stressed that all pesticides currently used are products registered under Cap. 133 of the laws of Hong Kong. I would like the Secretary to tell me in his reply the relevant year only, and not to tell me whether or not there is a need. May I ask which year it was when the standard prescribed in Cap. 133 was last reviewed? Have there been revisions of the international standard since then, and whether the standard in Cap. 133 has been reviewed accordingly to match with the international health standards? I do not wish to hear the Secretary repeating that a review will be conducted when necessary. All I wish to know is in which year was the standard last reviewed.*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, I cannot tell which year it was but I can tell Miss HO that a review is underway. As regards the implementation of the Pesticides Ordinance, the Agriculture and Fisheries Department is now reviewing it.

DR LUI MING-WAH (in Cantonese): *Madam President, given that fertilizers or pesticides constitute a source of contamination, may I ask the Government of Hong Kong if it knows whether cadmium is found in fertilizers currently used for agricultural purposes?*

PRESIDENT (in Cantonese): Which Secretary is to make a reply? Secretary for Health and Welfare.

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, I do not know the exact level of its content. But as far as I know, most of the fertilizers used for agricultural purposes do not contain a high level of cadmium. I will provide a written reply to the Member's question in due course. (Annex I)

DR RAYMOND HO (in Cantonese): *Madam President, some industrial wastes, including batteries, contain a very high level of heavy-metal contents. Some of the industrial wastes may be transported for dumping at landfills which could be designated as recreational sites, such as parks, for public use in future. Given a higher level of heavy-metal contents at these landfills than the urban areas, I would like to ask if this will affect the use of landfills in future?*

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (in Cantonese): Madam President, we exercise great caution in handling waste at landfills. Landfills are in the first place designed with a thick insulation layer for the purpose of separating waste from the soil. While fluid which has undergone chemical changes will be discharged at the landfills, such fluid is collected and treated before discharge. Therefore, waste at landfills will not cause contamination of soil or water in the neighbourhood.

Given that landfills are covered by soil for a very long period of time, what actually requires treatment may be the emission and gases discharged there, such as methane. However, they are also subject to chemical treatment.

PRESIDENT (in Cantonese): We have spent 15 minutes on this question. We shall now move onto the second question.

Accessibility to IT Services by the Blind or Visually-impaired Persons

2. **MR SIN CHUNG-KAI** (in Cantonese): *Madam President, with regard to addressing the special needs of the blind or visually-impaired persons in respect of new information technology (IT) products and services, will the Government inform this Council:*

- (a) *of the estimated respective numbers of blind or visually-impaired persons in Hong Kong at present;*

- (b) whether it knows how the blind or visually-impaired persons may be assisted in accessing information on the Internet and whether it has allocated any funding for the provision of such assistance; if it has, of the amount of funds allocated in the past year; if not, whether it will consider allocating such funds; and
- (c) whether it will consider enacting codes of practice or legislation to require licensees of telecommunications services to give due consideration to the needs of the blind or visually-impaired persons before introducing new IT products or services?

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

- (a) On the basis of information available in the Health and Welfare Bureau's Central Registry for Rehabilitation, it is estimated that there are approximately 74 000 visually-impaired persons in Hong Kong, of which about 6 700 are totally blind, that is, without any light perception.
- (b) Blind or visually-impaired persons can be helped to access information on the Internet by using adaptive devices such as Braille displays, computer magnifying systems and software which reads out text. Monochrome web pages can help people with colour blindness or defective colour perception to read documents on the Internet.

So far, in the current financial year, we have awarded grants amounting to approximately \$3 million to schools for the visually impaired and relevant rehabilitation non-government organizations (NGOs) for buying computer equipment and software.

We also assist NGOs and individuals to apply for grants from charitable funds, for example, Sir Edward YOODE Memorial Fund, for computer equipment used in both studies and employment.

We will also launch a \$4 million project to install power Braille, screen enlarger and voice synthesiser in the public computers which we have installed in the community halls/centres of the Home Affairs Department. This will facilitate the visually impaired to use these facilities.

- (c) In July 1999, the Office of the Telecommunications Authority (OFTA) issued the "Code of Practice on the Provision of Telephony Services for the Elderly and People with Disability" for use by all Fixed Telecommunication Network Services (FTNS) operators and Payphone Service Providers (PSPs). The purpose of the Code is to ensure that disabled persons and the elderly can enjoy adequate voice telephony services. For example, the code requires the FTNS operators and PSPs to ensure that a reasonable proportion of all their payphones in significant public locations are with mechanical keypads with the digit 5 indicator to facilitate access by the visually impaired. The Code also requires FTNS operators to ensure that billing and other important information is made available in large print or Braille to their visually-impaired customers.

In formulating the Code, the Government consulted the relevant NGOs, the Equal Opportunities Commission, the Consumer Council and telecommunications operators, and took into account specifications and standards adopted overseas. The Telecommunications Authority will keep the Code under review and will consult the industry and NGOs as appropriate on the need for improvements.

We shall publicize and encourage service providers to bear in mind always the needs and difficulties of the visually impaired, and indeed all disabled persons, in their design and provision of IT products and services.

MR SIN CHUNG-KAI (in Cantonese): *Madam President, I would like to follow up part (c) of the main reply. There are in fact many government homepages, and subvented organizations have also provided a vast amount of information in*

these homepages. Will the Government inform this Council whether it will consider issuing guidelines requiring that government homepages are readable by the blind? For example, there should be proper channels for downloading and the homepages should have sufficient text-only information?

PRESIDENT (in Cantonese): Which Secretary would like to make a reply? Secretary for Information Technology and Broadcasting.

SECRETARY FOR INFORMATION TECHNOLOGY AND BROADCASTING (in Cantonese): Madam President, at present several policy bureaux, including the Home Affairs Bureau, the Health and Welfare Bureau and the Information Technology and Broadcasting Bureau are launching a pilot scheme to provide text-only options to facilitate reading by visually-impaired persons. After the pilot scheme is completed, we will think of ways to recommend the scheme to other policy bureaux and government departments.

MISS CHAN YUEN-HAN (in Cantonese): *Madam President, in part (c) of the main reply, it was said "the code requires the FTNS operators and PSPs to ensure that a reasonable proportion of all their payphones in significant public locations are with mechanical keypads with the digit 5 indicator". Will the Government inform this Council how common it is for payphones to reach that requirement in the process of promoting the idea? Objectively, for example, I can see that not all Mass Transit Railway (MTR) stations have such services. I hope the Government can tell me the present position.*

SECRETARY FOR INFORMATION TECHNOLOGY AND BROADCASTING (in Cantonese): Madam President, the relevant code has only come into effect since 1 August this year. We will give the telecommunication service operators one year to improve. At this stage many but not all major public locations are equipped with payphones with mechanical keypads and mechanical keypads with digit 5 indicator. We will be closely monitoring the situation and we sincerely hope the operators can achieve our targets.

MR FRED LI (in Cantonese): *Madam President, IT and the Internet are becoming increasing popular. Does the Government have any measures in place to ensure that for the blind and the visually-impaired, their rights to information would not be deprived?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, communication has advanced to such a stage that there is a lot of information for the people, including persons with a disability, to read. The Government will launch programmes to promote IT and educate the people about it. We will encourage organizations or persons providing information to supply the relevant data.

MR LAW CHI-KWONG (in Cantonese): *Madam President, I would like to follow up part (b) of the main reply. The Government indicated it would install power Braille, screen enlarger and voice synthesiser in the public computers which it had installed in the community halls/centres of the Home Affairs Department. Will the Government inform this Council why the 13 community centres of voluntary organizations do not seem to have such facilities? Furthermore, why is there no scanner among these equipment?*

PRESIDENT (in Cantonese): Which Secretary would like to make a reply? Secretary for Information Technology and Broadcasting.

SECRETARY FOR INFORMATION TECHNOLOGY AND BROADCASTING (in Cantonese): Madam President, we have chosen to install the computer facilities in community centres of the Home Affairs Department because we have in place a project for setting up Community Cyber Points at the centres. In Phase I of the project, we have installed 50 computers with such facilities in 20 of the community centres or halls for use by the public. Those computers can be linked to the Internet. To cater to the needs of visually-impaired persons, we have installed, stage by stage, hardware such as Braille, screen enlarger and software such as voice synthesiser. We need to know the effect of such installation before we consider promoting the services further.

MR LAW CHI-KWONG (in Cantonese): *Madam President, the Secretary has not answered a small part of my supplementary question. Why is there no scanner? The blind actually require the use of scanners to read some documents.*

SECRETARY FOR INFORMATION TECHNOLOGY AND BROADCASTING (in Cantonese): Madam President, talking about scanners, they are irrelevant to the computer facilities we have in the Community Cyber Points of the Home Affairs Department.

MISS CYD HO (in Cantonese): *Madam President, I would like to follow up part (c) of the main reply regarding the requirement that a reasonable proportion of the payphones in public locations have the specified equipment. I would like to know what "reasonable proportion" means. Furthermore, would there be tactile guide paths on the floor to guide the blind or visually-impaired persons to the phones or do they have to grope their way through without the aid of guides on the floor?*

SECRETARY FOR INFORMATION TECHNOLOGY AND BROADCASTING (in Cantonese): Madam President, the code does not require operators to install tactile signs on the floor and so the installation of the signs or otherwise are not under their control.

MR SIN CHUNG-KAI (in Cantonese): *Madam President, will the Government inform this Council when inviting tenders for IT projects in future, whether it will consider asking tenderers to provide services that could cater to the needs of the blind, if such services are of a public nature?*

SECRETARY FOR INFORMATION TECHNOLOGY AND BROADCASTING (in Cantonese): Madam President, I must thank Mr SIN for his suggestion. Indeed, we also think that such should be within our consideration scope. For example, in electronic service delivery projects, we require that contractors must consider providing text-only options in their homepage designs.

MR MICHAEL HO (in Cantonese): *Madam President, I would like to ask a question about tax. Will the Government consider providing tax concessions to people with special needs or people whose family members have to use special equipment?*

PRESIDENT (in Cantonese): Mr HO, your question is about tax concessions. Please rephrase your supplementary question.

MR MICHAEL HO (in Cantonese): *Yes, Madam President. My supplementary question is: Can we offer assistance to the blind in the form of tax concessions for buying computer equipment which are expensive, so that they can obtain information from the Internet?*

PRESIDENT (in Cantonese): Which Secretary would like to make a reply? Secretary for Health and Welfare.

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, blind people who are in need may apply to the Social Welfare Department and some charity funds for assistance to buy the equipment.

MR MICHAEL HO (in Cantonese): *Madam President, my supplementary question is: Can we provide tax concessions? Of course if the income of the blind is low enough to render them eligible to apply for assistance, they may obtain the funds. But if they have income or a job, they may not be eligible. Under such circumstances, my supplementary question is: Can the Government allow these people to save some money through tax concessions so that they can buy the expensive equipment?*

SECRETARY FOR HEALTH AND WELFARE (in Cantonese): Madam President, we have several funds available. There is a fund in the Social Welfare Department open to application by people who are in need. We will provide assistance subject to the background and economic situation of the applicants. Therefore I do not think it is necessary to provide tax concessions.

Implementation and Development of Policy on Medium of Instruction

3. **MR CHEUNG MAN-KWONG** (in Cantonese): *Madam President, regarding the implementation of the policy on the medium of instruction (MOI) and its development, will the Government inform this Council:*

- (a) *how it assesses the effectiveness of teaching and learning in the MOI permitted by the Education Department (ED), in secondary schools;*
- (b) *whether the ED has any plans to terminate the inspection of secondary schools for the purpose of monitoring the use of the permitted MOI in teaching; if it has, of the reasons and the implementation date; and*
- (c) *of the studies conducted by the ED, the Board of Education, the Standing Committee on Language Education and Research and other educational advisory bodies on the policy on the MOI; of the current progress and findings of such studies; and whether the Administration will announce the findings of such studies?*

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

- (a) In the 1998-99 school year, inspectors of the ED conducted inspections in 150 secondary schools (including 114 schools adopting English as the MOI and 36 Chinese-medium schools) to ensure schools' compliance with the MOI policy. After observing 1 280 lessons, it was found that generally all the schools adopted the MOI as approved by the ED. As observed from the inspections, teaching and learning in the mother tongue was more effective. Students understood their lessons better, participated more actively in discussions and could express themselves better in their mother tongue.

In October 1999, the ED commissioned a longitudinal study on the MOI and the academic performance of students. Besides, a working group on MOI jointly formed by the Board of Education and the Standing Committee on Language Education and Research

conducted an opinion survey on MOI in June this year. I will provide more details on the afore-mentioned study and survey in my reply to part (c).

- (b) As all schools were found to adopt the approved MOI during our MOI inspections conducted last year, the ED will not conduct any school inspection this school year solely for the purpose of checking compliance with the MOI policy. However, the ED will conduct MOI inspections on a need basis (for example, upon receipt of complaints), to monitor the use of the permitted MOI in teaching. Moreover, the ED will conduct other forms of more in-depth inspections such as the Quality Assurance Inspections to monitor schools' performance, including the effectiveness of teaching in the approved MOI, and to assist schools in the follow-up improvement works.
- (c) The Government and related educational advisory bodies have conducted the following studies relating to MOI policy:
 - (i) *Evaluation Study on the Implementation of MOI Grouping in Secondary Schools*

In the 1994-95 school year, the ED embarked upon a longitudinal study on more than 10 000 Secondary One students from 56 secondary schools adopting different modes of MOI. The study lasted for three years until the 1996-97 school year. The results of the study show that on the whole students studying in their mother tongue achieve better results. This is especially the case for the academically low achievers. The study also shows that students taught in the English medium have greater language barriers in their studies, especially in the more language-loaded subjects such as History and Geography.

The study report, an open document, was completed in early 1998. Members of the public may approach the ED for a full report or they may download the abstract of the report from the ED Homepage. The ED has also followed the development of the sample students until they complete

Secondary Five. The analysis of results is in progress and the five-year longitudinal study report is expected to be ready early next year.

(ii) *Longitudinal study to evaluate the academic performance and personal development of students*

In October 1999, the ED commissioned a local university to conduct a longitudinal study in public-sector secondary schools to monitor and evaluate the academic performance and personal development of students learning in different media of instruction. The study will survey all the Secondary One entrants of 100 secondary schools in the 1998-99 and 1999-2000 school years. The principals and teachers of these schools will also be included in the study. The study will last for three years and the final report is expected to be ready in early 2003.

(iii) *Opinion survey on MOI*

In June this year, the MOI Working Group conducted an opinion survey on MOI in over 80 schools adopting different media of instruction. Views were collected from some 11 000 teachers, students and parents, as well as 250 secondary school principals. The findings revealed that mother-tongue teaching enabled classroom teaching to be more diversified and made it easier for teachers to lead students into in-depth discussion of the subject matter. Students in general participated actively in classroom discussions and teachers tended to have better relationships with them. These phenomena were also very common even in schools with mostly academically low achievers. The MOI Working Group released the findings of the survey in November 1999. Members of the public may approach the Support Unit of the Standing Committee on Language Education and Research for the full report or download the abstract of the report from the Education and Manpower Bureau Homepage.

MR CHEUNG MAN-KWONG (in Cantonese): *Madam President, in the main reply, the Government mentioned several studies, including the study conducted by the Education Department (ED) and the large-scale survey conducted by the Medium of Instruction (MOI) Working Group, which all showed that mother-tongue teaching was effective and students participated actively in class. Based on the findings of the studies and surveys, will the Government further promote mother-tongue teaching in more secondary schools when it reviews the MOI in junior secondary schools in two years' time, including the request for some currently English-medium secondary schools where the teaching has not been very effective to switch to mother-tongue teaching?*

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): Madam President, one of the most important tasks of the MOI Working Group mentioned in the main reply is to make recommendations to the Government on how to further promote mother-tongue teaching in 2001. The Working Group is now meeting regularly and is expected to submit its recommendations to the Government early next year. After carrying out consultation, the Government will formulate a plan to further mother-tongue teaching after 2001. In the plan, we will examine the need to set language benchmarks, evaluate whether teachers currently teaching in English are up to standard and decide whether currently English-medium schools should continue to teach in English.

MR SZETO WAH (in Cantonese): *Madam President, part (a) of the main reply contains such a phrase: "it was found that generally all the schools adopted the medium of instruction as approved by the ED". According to my understanding, the word "generally" added before "all the schools" implies that not "all" of them adopted the permitted MOI. May I ask the Government first, whether my understanding is wrong and second, if my understanding is correct, how many schools did not adopt the MOI as approved by the ED? What measures will the ED take to deal with such cases?*

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): Madam President, by "generally", we meant that although the teachers of all the English-medium schools taught in English, it was found during the inspections that the English standard of some teachers might not be very satisfactory. This means that their English pronunciation, sentence constructions and phonetics may not be satisfactory or up to standard. This is what we chiefly meant.

As I said, we understand that the English standard of teachers in English-medium schools might vary. That is why one of the tasks of the MOI Working Group, as I mentioned, is to study the setting of language benchmarks for teaching in English. In future, we will consider requiring all teachers to meet these benchmarks, which will be the criterion for determining whether their schools can continue to teach in English effectively. After carrying out school inspections, the ED will also inform the schools if the English standard of the teachers is unsatisfactory. It will urge the schools to pay greater attention to this and make improvement.

MR JASPER TSANG (in Cantonese): *Madam President, the studies mentioned in parts (a) and (c) of the main reply have not specifically shown the effect of mother-tongue teaching on the English standard of students. Actually, parents and the public are very much concerned about this. Have the ED and the relevant bodies conducted any studies on this question? If so, could we be informed of the findings?*

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): Madam President, the Government has indeed conducted some surveys on this question, collecting the views of some schools which converted to mother tongue teaching in 1998. Based on their internal assessment, it was found that there was not only no decline in the results of Secondary 1 students learning in the mother tongue in that year, but there were even signs of improvement, including in the subject of English language. Recently, we have analysed the Hong Kong Certificate of Education Examination (HKCEE) results of the students from 26 traditional Chinese-medium secondary schools in 1998. It was found that the students from the Chinese-medium schools achieved better results in English Language (Syllabus A) than the students from other schools, while the average candidates from the Chinese-medium schools achieved better results in English Language (Syllabus B) than other candidates who were not from Chinese-medium schools. These average students formed the majority of candidates from Chinese-medium secondary schools.

In the main reply, I also mentioned the longitudinal study conducted in the 1994-95 school year. This study follows the students until they complete Secondary Five. Since these students have sat for the HKCEE this year, the ED is now analysing the results. I hope that when the study report is completed

early next year, it will show a comparison between the HKCEE results of students taught in different media of instruction, including of course their results in English Language.

MR YEUNG YIU-CHUNG (in Cantonese): *Madam President, I wish to follow up Mr Jasper TSANG's supplementary question. Has the Government adopted measures to boost parents' confidence in the English standard of Chinese-medium secondary schools, so that more parents will choose these schools?*

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): Madam President, actually, we have worked on many areas. First, Members may have noticed that there are announcements of public interest on television advertising the advantages of mother-tongue teaching. Second, as I said in the main reply, we have conducted some studies, which show that the English standard of students taught in the mother tongue did not decline. We will continue to carry out these studies. When the objective results show that the English standard of students has not declined, parents will have more confidence. It is worth mentioning that one of the findings of the survey on MOI conducted in June 1996 as mentioned in the main reply, which collected views from school principals, teachers and parents, showed that more parents have now gained greater confidence in mother-tongue teaching. For instance, 70% of parents of students from schools adopting mother-tongue teaching support it. I believe if we continue to publicize and conduct studies to show that the English standard of students will definitely not be affected by mother-tongue teaching, the later surveys will show a gradual increase in parents' confidence.

DR YEUNG SUM (in Cantonese): *Madam President, after the termination of inspection of secondary schools for the purpose of monitoring the use of the MOI in teaching, what mechanism does the ED have as a replacement? Will the Administration consider appointing an independent assessment body to follow up the teaching in the 114 English-medium schools in order to monitor and assess the effectiveness of teaching in those schools, as a basis for the future review of the MOI?*

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): Madam President, as I said in the main reply, after terminating the school inspections, we will still conduct inspections and follow up individual schools when necessary, for instance, upon receipt of complaints. I also mentioned in the main reply that the ED will conduct other more specific forms of inspections, such as the Quality Assurance Inspections, to monitor the effectiveness of teaching in schools comprehensively, including of course the effectiveness of teaching in the English medium. As I said in the main reply, the ED has commissioned a local university to conduct a longitudinal study on 100 sample secondary schools, 75 of which provide mother-tongue teaching, while the other 25 use English as the MOI. I hope that this study will follow up closely the effectiveness of teaching in these schools.

Last, as I said, I hope that after the language benchmarks are set for teaching in the English medium early next year or in March or April next year, the ED will require schoolteachers to meet these benchmarks within a certain period of time after carrying out consultation. In the studies conducted so far, one very important conclusion is that the majority of school principals and teachers agree that the most important prerequisite for the effectiveness of teaching in the English medium is the English standard of the teachers themselves. That is why we stress that language benchmarks must be set.

PRESIDENT (in Cantonese): Last supplementary question.

MISS EMILY LAU (in Cantonese): *Madam President, just now, the Secretary said several times that the standard of teachers teaching in the English medium now is poor and some are even below the passing mark. If this reason is used as the basis, is it not unscientific to say that mother-tongue teaching is good and teaching in the English medium is not good? There must be a common basis first before deciding which MOI should be used in teaching, that is, when the teachers teaching in the mother tongue and those teaching in the English medium are both up to standard. This is what I consider fair. If, because at present there are so many teachers whose English is below standard, so teaching in the English medium has to be negated. Is this the right thing to do?*

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): Madam President, when I answered the questions just now, I did not actually say that the Government considered that teaching in the English medium was not good. What I mainly said was, in many cases, mother-tongue teaching was good for the majority of students, while it might not or would not bear any effect on students' results in English Language. Actually, when we allowed over 100 secondary schools to teach in the English medium in 1998, we knew that if a school has cherished a good English environment and if the teachers' English is up to standard, students might be able to learn English better. However, as I said, the ED will decide early next year on the MOI policy for next year, that is, in 2001, based on the recommendations of the MOI Working Group, including how to further promote mother-tongue teaching.

MISS EMILY LAU (in Cantonese): *Madam President, the Secretary did not answer my supplementary question. I said that if the teachers' English is below the passing mark, students' standard will certainly be poor.*

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): Madam President, if the teachers' English is below the passing mark, that is, if the teachers themselves do not know how to speak English, students' standard will naturally be affected. This I agree. In fact, this is why I have repeatedly stressed that language benchmarks should be set for teaching in the English medium, and hope that teachers in English-medium schools will be required to meet these benchmarks in future.

Building Owners Taking out Third Party Insurance

4. **MR BERNARD CHAN** (in Cantonese): *Madam President, it was reported that the Administration was considering the introduction of a mandatory scheme to require building owners to take out third party insurance for their buildings to ensure that, in case accidents occur within the precincts of their buildings, the people affected by the accidents can be compensated. In this connection, will the Government inform this Council of the details of the scheme, the implementation timetable and the difficulties anticipated in implementing such a scheme?*

SECRETARY FOR HOME AFFAIRS (in Cantonese): Madam President, I would like to thank the Honourable Bernard CHAN for raising this question concerning third party insurance for buildings. My reply is as follows:

A Building Management (Amendment) Bill is being drafted and will be later submitted to the Legislative Council for consideration. One of the proposals in the Bill is to require an owners' corporation (OC) to take out third party insurance in respect of the common parts of a building.

At present, an OC is authorized, under section 18(2)(d) of the Building Management Ordinance (Cap. 344), to exercise discretion to insure and keep insured the building or any part thereof to the reinstatement value thereof against fire and other risks. But section 18(2)(d) is not mandatory. We know quite a number of OCs have not taken out insurance in respect of third party liabilities for the common parts of their buildings. In a case of claim for compensation last year, the court ordered the OC of a building in Mong Kok to pay about \$20 million to compensate a worker for injuries suffered when carrying out maintenance works for the building. There was widespread public concern about this case. We believe OCs should be required to take out third party insurance in respect of the common parts of their buildings so that in case accidents occur, the people affected by the accidents can be compensated.

We are now drafting the Building Management (Amendment) Bill which contains the following provisions on mandatory insurance:

- (1) A corporation shall, on behalf of the corporation and the occupiers and owners of a building, procure and keep in force in relation to the building and all parts thereof including the common parts and the property of the building, such policy of insurance with an insurance company in respect of third party risks as complies with any requirement prescribed for the purposes of this section.
- (2) In the event of a contravention of subsection (1), every member of the management committee shall be guilty of an offence and shall be liable on conviction to a fine at Level 5 unless he proves:
 - (a) that the offence was committed without his consent or connivance; and

- (b) that he exercised all such due diligence to prevent the commission of the offence as he ought to have exercised in the circumstances.

Specific requirements concerning the insurance (for example, scope of coverage, guaranteed amount of compensation and qualifications of insurers) will be stipulated in the subsidiary legislation to be enacted separately by the Chief Executive in Council under the Building Management Ordinance. OCs that fail, without reasonable cause, to take out third party insurance in respect of the common parts of their buildings as prescribed in the legislation shall be guilty of an offence and shall be liable on conviction to a fine at Level 5 (maximum fine of \$50,000).

Regarding the implementation timetable, the Building Management (Amendment) Bill that we are now drafting is expected to be tabled at the Legislative Council early next year. Subject to approval of the Bill by the Legislative Council, we shall proceed to formulate the subsidiary legislation on the insurance requirements detailing the specific requirements in respect of the above for compliance by OCs. When formulating the subsidiary legislation, we shall fully consult the insurance industry, the property management sector, relevant professional bodies and government departments. We expect the subsidiary legislation to be completed for implementation in the 2000-01 legislative session.

Taking account of the fact that some OCs may need time for preparation (for example, to choose insurance companies, negotiate terms of the insurance policy with insurance companies, convene owners' meetings and carry out repair and improvement works), we are considering to allow, upon enactment of the subsidiary legislation, a grace period for OCs to comply with the requirements before the official enforcement of the Ordinance on mandatory insurance.

Regarding implementation difficulties, we anticipate that upon enforcement of the Ordinance on mandatory insurance, some buildings may be charged a higher premium due to various reasons, such as lack of proper maintenance and the existence of unauthorized structures. Some other buildings may be in such a dilapidated state that insurance companies are reluctant to negotiate insurance policies. Under such circumstances, owners should work together to step up restoration or improvement works and remove unauthorized structures in order to secure more favourable terms with insurance

companies. Owners in need of technical assistance in respect of building maintenance and removal of unauthorized structures may approach the government departments concerned. In addition, seven professional bodies have assigned members to man the Building Management Resource Centre of the Home Affairs Department, offering preliminary professional advice and services to the public free of charge. Owners may seek information and assistance at the Centre.

MR BERNARD CHAN (in Cantonese): *Madam President, in the main reply the Secretary said that unauthorized structures pose a difficulty in the implementation of the Ordinance. I would like to ask the Secretary if he meant that the removal of unauthorized structures is on a voluntary basis, or certain measures will be taken to require OCs to remove the unauthorized structures within a specified period?*

SECRETARY FOR HOME AFFAIRS (in Cantonese): Madam President, illegal structures are certainly unlawful. The Buildings Department of the Government is very concerned about this. With regard to the priorities of work, structures which are potentially dangerous, such as those where the passageways are blocked or those with fire hazards, will be accorded priority, whereas others will be handled according to schedule. In fact, as I said earlier, insurance companies will charge a higher premium for buildings with unauthorized structures. Given that the responsibilities for properties in the private sector rest with the OCs or owners, the Government certainly hopes that they will take the initiative to effect the early removal of illegal structures. As I also said just now, owners in need of technical assistance can address their enquires to the relevant government departments, such as the Buildings Department or the District Office concerned. Meanwhile, professional advice is also offered by the Building Management Resource Centre. Yet, basically, the responsibilities rest with the owners themselves.

PROF NG CHING-FAI (in Cantonese): *Madam President, as far as I know, many buildings do not have an OC at present. May I ask the Secretary that insofar as the Government's timetable is concerned, should we take steps to promote the establishment of OCs in all buildings first before discussing the issue of insurance? Would the Secretary please give me an answer?*

SECRETARY FOR HOME AFFAIRS (in Cantonese): Madam President, at present, we have been working constantly to encourage owners in all districts to set up OCs. Ongoing efforts will be made for this pursuit. Subsequent to the enactment of the new legislation, that is, the Building Management (Amendment) Bill that I mentioned in the main reply, OCs will be set up in all new buildings automatically and very easily in future. So, the Government has been working actively in this regard. As for existing buildings, we can only try our best to do everything that we can possibly do. We have considered making the establishment of OCs mandatory but legal experts told us that pressurizing people to form associations constitutes a breach of human rights. For this reason, all we can do is to continue to encourage owners to set up OCs. Indeed, without OCs, many problems will certainly arise in the management of buildings, including the difficulties in taking out insurance.

PROF NG CHING-FAI (in Cantonese): *Madam President, a follow-up please.*

PRESIDENT (in Cantonese): Prof NG Ching-fai, which part of your supplementary question has not been answered by the Secretary?

PROF NG CHING-FAI (in Cantonese): *Madam President, the Secretary did not answer my supplementary question. I was asking whether all owners are required to share all the losses and compensation in the absence of OCs?*

PRESIDENT (in Cantonese): Prof NG, I am sorry. This does not appear to be part of the question that you asked just now. (*Laughter*)

MR ANDREW WONG (in Cantonese): *Madam President, my supplementary question may digress slightly from the theme but I hope you can allow it. According to the Secretary, OCs are required to take out insurance in respect of the common parts of their buildings against fire or other risks. This may give rise to a situation whereby: The Deed of Mutual Covenant or OCs already require developers or management companies to take out insurance against fire, and owners are also required to take out insurance at the request of banks when applying for mortgage loans from banks. However, under the principle of the*

insurance industry, claims for compensation are not allowed to lodge twice in respect of the same accident. So, this appears to be sort of a "rip-off". I would like to know if the Secretary has considered this in the review.

SECRETARY FOR HOME AFFAIRS (in Cantonese): Madam President, the third party insurance that I mentioned in my main reply earlier applies to a situation where a third party claims for compensation from an OC for injuries that he sustained when carrying out maintenance works or in accidents. Just now, I cited the example that the court has ordered the OC of a building in Mong Kok to pay some \$20 million as compensation for a worker who sustained injuries when carrying out maintenance works for the building. In view of this, we recommend OCs to take out third party insurance. Just now, Mr WONG was right to say that many people only care about taking out insurance against fire or household insurance. But in the event that accidents occur in the common parts of the building, every owner has to assume the responsibilities. Our proposal actually focuses on this type of insurance. I believe that the third party insurance requirement will involve no question of double insurance.

MR ANDREW WONG (in Cantonese): *Madam President, I was asking whether the Secretary has considered the point that owners are forced to take out double insurance. I said just now that my question may slightly digress from the theme because my question was concerned with insurance against fire and the Secretary has also replied along this line. There should not be the case that owners will take out double third party insurance. But I would like to know will the Government consider the point in question.*

PRESIDENT (in Cantonese): Secretary, do you have anything to add?

SECRETARY FOR HOME AFFAIRS (in Cantonese): Madam President, I have nothing in particular to add.

MR HO SAI-CHU (in Cantonese): *Madam President, in the main reply the Secretary repeatedly made reference to "buildings". After the amendment of the Ordinance, is it that properties all over Hong Kong will come under the purview*

of the Ordinance, irrespective of their size, age and whether an OC is established or not?

SECRETARY FOR HOME AFFAIRS (in Cantonese): Madam President, for small buildings, small houses or private pencil buildings, problems can be solved easily because the owners can decide on their own their share of responsibilities and the coverage of the insurance policy. However, buildings which are prone to problems are actually those with a large number of owners. Owners have the general impression that the common parts of their buildings have nothing to do with them for they have paid the management fees so these areas should be the responsibilities of the management company. Therefore, we are now proposing solutions in the light of these circumstances. As for Mr HO's question, the Government can look into it, and if small buildings are not included in the ambit of the Ordinance, we can further study the matter subsequently.

PRESIDENT (in Cantonese): We have spent over 18 minutes on this question and we still have seven Members waiting to ask their questions. While Members and the public are very concerned about this issue, I believe that Members can follow it up through other channels, and the Secretary is likely to have other opportunities to respond to Members in more detail in future.

Material Transfer Station on Ap Lei Chau

5. **MR GARY CHENG** (in Cantonese): *Madam President, it is learnt that the Administration plans to designate a site beside the sewage treatment works on Lee Nam Road on Ap Lei Chau as a temporary material transfer station in order to tie in with the construction work of the Cyberport. In this connection, will the Government inform this Council:*

- (a) *of the reasons for choosing the location and the duration of the use of the site for such purpose; and*
- (b) *whether it has assessed the impact of the vehicles travelling to and from the transfer station on the air quality and noise level in the vicinity, as well as their impact on the traffic moving to, from and on the island, when the transfer station comes into operation?*

SECRETARY FOR WORKS (in Cantonese): Madam President, I would like to thank the Honourable Gary CHENG for his double-barrelled question. Our reply is as follows:

- (a) There is at present no road access to Telegraph Bay. It is therefore necessary for the contractors for the engineering infrastructure for the Cyberport development to use marine access for transportation of materials to the Telegraph Bay reclamation area until the completion of the first land-based access (southern access road) by end 2001.

The material transfer station at Ap Lei Chau will enable the contractors to deliver materials by road to this area, for transit onto barges for onward delivery to Telegraph Bay by vessels. A land search study was undertaken by the consultants to identify suitable and available areas in Kennedy Town, Sai Ying Pun, Sandy Bay, Wah Fu and Ap Lei Chau. This area has to satisfy the following conditions:

- (i) accessible by vehicles;
- (ii) with a vertical seawall suitable for berthing a derrick-lighter;
- (iii) within a reasonable marine voyage distance from Telegraph Bay (say 5km, such that the voyage time will be generally about half an hour maximum);
- (iv) the area itself must be adequate for temporary parking and turning of vehicles; desirable minimum size of area is recommended to be 70 m x 30 m.

The study concluded that an area at Lee Nam Road, Ap Lei Chau, is found to be the most suitable for this purpose.

The current proposal is to use the material transfer station for about 16 months from September 2000 to end of 2001. The need of this material transfer station is based on the assumption that the contractor has no other suitable area to use. In the event that the contractor can make other arrangement without the need for using this area, there will be no need to retain this land as a temporary material transfer station.

- (b) As regards environmental and traffic impacts, we will restrict the use of this material transfer station to no more than seven vehicle trips per hour and during non-busy traffic hours (that is, from 10.00 am to 4.00 pm). Based on the Environmental Impact Assessment report by the consultants, given that the number of vehicle trips per day is low and the material transfer station is not close to the nearby residents, no adverse impact on the air quality and noise level will be caused to the nearby residents as a result of the operation of the works area.

The construction contract will require the contractor to comply with the related traffic restrictions and conditions during the operation of this material transfer station. The resident site inspectorate staff will check and record the numbers and time of contractor's vehicles travelling to and from the material transfer station per hour. The use of the material transfer station will include transit of construction materials for civil engineering works (such as reinforcement bars, formwork, pipes and so on) but excluding earthwork.

Given that the use of the material transfer station is restricted to no more than seven vehicle trips per hour and during non-busy traffic hours, and the number of barge trips is estimated to be no more than three per day, the estimated traffic impact (both land and marine) of the temporary material transfer station on the Ap Lei Chau area would be minimum.

MR GARY CHENG (in Cantonese): *Madam President, in part (b) of the main reply the Government stated that there will be no more than seven vehicle trips per hour from 10.00 am to 4.00 pm daily so the traffic flow is low. Yet, this will cause two problems because first, we all know that there is only one bridge connecting Ap Lei Chau with other urban areas, and second, there is a cement factory nearby. Our statistics show that there are 400 trips by cement trucks for transportation of cement from 7.00 am to 7.00 pm every day. Under the circumstance, will the additional vehicle trips have a certain impact on the traffic flow and the level of environmental pollution there?*

SECRETARY FOR WORKS (in Cantonese): Madam President, as Mr CHENG said just now, there are 400 trips by other vehicles. In the case of the temporary material transfer station, we now restrict the number of vehicle trips to seven per hour and at the same time, vehicle trips to and from the station are allowed during non-busy traffic hours only. This means that the station is open for six hours only, with just 42 vehicle trips in total per day. From this, we can see that the total traffic flow will be increased by a mere 10% at most. Therefore, we anticipate that the vehicle trips associated with the material transfer station will have very little impact on the traffic flow.

MR AMBROSE CHEUNG (in Cantonese): *Madam President, I would like to ask the Secretary this: With regard to the resident site inspectorate staff as mentioned in part (b) of the main reply, when do their working hours start and end? Can the inspectorate staff prove effective if contractors are in breach of the laws outside the period from 10.00 am to 4.00 pm? Are there any co-ordinating measures in place, such as a 24-hour hotline service, for the public to lodge complaints promptly and for the authorities concerned to handle such cases in line with their performance pledge?*

SECRETARY FOR WORKS (in Cantonese): Madam President, the working hours of our resident site inspectorate staff normally tally with the hours during which the engineering works are being carried out, and they cover the period from 10.00 am to 4.00 pm daily. In the event of non-compliance by contractors with the conditions for use, we can exercise control on them by two ways. First, we can stipulate the conditions in the contract and issue warnings to the defaulting contractor and even order a suspension of the works. Second, as

contractors are now required to apply for a permit from the Environmental Protection Department (EPD) to carry out engineering projects, the relevant conditions can also be stipulated in the permit and similarly, regular non-compliance by the contractor with the conditions may result in the revocation of the permit.

On the question of complaints, the EPD has a standing hotline service to receive complaints. If contractors fail to abide by the contract in their works, members of the public are welcome to lodge complaints with us through this hotline. They are also welcome to contact our resident site inspectorate staff.

MR AMBROSE CHEUNG (in Cantonese): *The Secretary did not answer my question about the provision of a hotline specifically for this project, and my question is not about the EPD's hotline. Many projects also have their own hotline service which runs 24 hours a day to handle complaints received and to make performance pledge.*

SECRETARY FOR WORKS (in Cantonese): Madam President, Members may wish to note that this temporary material transfer station has not come into operation yet. We plan to commence its operation in September 2000 so the relevant works have yet been started. We can consider the need for setting up a hotline service for this purpose upon the commencement of the relevant works.

MR LAU KONG-WAH (in Cantonese): *Madam President, according to past experience, the Government would give lots of such undertakings before a project commenced, but discrepancies would arise after the works had begun. The Secretary may be aware of this too. The Wan Po Road in Tseung Kwan O is a case in point.*

My question is which department, or should I say, which front-line department would ultimately be responsible for monitoring these possible impacts so as to honour the Government's undertakings for this project, and whether effective penalties will be introduced to deter discrepancies which will eventually affect the residents?

SECRETARY FOR WORKS (in Cantonese): Madam President, the works involved in this project are largely within the purview of the Territory Development Department (TDD), so officers of the TDD will oversee the progress of the works then. With regard to penalties, just now I already explained that the contract will be a means of regulation and the permit issued by the EPD will also stipulate the relevant conditions.

MR NG LEUNG-SING (in Cantonese): *Madam President, we learn from the reply that the Government has commissioned a study which concluded that only the site at Lee Nam Road, Ap Lei Chau, is found to be suitable for the purpose. My question is: Apart from the traffic and environmental impacts of the material transfer station as mentioned in part (b) of the main reply, has the study identified impacts of the material transfer station in other areas and what measures will be taken to address them?*

SECRETARY FOR WORKS (in Cantonese): Madam President, in fact, we need an area measuring 70 m x 30 m to be used as the material transfer station, so we had been looking for a suitable site in the vicinity. Basically, the designation of this site for such purpose will only carry environmental and traffic impacts. I personally think that the possible impacts in other areas will be minimal.

DR YEUNG SUM (in Cantonese): *Madam President, just now the Secretary said in the main reply that the need to designate this site for that purpose is mainly based on the assumption that the contractor has no other suitable area to use. However, he went on to say that if the contractor can make other arrangement, there will be no need to retain this land for that purpose. What does he mean by other arrangement? If the contractor can make other arrangement, why is he permitted to use this land then?*

SECRETARY FOR WORKS (in Cantonese): Madam President, I said other arrangement is possible because we have yet put this project to tender. If, after the tendering exercise, the successful contractor has another site nearby, or he can arrange for a route which is shorter in distance or more convenient for the transportation of materials, he can choose not to use the site that we retain for use

as the temporary material transfer station. In such case, there is no need for the contractor to use this site.

DR YEUNG SUM (in Cantonese): *Madam President, I think perhaps you can be a judge for this. Just now the Secretary said there is basically no suitable land but then, he said it is unnecessary to retain the land for that use if the contractor has a suitable site. Is there such land as a matter of fact?*

PRESIDENT (in Cantonese): Dr YEUNG Sum, this is not part of the question that you asked just now. But in order to save time, I now call upon the Secretary for Works to make a reply. Secretary, do you have anything to add?

SECRETARY FOR WORKS (in Cantonese): Madam President, in fact, the most fundamental point is that there is at present no road access to Telegraph Bay. So, the transportation of materials to Telegraph Bay must rely on marine access and the Government has to reserve an area for use by the contractor. As I said just now, if the contractor who made a successful bid has other projects in progress in the neighbourhood area, and another site other than our chosen spot is already used by that contractor for transit purpose, and if he considers that site, which may be farther away, more convenient than the one on Ap Lei Chau, he has the right to choose not to use the site we reserved for him so long as he thinks that it is more convenient for him. Under the circumstance, it will be unnecessary to use this land.

MR HO SAI-CHU (in Cantonese): *Madam President, I would like to ask a related question. Indeed, contractors may have their own land which can be used for such purpose. I would suggest the Secretary to consider telling potential tenderers that they may propose the use of their own sites for such purpose when tender is invited for the project, so that we do not need to put the site to that use. In this connection, will the Secretary give preference to a contractor who made such an offer in the tender, and award the contract for the project to that contractor to obviate the need to use the reserved site? Is it possible to put this down in the contracting documents of the tender and would such considerations be made?*

SECRETARY FOR WORKS (in Cantonese): Madam President, in fact, as I said earlier, we plan to state in the contract that if the contractor has another site which he considers to be more suitable for the transportation of materials, the contractor is allowed to make the arrangement on his own. We will specify this point in the contract.

PRESIDENT (in Cantonese): Mr HO, has the Secretary answered your supplementary question?

MR HO SAI-CHU (in Cantonese): *Madam President, I wish to follow up. I am trying to say that if we do not make it known to the contractor beforehand, the contractor certainly will not make such an offer. I really hope that the Secretary will so specify in the tender document and that considerations will really be made in favour of such contractors.*

DR RAYMOND HO (in Cantonese): *Madam President, at present, 42 vehicle trips are allowed per day for the transit of such materials as iron bars, formwork, pipes and so on, but the number of barge trips is restricted to no more than three, or perhaps a mere two, per day. In case the barge breaks down, the number of barge trips may be reduced to one only. As a result, the materials dispatched by the 42 vehicle trips to the area will be stacked up in high piles. In times of typhoon, will these high piles of materials pose threats to public safety? Will the Bureau issue relevant guidelines or send site inspectorate staff to accompany the trips?*

SECRETARY FOR WORKS (in Cantonese): Madam President, the location that we suggested is actually very far away from residential areas. Even in times of typhoon, the nearby residents basically will not be affected. Moreover, insofar as general construction works are concerned, contractors are required to take sufficient precautionary measures in times of typhoon or rainstorm.

Shue Yan College's Bid to Become the First Private University

6. **MR YEUNG YIU-CHUNG** (in Cantonese): *Madam President, regarding Shue Yan College's bid to become the first private university, will the Government inform this Council:*

- (a) *whether it knows the reasons for Shue Yan College not being accredited as a degree-awarding university by the Hong Kong Council for Academic Accreditation (HKCAA) in 1996; of the requirements and procedure the College needs to fulfil and undergo before it can become a university;*
- (b) *whether it will bear the costs incurred by the HKCAA in assessing the College's academic standards in the future; if not, the reasons for that; and*
- (c) *of its policies on the development of private universities in Hong Kong; whether it has received any application so far for establishing a private university; if so, of the details of the applications?*

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

- (a) Shue Yan College commissioned the HKCAA to undertake an institutional review of the College. In its review, which was completed in 1996, the HKCAA concluded that the College had made significant achievements over the years, and pointed out that the College had built up areas of strength in a number of programmes. The HKCAA considered that the College had established a base from which it could develop into a degree-awarding institution. It advised the College to enhance its academic standards further by formulating a long-term strategic plan, strengthening its quality assurance mechanism and fostering its links with its counterparts in the local academic community.

Under the existing policy, an institution has to go through three major steps in order to become a university. First, it must be authorized to award degrees. To ensure that the degrees offered meet the internationally-recognized standards, these programmes should undergo validation by the HKCAA. Second, the institution should acquire self-accrediting status. To achieve this, an institution should normally have accumulated certain experience in providing degree programmes. It should also have successfully gone through an institutional review by the HKCAA to ensure that it has a sound quality assurance mechanism, and should have received the approval of the Chief Executive-in-Council for the award of self-accrediting status. Third, the institution should set up a sound internal governance structure and become an independent statutory body governed by its own ordinance through legislative process. The above procedures aim at ensuring the quality of the programmes as well as effective monitoring.

- (b) If Shue Yan College decides to start developing degree programmes in a few areas, we will discuss the validation arrangements with the HKCAA and the College accordingly. The Government will positively consider subsidizing the validation costs incurred by the College if it so requests.
- (c) The Education Commission is now conducting a comprehensive review of the overall education system in Hong Kong. As far as higher education is concerned, how to encourage the development of various types of private universities is one of the issues under consideration. We will take into account different views in formulating our long-term policies. Apart from Shue Yan College's indication of its intention to become a private university, the Government has not received any other applications for establishing a private university.

MR YEUNG YIU-CHUNG (in Cantonese): *Madam President, the reply made by the Secretary is a fairly positive one, but I am worried about one thing. I wish my worry was undue. The Secretary has once said in this Council that the enrolment of 14 500 university students per year is a prescribed limit and no relaxation of the limit is under review for the time being. As long as this "hard*

"golden casing" remains unremoved, Shue Yan College's bid to become the first private university might simply be an empty talk. What actually is the connection between the enrolment of 14 500 university students and Shue Yan College's application for the award of a private university status?

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): Madam President, I have mentioned the annual enrolment of 14 500 first-year undergraduates before. This mainly refers to students admitted every year by publicly funded tertiary institutions and has no bearing on other courses or degree places which are not subsidized by public funds. For example, currently the Open University of Hong Kong has more than 20 000 students and the University awards degrees every year. Its number of students is not in any way within the control of any policy of the Government. If in the future any institution is able to comply with all procedures and the Government considers it qualified to award degrees, provided that the institution is not publicly funded, it will certainly not be subject to the annual enrolment capacity of 14 500 first-year undergraduates.

MR CHAN KAM-LAM (in Cantonese): *Madam President, the Secretary stated in part (a) of the main reply that the College had built up areas of strength in a number of programmes. I would like to know what action the Government has taken after being notified of the College's indication of its intention to become the first private university.*

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): Madam President, actually over the past few years, we have discussed the issue with the College from time to time. We have made efforts to encourage the College to develop step by step into a tertiary institution accredited as, among other things, a degree-awarding university by going through the steps set out in our policies. Just as what I have said in part (b) of the main reply, subsequent to our recent discussion with Shue Yan College, the College is willing to firstly look into areas in which it can develop degree courses on the basis of these steps as its first move in going through the necessary process of transforming into a university.

MR CHEUNG MAN-KWONG (in Cantonese): *Madam President, currently the College is registered under the Post Secondary Colleges Ordinance. The Ordinance provides that no direct award of degrees could be made, but according to the Government's reply, the award of degrees happens to be one of the criteria for the College to be upgraded to university status. Will the Post Secondary Colleges Ordinance impose restrictions on the upgrading of the College? Is there any contradiction legally? Will the Government inform the Council whether it will enact legislation in respect of private universities or even enact a separate law for the College and provide that the College can offer degree courses so as to create a legal basis for its future upgrading?*

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): Madam President, as to whether the College will be able to award degrees in the future, the main concern is whether it can pass the validation by the HKCAA. I do not consider legislation a restriction. In the event that after making some improvements in the future, the College is recognized by the HKCAA as being capable of developing degree courses in certain disciplines, while the current Post Secondary Colleges Ordinance forbids post secondary colleges to award degrees, the Government will then definitely think of ways to tackle this legal problem. The solutions include amending the existing Post Secondary Colleges Ordinance, which might not be the best way, so we might at the same time consider whether it is necessary to enact a new law. The new law can also be divided into two categories. The first category is to consider whether new legislation will be enacted specifically for the College; the second category is to consider enacting general rules in respect of private universities applicable to other institutions interested in establishing private universities. I want to stress that as long as the College meets the requirements of our policies, we will certainly take a positive attitude in solving any legal problem that may arise. If it is necessary to amend laws, we will surely submit the amendment to the Council for Members' discussion.

MR ANDREW WONG (in Cantonese): *Madam President, just when the Secretary answered Mr CHAN Kam-lam's supplementary question, he had almost exposed the problem. Firstly, I would like to declare an interest which has ceased to be so. I was once a member of the Consultative Committee of Shue Yan College, but now I am now no longer a member of the Committee.*

With respect to the problem, I think that if the Government would be willing to provide financial assistance to Shue Yan College which insists on offering four-year courses instead of three-year courses, the problem could be readily solved, or Shue Yan College would have even been upgraded to university status by now, or at least would have become an institution under the University Grants Committee. Is this the truth? Did the Government favour the Baptist University and Lingnan University instead of Shue Yan College just because the College refused to change its four-year courses into a three-year mode?

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): Madam President, I have no information at hand showing that Shue Yan College was reluctant to receive government assistance at the time mainly because of the academic year issue. However, the other institutions such as the Baptist University and Lingnan University also had to go through the three major steps that I had mentioned in the main reply before they could acquire university status eventually. Now that Shue Yan College is willing to consider developing degree courses in a number of disciplines, the Government will vigorously assist the College in its advancement in this direction.

PROF NG CHING-FAI (in Cantonese): *Madam President, in his reply to my colleague's supplementary question, the Secretary said that there were a few steps to be taken to attain upgrading, but what I have been thinking is that there must be some clear legislation. I suggest that the Secretary simply enact legislation in respect of private universities, I wonder if the Secretary will seriously consider my suggestion.*

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): Madam President, I do not rule out the possibility that we will see if it is necessary to enact legislation relating to private universities, but so far I do not think that there is an urgent need to draft this ordinance. If Shue Yan College will meet the requirements in the future, hence capable of being upgraded to university status, and meanwhile the College upholds its decision of becoming a university after deliberation with the Government, then when the circumstances or conditions are fully developed, we will consider whether it is necessary to enact a specific ordinance for private universities. As I have mentioned in the main reply, apart from Shue Yan College's indication of its intention to become a

private university, the Government has not received any other applications for establishing a private university.

MR HO SAI-CHU (in Cantonese): *Madam President, the Secretary's reply just now has answered part of my supplementary question, but in connection with his earlier statement that Shue Yan College has only indicated to the Government of its bid to become a private university and no formal application has been made yet, I would still like to ask the Secretary, does it imply that once the College makes a formal application, the Government will actively consider granting it a private university status?*

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): Madam President, if Shue Yan College makes a formal application for establishing a private university, it certainly needs to go through the three major steps that I mentioned in part (a) of the main reply. Although the College has not formally applied for establishing a private university, as I have said before, the College is now considering the development of degree courses in a number of disciplines, and the Government will vigorously assist the College in its work on that.

DR TANG SIU-TONG (in Cantonese): *Madam President, will a private university receive financial assistance from the Government? If so, what is the nature of the assistance?*

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): Madam President, currently we do not have any private university. Should any institution apply for establishing a private university in the future, we may need to formulate certain policies which are more well-defined. Nevertheless, even though the College is a private post secondary institution, the Government has provided it with various types of assistance over the past many years, which include granting the College land for its use at nominal premium; at the same time, the students of the College are eligible in student loan schemes subsidized by public funds.

PRESIDENT (in Cantonese): This Council has spent more than 15 minutes on this question. The time for oral questions shall end here.

WRITTEN ANSWERS TO QUESTIONS

Assistance to CSSA Applicants while Applications are being Processed

7. **DR YEUNG SUM** (in Chinese): *Madam President, it was reported that an unemployed person stole some food from a supermarket because he had no money to buy food while the Social Welfare Department (SWD) was processing his application for Comprehensive Social Security Assistance (CSSA). In this connection, will the Government inform this Council:*

- (a) *of the average time taken by the SWD to vet and approve CSSA applications submitted by unemployed persons at present; whether the SWD has made any performance pledge in this respect; if it has, of the details;*
- (b) *of the assistance rendered by the SWD to CSSA applicants while their applications are being considered; and*
- (c) *whether it has established a contingency fund to offer cash assistance to CSSA applicants in need while their applications are being considered; if it has, of the amount paid out and the number of cases involved in each of the three months before and after the implementation of the recommendations in the Review of the CSSA Scheme on 1 June this year?*

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

- (a) Upon receipt of applications for CSSA, including those submitted by unemployed people, the SWD will have to make an assessment on the financial needs of the applicants and their families. The SWD will have to verify the information provided in the application

and, where necessary, pay home visits to the applicants. Under normal circumstances, all verification and authorization procedures are completed within four weeks, though the actual time required may vary depending on the circumstances of the cases. The SWD's performance pledge is that its staff will authorize CSSA payment within two working days after investigation is completed.

- (b) For urgent cases where there is genuine need, the SWD may provide cash assistance on the same day the application is received. CSSA applicants having other social needs may be offered appropriate assistance operated by the SWD, other government departments or non-governmental organizations, for example, counselling, child care services, assistance to find work and rehousing arrangements, and so on.
- (c) As cash assistance can be made available under the CSSA Scheme to meet urgent financial needs of the applicants, it is not necessary to set up a separate contingency fund for this purpose.

Remittance Service between Hong Kong and the Mainland

8. **MR LAU WONG-FAT** (in Chinese): *Madam President, one of the amendments in the Post Office (Amendment) Regulation 1999 which has been passed by this Council empowers the Postmaster General to issue money orders for payment in a place outside Hong Kong. In this connection, will the Government inform this Council of:*

- (a) *the progress of the negotiation between the Hong Kong Post Office and the State Post Bureau on the development of a reciprocal remittance service; and*
- (b) *the difficulties, as noted by the authorities concerned in the course of the negotiation, that need to be overcome in the provision of the service for money orders payable in the Mainland, and when the Hong Kong Post Office plans to introduce this service?*

SECRETARY FOR ECONOMIC SERVICES (in Chinese): Madam President,

- (a) The Hong Kong Post Office and the State Postal Bureau have completed expert discussions and reached a preliminary agreement on the introduction of reciprocal remittance service between Hong Kong and the Mainland.
- (b) The discussions between the two sides were smooth and have made good progress. Reciprocal remittance service will be launched as soon as both sides have completed the necessary internal procedures.

Amending the Control of Obscene and Indecent Articles Ordinance

9. **MR MA FUNG-KWOK** (in Chinese): *Madam President, the Government advised the Panel on Information Technology and Broadcasting of this Council in May this year that it would, after taking into account the findings of the survey on the operation of the Control of Obscene and Indecent Articles Ordinance (Cap. 390) and in the light of the operational experience of the enforcement agencies, formulate proposals to improve the Ordinance and other related regulatory measures and would consult the public on such proposals by the end of the year. In this connection, will the Government inform this Council:*

- (a) *whether it has completed the formulation of the relevant proposals; if so, of the contents of the proposals; if not, the timing for its completion;*
- (b) *when the public consultation will be conducted and the issues that will be covered in the consultation; and*
- (c) *when it plans to submit the legislative proposals to this Council?*

SECRETARY FOR INFORMATION TECHNOLOGY AND BROADCASTING (in Chinese): Madam President,

- (a) After detailed consideration of the report on the opinion survey on the Control of Obscene and Indecent Articles Ordinance (the Ordinance) and having regard to the operational experience of the enforcement agencies, we are of the view that the operation and effectiveness of the Ordinance can be further improved. In this connection, we are now formulating policy proposals for public consultation.
- (b) We plan to put forward our policy proposals on how to further improve the operation and effectiveness of the Ordinance for public consultation in the first quarter of 2000. The public consultation exercise will last for two months.
- (c) We expect to complete the review on the Ordinance in 2000 and introduce the amendment bill into the Legislative Council in the next legislative session.

Sex Education and Sexual Offences among Primary and Secondary School Students

10. **MR DAVID CHU** (in Chinese): *Madam President, it was reported that, according to the findings of a survey conducted among students of primary and secondary schools, 10% of the respondents claimed to have intimate friends of the other sex and 3% admitted having had sex before. In this connection, will the Government inform this Council:*

- (a) *whether it knows the total number of cases reported to the authorities and relevant organizations in the past three years regarding primary and secondary school students having sex with others; the number among these cases which involved pregnancies; and the number of persons prosecuted for having sex with girls under the age of 16;*

- (b) whether it has plans to step up publicity to arouse primary and secondary school students' awareness of the legal consequences of having sex with girls under the age of 16; and
- (c) as the existing Control of Obscene and Indecent Articles Ordinance (Cap. 390) fails to effectively prevent access of the primary and secondary school students to publications containing pornographic materials, of the remedial measures it will take?

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

- (a) Based on the information of the police, the number of people prosecuted and convicted of the offence of having sexual intercourse with a girl under the age of 16^(Note 1) in the past three years is as follows :

1996 — 173 cases (including six cases involving sexual intercourse with a girl under the age of 13);

1997 — 189 cases (including 11 cases involving sexual intercourse with a girl under the age of 13); and

1998 — 168 cases (including 13 cases involving sexual intercourse with a girl under the age of 13)

The police and other government departments do not keep statistics on the number of reported cases involving primary and secondary school students having sex with others (including the number of cases of having sex with girls under the age of 16) and the number of these cases involving pregnancies.

^(Note 1) Information kept by police does not have the breakdown of the number of people prosecuted but not convicted of the offence or statistics on whether the offenders are primary or secondary school students.

- (b) To arouse the awareness of young people of the legal consequences of having sex with girls under the age of 16, it is important to strengthen sex education for the youth to assist them in developing positive moral values.

As regards school education, the Education Department (ED) distributed "Guidelines on Sex Education in Schools" (the Guidelines) to all kindergartens, primary and secondary schools in 1997. Schools could develop school-based sex education curriculum by making reference to the Guidelines. "Sex and the law" is included in the Guidelines as one of the curriculum topics. Under this topic, the legal consequences of having sex with girls under the age of 13 and 16 respectively as stipulated in Crimes Ordinance (Cap. 200) are covered.

The ED has all along been producing teaching kits and education television programmes on sex education. A teaching kit on "The prevention of sex abuse, harassment and violence" and a series of education television programmes are being produced and the legal consequences of having sex with girls under the age of 16 will be covered in these teaching resources. School heads and teachers will also be reminded to disseminate relevant legal knowledge to their students in seminars, courses and workshops on sex education organized for them by the ED.

Separately, the ED also encourages schools to invite representatives from the police, the Family Planning Association of Hong Kong or outreaching social workers from non-governmental organizations to give talks or seminars on sex education (including the legal consequences of having sex with girls under the age of 16) at schools.

Outside schools, relevant organizations organize training and different kinds of activities at children and youth centres to enhance young people's understanding of the relationship between genders and help them develop correct attitude and values towards sex. Family life education programmes run by the Social Welfare Department and non-governmental organizations have also been promoting sex education through talks, seminars, exhibitions,

workshops, skills training and the mass media. Topics include differences between genders, attitudes towards sex, issues relating to childbirth and family planning.

In addition, we understand that sex education in the family is equally important. As such, the Government has widely distributed sex education resources kits to parents to encourage and assist them to impart correct knowledge about sex to their children.

- (c) The Control of Obscene and Indecent Articles Ordinance (Cap. 390) is enforced by the police, the Television and Entertainment Licensing Authority (TELA) and the Customs and Excise Department on multiple fronts, including production, import, wholesale and retail of obscene and indecent articles in order to combat the illegal publication of such materials. The Information Technology and Broadcasting Bureau and the TELA are now reviewing the Ordinance with a view to further improving its operation and effectiveness. Apart from legislation control and enforcement action, the TELA also conducts various publicity and educational programmes such as talks and Announcement of Public Interest (API) to arouse public awareness of the operation of the Ordinance and to urge parents to care and guide their children.

On the school front, the ED included "Sex and the media" in the Guidelines issued in 1997. Schools may, through this topic, teach students to analyse critically depictions of "sexuality" in the media.

However, to further protect our younger generation from the harmful effects of obscene and indecent articles, we need the concerted efforts of concerned parties, including publishers, vendors and parents. Publishers should take responsibility for the content of their publications. Vendors should not sell obscene and indecent articles to children and young people. Parents should also be more vigilant in exercising parental guidance and choose suitable reading materials for their children.

Theft Cases Occurring in Jewellery Exhibition Venues

11. **MR NG LEUNG-SING** (in Chinese): *Madam President, it was reported that, in each of the past six years, there were theft cases in which jewellery was stolen from exhibitors participating in an annual international jewellery exhibition held in Hong Kong. In this connection, will the Government inform this Council:*

- (a) *of the total number of theft cases occurring in exhibition venues during the jewellery exhibitions held in Hong Kong, and the estimated total value of jewellery stolen in the past three years;*
- (b) *whether it knows if the perpetrators of such crimes were local residents; if they were not, the places they came from; and*
- (c) *of the measures taken by the police to deter such crimes?*

SECRETARY FOR SECURITY (in Chinese): Madam President,

- (a) The number of theft cases which took place in exhibition venues during jewellery exhibitions held in Hong Kong in the past three years and the estimated total value of jewellery stolen are as follows:

		1997	1998	1999 (up to 30 November)
(i)	Number of cases of theft to jewellery during exhibitions	5	5	12
(ii)	Estimated total value of stolen jewellery (HK\$)	1,335,000	1,575,000	18,639,000

- (b) In the past three years, one person was arrested in September 1999 and subsequently convicted of theft in connection with stealing jewellery during a exhibition. The perpetrator concerned is of Chilean nationality.
- (c) Jewellery exhibitions and commercial activities and exhibitors use security services provided by the private sector. The Crime Prevention Bureau of the police provides the Trade Development Council with security guidelines so that it can provide advice to exhibitors on crime prevention measures. Advice given includes information on the common methods of thefts at exhibition, training of staff to enhance security awareness and security measures which can be taken at exhibition booths and security arrangements for transiting jewellery. Such information is passed on to exhibitors in their registration packs. The police will conduct risk assessment of the events and will closely monitor suspicious activities of apparent criminal gangs, based on intelligence and any other information. The police will also adopt the necessary security measures, such as deployment of uniformed officers outside the exhibition venue or plain-clothes officers inside the venue, to deter and to detect such crimes.

Enforcement against Unauthorized Structures

12. **DR RAYMOND HO** (in Chinese): *Madam President, on the 22nd last month, a fire broke out at an unauthorized stall in the rear lane of a building in Yau Ma Tei, resulting in nine residents of that building being killed or injured. It was reported that long before the incident, the Owners' Corporation of the building had approached various government departments time and again for assistance in relation to these unauthorized rear lane structures. However, because the unauthorized stalls were classified as not posing an immediate danger, the various government departments concerned offered no real assistance. In this connection, will the Government inform this Council:*

- (a) *of the government departments that have received requests for assistance or complaints regarding the unauthorized structures in the rear lane of that building, lodged by the Owners' Corporation or the property management company concerned over the past three*

years, the time when such requests or complaints were received, and the follow-up actions taken by the government departments concerned;

- (b) of the co-ordinating mechanism among the various government departments for enforcement against unauthorized structures;*
- (c) whether it has estimated the present number of unauthorized structures in rear lanes in the territory; and*
- (d) how it determines which of the unauthorized structures pose no immediate danger; and of the policy on handling this type of unauthorized structures?*

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

- (a) The question refers to a fire which broke out shortly before dawn on 22 November 1999 at an unauthorized structure situated in a private rear lane at the back of Prospect Building, 491-493A Nathan Road, Kowloon.

The management companies of Prospect Building and the Arts Mansion (a building opposite Prospect Building in the same rear lane) complained in March 1998 to the District Lands Office/Kowloon West about the unauthorized occupation of the lane at the rear of the two buildings. It was confirmed that the rear lane concerned was within a private lot and therefore the responsibility of the property owners themselves.

The Owners Corporation of Camy House, a nearby building backing onto the same rear lane, made a complaint in April 1999 about the authorized structures in the same rear lane. This complaint was addressed to the Urban Services Department (USD), the Buildings Department (BD), the Fire Services Department (FSD) and the Drainage Services Department. Following this complaint the Yau Tsim Mong District Office (YTMDO) co-ordinated a joint operation with the USD and the police to clean up the general environment at

that lane in June 1999. Officers of the FSD and the BD carried out inspections in the rear lane and confirmed that the means of escape from the adjacent buildings were not adversely affected by the presence of the structures and that the structures themselves did not pose an imminent danger to the public.

In September 1999, the YTMDO also advised the Owners' Corporations of the buildings backing onto the private rear lane (including Prospect Building) to contact the owners of the rear lane to take action to remove the unauthorized structures under the powers conferred on them according to the respective Deeds of Mutual Covenant and the Building Management Ordinance (Cap. 344).

- (b) Property owners have the responsibility of removing unauthorized structures from their private property. They can seek free preliminary professional advice regarding this from the Building Management Resource Centre at G/F, 2 Mau Lam Street, Yau Ma Tei. Owners of buildings with severe building management problems, including the presence of unauthorized structures, can approach the Building Management Co-ordination Committee in the relevant district for assistance.

Staff of the BD and the FSD will assess whether an unauthorized structure poses public safety concerns. Where such a structure poses these concerns, the BD will issue statutory orders on the owners requiring them to demolish the unauthorized structure. Co-ordination on this will be maintained through the District Management Committee, and the District Office, Housing Department, Social Welfare Department and other relevant departments will be involved.

The Home Affairs Department (HAD) is devising guidelines for the co-ordination of complaints regarding unauthorized structures which do not pose public safety concerns.

- (c) We do not have an estimate of the number of unauthorized structures in rear lanes in Hong Kong.

- (d) Unauthorized structures are considered to pose an imminent danger where there is an obvious danger to life and limb. If no action is taken on such structures, it is immediately possible that someone may suffer injury. The removal of this type of unauthorized structures is enforced under the Buildings Ordinance (Cap. 123). For those unauthorized structures which do not pose an imminent danger to the public, the BD will urge the owners concerned to remove them as quickly as possible.

Children Subjected to Violence and Verbal Abuses

13. **DR DAVID LI:** *Madam President, it was reported that about 40% of the children of the respondents to a survey had been subjected to violence and verbal abuses. In this connection, will the Government inform this Council of:*

- (a) *the respective numbers of cases reported to the authorities concerned in the past three years involving students fighting, bullying, causing bodily harm to and verbally abusing other students at school; and*
- (b) *the details of the guidelines issued to school teachers or social workers on handling such cases?*

SECRETARY FOR EDUCATION AND MANPOWER: Madam President,

- (a) The Education Department (ED) conducts a statistical survey on students' behavioural problems in primary and secondary schools every year. According to this survey, the number of "violence in schools"^(Note 1) cases are 2 012, 2 642 and 2 203 in the 1996-97, 1997-98 and 1998-99 school years respectively. As regards cases involving "verbally abusing other students", the ED does not keep any relevant statistics, since schools at present are not required to report these cases to the ED, nor does the Department conduct any survey on such cases.

^(Note 1) Cases involving students fighting, bullying and causing bodily harm to other students at schools mentioned in the question are all classified as "violence in schools". However, the ED does not keep detailed breakdown of these figures.

Separately, the number of violent crime ^(Note 2) committed in educational institutions (including kindergartens, primary and secondary schools and tertiary institutions) reported to the police in the past three years is as follows:

	1997	1998	1999
<i>(January to October)</i>			
Number of violent crime	180	179	212

However, in collating the above statistics, the police has not further classified the educational institutions involved by type, nor has the police categorized the offenders or victims by identity (for example, whether he/she is a student or not).

- (b) Student guidance officers/teachers, student discipline officers/teachers as well as school social workers all play important roles in preventing and handling students' behavioural problems (including cases mentioned in part (a) of the question). The ED and the Social Welfare Department (SWD) provide regular training courses to enhance the capabilities of these officers/teachers/social workers in handling these problems.

The ED conducts professional training courses for primary and secondary school teachers tasked with student guidance and discipline work every year. Such training includes certificate courses for student guidance teachers and discipline teachers as well as pre-service training courses for student guidance officers/teachers in primary schools. From time to time, the ED also organizes workshops and seminars on student guidance and discipline for teachers in general. Besides, the SWD's training centre also offers regular on-the-job training courses for youth workers, including school social workers, to enhance their techniques in assisting young people with behavioural problems.

In addition, the ED has produced a CD-ROM on "Guidelines on Student Discipline". Apart from focussing on the principles and

^(Note 2) Violent crime includes rape, indecent assault, murder and manslaughter, attempted murder, wounding, serious assault, assault on police, kidnapping and child stealing, cruelty to child, criminal intimidation, robbery with genuine firearms, robbery with pistol-like object, other robberies, aggravated burglary, blackmail and arson.

strategies of student discipline work, the CD-ROM also gives illustrations on various scenarios, including student dispute and assault cases, and suggests relevant handling techniques.

When managing students' behavioural problems in practice, a student guidance officer/teacher, student discipline officer/teacher or school social worker will, according to the different circumstances involved and his professional knowledge, take appropriate steps to intervene and mediate, provide counselling to the students involved, and liaise with teachers, parents and related non-governmental organizations or government departments to follow up where appropriate.

Regarding the strategy for school guidance, we have been actively encouraging primary and secondary schools to adopt the "Whole School Approach to Guidance". This approach emphasizes on the developmental and preventive aspects and is implemented through activities involving the whole school. With the participation of the whole school, it is easier to improve students' overall behaviour and learning attitudes. The ED has issued the "Guidelines on Whole School Approach to Guidance" and the "Resource Book on Guidance" to student guidance officers/teachers in primary and secondary schools with a view to facilitating schools to develop tailor-made student guidance services on the basis of the above principles. In addition, the SWD has issued "The Guideline on School Social Work Service" for reference by school social workers. The Guideline sets out in detail the development and delivery of school social work service, as well as the roles, functions and responsibilities of school social workers and school management respectively in providing social work services.

Regulation of Genetically Modified Foods

14. **MISS EMILY LAU:** *Madam President, in reply to my question on 12 May this year, the Secretary for Health and Welfare informed this Council that the Department of Health would examine how to enhance the regulatory measures to ensure that genetically modified foods (GMF) are safe for human consumption, and that the Administration was collecting information in regard to*

the labelling requirements for GMF in other territories. In this connection, will the executive authorities inform this Council:

- (a) *of the progress of and findings in the examination of ways to enhance the regulation of GMF;*
- (b) *of the details of the information collected on the labelling requirements for GMF; and*
- (c) *whether it has plans to introduce labelling requirements for GMF sold in Hong Kong; if it has, of the specific timetable; if not, the reasons for that?*

SECRETARY FOR HEALTH AND WELFARE: Madam President,

- (a) GMF are products of modern biotechnology. International authorities such as the Food and Agriculture Organization (FAO) of the United Nations and the World Health Organization (WHO) have advised that whenever changes are made in the process by which a food is made or a new process is introduced, the implications for the safety of the product should be examined. Aspects under scrutiny include:
 - (i) the direct consequences (for example, nutritional, toxic or allergenic effects) of the presence of new genes in foods;
 - (ii) the direct consequences of altered levels of existing genes;
 - (iii) the indirect consequences of the effects of any new genes, or of altered levels of existing genes, on the metabolism of the food source organism (that is, food animals or plants);
 - (iv) the consequences of mutations caused by the process of genetic modification of the food source organism leading to the presence of new components or altered levels of existing components;

- (v) the consequences of gene transfer to gastrointestinal microflora from ingested genetically modified organisms and/or foods or food components derived from them; and
- (vi) the potential for adverse health effects associated with genetically modified food micro-organisms.

The FAO and the WHO have recommended that safety assessment based upon the concept of substantial equivalence be applied in establishing the safety of GMF, that is, if a new food or food component is found to be substantially equivalent to an existing food or food component, it can be treated as safe as the conventional food or food component. Substantial equivalence is established by a demonstration that the characteristics assessed for the genetically modified organism, or the specific food product derived therefrom, are equivalent to the same characteristics of the conventional foods or food components.

So far, there is no evidence to suggest that the genetic modification technologies used to produce food are inherently harmful. To the best of our knowledge, GMF available on the international market today have undergone stringent pre-market safety assessments by both the industry and the regulatory agencies of the place of origin. These precautionary measures are endorsed by the FAO, the WHO and the Organization for Economic Co-operation and Development.

- (b) There is considerable debate both locally and overseas about the labelling of genetically modified foods. On the one hand, some consider that a food is deemed safe once it has passed the rigorous pre-market safety review by the regulatory authority of the exporting place. There is thus no need for specific labelling unless there are substantial differences between it and its conventional counterpart. On the other hand, others argue that the consumers have the right to know so that they can make informed choices.

Overseas experience has shown that labelling requirements for GMF entail costs and practical difficulties. Firstly, the tracking of GMF in food crop involves much effort. Secondly, since many foods now available on the market may in fact have some ingredients or components which are genetically engineered, labelling would become meaningless as most processed foods will have to be labelled as "may contain" products of genetic engineering. More importantly, mass labelling might dilute attention from critical health information on a label, for example, warnings about allergenicity.

The latest international scenario is that Canada and the United States favour a pure risk-based approach. Mandatory labelling will only be required for GMF with composition, nutrition or intended use substantially different from traditional food items. The United Kingdom and some countries in the European Union have opted to have all GMF labelled. Meanwhile, others are exploring regulatory regimes most suitable to them.

- (c) We will be studying experience from overseas practices on the effect of labelling requirements in order to consider the best approach of incorporating safety requirements of GMF into Hong Kong's labelling requirements.

Recouping Expenses by Airport Authority from Airlines Involved in Accidents

15. **MR LAU KONG-WAH** (in Chinese): *Madam President, on 22 August this year, an aircraft of China Airlines crashed on the runway while landing at the Hong Kong International Airport at Chek Lap Kok, resulting in a number of casualties. After the accident, the Airport Authority (AA) had to repair the section of the runway damaged in the accident and 43 sets of landing lights and remove the aircraft wreckage. In this connection, will the Government inform this Council:*

- (a) *whether it knows if the AA has claimed the relevant expenses from the airline company concerned; if the AA has done so, of the items involved and the amount claimed in respect of each item, and the*

progress of the claims; if the AA has not done so, of the reasons for that; and

- (b) *of the number of aircraft accidents at Kai Tak Airport in its last five years of operation and, in respect of each accident, the expenses incurred by the Civil Aviation Department on the recovery work and the amounts recovered from the airline companies concerned?*

SECRETARY FOR ECONOMIC SERVICES (in Chinese): Madam President,

- (a) The AA is in the process of seeking reimbursement from China Airlines for the additional expenses incurred by the AA arising from the accident of Flight CI642 on 22 August 1999. The sum to be reimbursed is worked out on the basis of the following principles of cost recovery:
- (i) staff costs in operational departments based on actual hours worked;
 - (ii) actual additional costs other than staff costs;
 - (iii) additional costs incurred in the use of equipment; and
 - (iv) rental to be charged at commercial rate for storage of aircraft wreckage.

These principles in respect of the reimbursement of additional expenses incurred are in line with those applied in previous aircraft accidents at the Kai Tak Airport.

The AA has informed China Airlines on 26 November this year that the AA will seek reimbursement of the above expenses. Such expenses are estimated to be in the region of \$5.9 million. Details of the relevant items are as follows:

	<i>Item</i>	\$'000 <i>(Estimate)</i>
(i)	Permanent repair to runway and taxiway pavements	2,000
(ii)	AA staff supervision of repair works by maintenance subcontractor	572
(iii)	Construction and removal of temporary fence around wreckage holding site	410
(iv)	Construction and removal of temporary access road to wreckage	400
(v)	Services provided by Raffles Medical following the accident on 22 August 1999	364
(vi)	Staff overtime	339
(vii)	Plant and labour for miscellaneous support work during wreckage recovery	315
(viii)	Repair of the Airfield Ground Light system and related expenses	359
(ix)	Others (for example, re-instatement of grass area; consumables for Airport Fire Contingent; service provided by Aviation Security Company Limited; passenger bus service provided by Hong Kong Airport Services Limited; temporary repair of runway pavement; replenishment for Emergency Store Room; airfield cleaning services and disposal of waste, and so on)	1,141
Total:		About 5,900

Apart from the above items, the AA has informed China Airlines that the latter shall also be responsible for expenses related to:

- (i) the cost of repairing the Aircraft Recovery Equipment damaged in the salvage of the aircraft wreckage, of which estimates are still being worked out; and
- (ii) the rental for the area holding the wreckage. The current rental is around \$2.5 million per year, but the final amount will depend on when the wreckage is removed from the airport.

The AA understands that China Airlines is now considering the above reimbursement request.

- (b) There were two aircraft accidents in the last five years of the operation of the Kai Tak Airport. In one accident, there was no damage to airport facilities and the wreckage was salvaged by personnel hired by the insurance company concerned. There was no need for the Government to recover any expenses. In the other accident, the total expenses for the repair of damaged airport facilities and the removal of wreckage, amounting to \$1,103,506, had been fully reimbursed by the airline concerned.

Complaints about Insurance Companies' Refusal to Settle Claims

16. **MR CHEUNG MAN-KWONG** (in Chinese): *Madam President, it is learnt that upon receipt of a complaint from an insurance policyholder relating to the refusal of his insurer to settle the claim, the Insurance Claims Complaints Bureau (ICCB) will refer the case to the insurer concerned for a reply. If the insurer maintains its position, the Bureau will refer the case to its Honorary Secretary for an objective assessment. If the Honorary Secretary is not in favour of the insurer's position, the Bureau will refer the case to the insurer for reconsideration. If the insurer still maintains its position, the case will be referred to the Insurance Claims Complaints Board (the Board) under the Bureau for deliberation and adjudication. In this connection, will the Government inform this Council whether it knows:*

- (a) *the number of complaints received by the Bureau in the past three years, with a breakdown of such cases by different types of insurance policies; and*
- (b) *of these complaints,*
 - (i) *the respective numbers of cases in which insurers settled the claims upon the first and the second referrals; and the number of cases in which insurers settled the claims after the Board's adjudication;*
 - (ii) *the average amount of compensation adjudicated by the Board and how this amount compares to the average amount claimed by the policyholders concerned;*
 - (iii) *a breakdown of these cases by the types of disputes, including coverage of the insurance policies, information required to be disclosed by policyholders in taking out insurance, determination of the amount of compensation to be awarded and interpretation of other terms in the policies; and*
 - (iv) *the number of cases which were rendered invalid by the Bureau without making the above-mentioned referrals or seeking adjudication by its Board; and the rationale for the Bureau making such decisions?*

SECRETARY FOR FINANCIAL SERVICES (in Chinese): Madam President,

- (a) The ICCB received a total of 406 complaints between 1997 and October 1999. A breakdown of the cases by types of insurance policies is as follows:

		<i>January to</i>	<i>October 1999</i>
		<i>1997</i>	<i>1998</i>
(a) Fire/Home	6	7	11
(b) Life	37	35	52
(c) Hospitalization/Medical treatment	6	39	36
(d) Motor vehicle Liability	23	24	23
(e) Accident/Disability	5	26	33
(f) Travel	11	7	9
(g) Others	3	7	6
	91	145	170

- (b) Given the time required for the processing of complaints by the Bureau, not all cases could be closed within the same year. Between 1997 and October 1999, a total of 409 cases were closed. The details are set out below:

- (i) Number of cases in which insurers settled the claims:

		<i>January to</i>	<i>October 1999</i>
		<i>1997</i>	<i>1998</i>
Upon the first referral	14	17	16
Upon the second referral	6	7	13
After the Board's deliberation	10	11	10
	30	35	39

- (ii) Average amount of compensation adjudicated by the Board:

		<i>January to</i>	<i>October 1999</i>
		<i>1997</i>	<i>1998</i>
(Hong Kong Dollars)			
Average amount of compensation paid by insurers per case	86,667	94,286	48,974
Average amount claimed by policyholders per case			(No breakdown is available since some policyholders did not specify the amount claimed)

(iii) Breakdown of cases by the types of disputes:

			<i>January to</i>		
			1997	1998	<i>October 1999</i>
(a)	Non-disclosure of material fact by the policyholder		28	27	26
(b)	Insufficient quantum of indemnity		11	9	11
(c)	Breach of warranty/policy conditions		9	19	21
(d)	Interpretation of policy conditions		33	54	65
(e)	Others		25	29	42
			106	138	165

(iv) Number of cases which the ICCB had considered as not substantiated, hence for which no referrals were made:

1997 1998 January to October 1999

27 68 83

The ICCB considered that the above cases are not substantiated on the following grounds:

- (a) The complainant obviously held back important insuring information;
- (b) The claim was not within the coverage of the policy;
- (c) Payment had been made by the insurer; and
- (d) The complaint was outside the ICCB's terms of reference.

Social Impact Assessments on Government Policies and Programmes

17. **MISS CHRISTINE LOH:** *Madam President, with regard to the social impacts of government policies and programmes, will the Government inform this Council whether:*

- (a) *it has conducted detailed social impact assessments (SIAs) on any government policy or programme; and*
- (b) *it plans to conduct detailed SIAs on all major policies and programmes in future; if so, whether*
 - (i) *in particular, it will conduct detailed SIAs in respect of the Disney Theme Park project and urban renewal programmes; and*
 - (ii) *in conducting SIAs, it will use the social sustainability indicators developed in the Study on Sustainable Development for the 21st Century (the Study);*

if not, the reasons for that?

SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS: Madam President,

- (a) In formulating all major policies and programmes, the Government assesses the implications of such policies and programmes on the community. Our assessments include the environmental, economic and social implications. Unlike the specific procedures for Environmental Impact Assessment provided for under the Environmental Impact Assessment Ordinance (Cap. 499), the Government's assessment of social impact takes different forms, subject to the nature and effect of the policies and programmes concerned. Before deciding on any major policies and programmes, the responsible departments and bureaux follow a well-established practice of conducting public consultation exercises to gauge public reaction towards the proposed policy or project. Depending on the outcome of the public consultation, we will amend

or fine-tune our policies or programmes to remove any adverse social impact as far as possible. In addition, the Government also collects public opinions over problems perceived by the community, their expectations of the Government as well as their perception of the Government's performance.

- (b) (i) All government departments and bureaux will continue to assess carefully the social impact on the community of each and every major policy proposals. In this connection, an assessment of social impacts in respect of the Disney Theme Park project has been conducted. A paper setting out the results of this assessment was provided to all Legislative Council Members on 13 November 1999.

As regards the implementation of the urban renewal programme, a "people-oriented approach" will be adopted. Special attention will be paid to the social impact of the redevelopment projects on the livelihood of the affected residents, especially the groups with special needs, including old people and the disabled. All affected owners will be fairly compensated, and all tenants will be appropriately rehoused. To maintain social cohesion, we will, as far as practicable, provide rehousing in the same district or in the vicinity of the redevelopment site to accommodate those with special needs. At the same time, the impact of the redevelopment projects on the local community, the environment of the locality, the local traffic conditions and the townscape will be fully assessed. When the future Urban Renewal Authority implements its redevelopment projects, it will consider in detail the social impact and how to maximize the social benefits.

- (ii) The social sustainability indicators are integral parts of a computer-aided tool, called the Computer-Aided Sustainability Evaluation Tool (CASET), currently being developed under the Study. Subject to the outcome of the Study and its recommendations being adopted by the Government, the tool will provide a structured and, hence, more consistent, means of examining a full range of not only social, but also economic and environmental issues associated with major government policies and programmes. It would

supplement but not replace existing mechanisms or fora by which different bureaux and departments are currently employing in assessing social impacts.

A Hong Kong Resident being Tried as a Mainlander

18. **MISS EMILY LAU:** *Madam President, it was reported that Mr LI Hiu-ming, who is a Hong Kong resident holding a Hong Kong Special Administrative Region passport, was recently tried in a court in Zhejiang Province as a mainlander of Shenzhen after being detained on the Mainland for more than a year. In this connection, will the executive authorities inform this Council whether they are aware of the details of the case, and whether they have inquired with the relevant mainland authorities about the reason for trying a Hong Kong resident as a mainlander?*

SECRETARY FOR SECURITY: Madam President, Mr LI Hiu-ming was detained in Jinhua, Zhejiang in October 1998 by the local public security bureau for investigation into suspected involvement in contractual fraud. He was arrested in November 1998. His wife was informed of the detention and arrest by the Jinhua authorities in accordance with the mainland law. Mrs LI first approached us for assistance in May 1999, and we have since maintained close contact with her while liaising with the relevant authorities in Zhejiang at the same time.

On 10 November 1999, after completion of investigation into his suspected involvement in contractual fraud and other crimes, Mr LI was charged with "unlawfully taking possession of company property through advantage in position". Hearing of the case commenced in the Wucheng District People's Court on 30 November.

We have made inquiry with the Jinhua People's Procuratorate on Mr LI's residential status. The Jinhua People's Procuratorate have advised in writing that they do recognize Mr LI as a Hong Kong resident and will present his identity documents as such during the court proceedings. The prosecution statement has shown that Mr LI's native place is Shenzhen, but this is without prejudice to his current residential status and will not affect in any way the outcome of the legal proceedings.

Cases of Solicitors' Professional Misconducts

19. **MR TAM YIU-CHUNG** (in Chinese): *Madam President, in view of a number of recent cases in which members of the public suffered financial losses as a result of suspected professional misconduct on the part of practising solicitors, will the Government inform this Council:*

(a) *whether it knows*

- (i) *the total number of prosecutions against practising solicitors for fraudulent acts, and the number of cases in which the offenders were convicted by the court;*
- (ii) *the total number of civil proceedings for damages instituted by members of the public who suffered financial losses as a result of negligence or fraudulent acts on the part of practising solicitors, and the number of cases in which the court ruled in favour of the plaintiffs, as well as the average amount of damages awarded; and*
- (iii) *the respective numbers of inquiries and investigations conducted by the Solicitors Disciplinary Tribunal of the Law Society of Hong Kong into matters relating to the professional conduct of practising solicitors, together with a breakdown of substantiated cases by the form of disciplinary actions (including striking the name of the solicitor off the roll of solicitors, suspension of practice, permitting practice subject to conditions, payment of a penalty and censure) taken by the Tribunal against solicitors who were found guilty of professional misconduct;*

in the past three years; and

- (b) *of the measures in place, while honouring the principle of self-regulation by professions, to strengthen protection for the clients of solicitors?*

SECRETARY FOR JUSTICE (in Chinese): Madam President, as the Honourable Member's question relates to the professional conduct of practising solicitors, the Government has consulted the Law Society of Hong Kong, which is the regulatory body for solicitors in Hong Kong. The Government does not maintain statistical data in relation to lawyers' professional misconduct in Hong Kong.

(a) (i) The Law Society has noted with concern the recent trend of criminal prosecutions against solicitors. It takes the view that this trend may well be connected with the economic downturn and the highly competitive environment in which practitioners now find themselves. The trend does not, however, reflect any relaxation by the Law Society in performing its regulatory function.

The Law Society's statistics do not reveal any solicitors having been convicted of an offence involving fraud, or having been struck off the roll during the last three years as a result of a criminal conviction for fraud. The Law Society is however aware that one solicitor has recently been charged with an offence involving fraud. In the event of any criminal convictions for fraud, the Law Society will conduct its own investigations, which may result in the institution of disciplinary proceedings.

(ii) According to the information provided by the Law Society, 153 claims that might result in civil proceedings were notified to the Professional Indemnity Fund in the past three years. The outcome of these claims will be resolved either by negotiation or litigation in court, which can be a lengthy process. During the last three years, only one of these claims notified to the Professional Indemnity Fund has been determined by the court, and the resulting indemnity is expected to exceed \$500,000.

(iii) It would be helpful to explain the disciplinary procedure adopted by the Law Society, before giving the relevant figures. Upon receipt of a complaint, the Law Society first conducts its own investigation. Should the Law Society

decide that disciplinary proceedings be instituted, the complaint will be referred to the Solicitors Disciplinary Tribunal. According to the annual reports of the Law Society, the numbers of cases referred to the Solicitors Disciplinary Tribunal in 1996, 1997 and 1998 are 27, 27 and 22 respectively. So far this year, 35 cases have been referred to the Tribunal. In most of the cases that have been determined, the solicitors involved were either censured or fined.

- (b) Turning to measures to strengthen the protection for clients of solicitors, the Administration has encouraged the Law Society to take active steps in this direction, and the Law Society has done so. Since 1994, the Law Society has initiated the introduction and amendment of many items of principal and subsidiary legislation and professional Practice Directions with the object of improving the regulation of the profession and the protection for their clients.

The Law Society has also invoked a number of effective regulatory powers, including the following:

- (1) Statutory interventions (section 26A of the Legal Practitioners Ordinance, Cap. 159)

Under section 26A of Cap. 159, the Council of the Law Society may, amongst other things, intervene by applying to the Court to freeze money held by a solicitor who does not keep proper accounts. Whilst there were no interventions into solicitors' firms in 1996 and 1997, there were six interventions in 1998 and three interventions so far in 1999.

- (2) Refusal to issue practising certificates (section 6(5) of the Legal Practitioners Ordinance, Cap. 159)

In 1999, four applications for practising certificates were refused. No circumstances arose in 1996, 1997 or 1998 warranting the invocation of this statutory provision.

- (3) Statutory suspensions (section 8A of the Legal Practitioners Ordinance, Cap. 159)

Earlier this year, the Council of the Law Society suspended, for the first time, the practice of a solicitor and referred his case to the Solicitors Disciplinary Tribunal. The Council of the Law Society is empowered to suspend a solicitor from practice if it considers that he is unfit to practise, considering for instance, the nature and frequency of complaints made against the solicitor. Currently there is another case under investigation.

- (4) Statutory Inspections (section 8AA of the Legal Practitioners Ordinance, Cap. 159)

Since the enactment of section 8AA in July 1994, 246 inspections have been conducted in 134 firms. The purpose of these inspections is to assist the Council to verify compliance by a solicitor with the regulations and directions generally, as well as to determine whether his conduct should be inquired into.

The Council of the Law Society is the regulatory body of the profession. In 1998, the expenditure of the Compliance Department of the Law Society Secretariat accounted for 54.3% of the total expenditure of the Law Society, 42.5% of which was incurred by its Conduct Section. This reflects the commitment of the Law Society to regulate the professional conduct of its members without recourse to the public purse. To further fortify its regulatory role, the Law Society has set up working parties to consider, amongst other things, partnership restraints and the feasibility of a fidelity fund or insurance scheme. Proposals for the introduction of a scheme for a monitoring accountant, who would go to solicitors firms and inspect their accounts, are also being considered.

Styrofoam Lunch Boxes Used in Primary Schools

20. **MR YEUNG YIU-CHUNG** (in Chinese): *Madam President, at present, about half of the whole-day primary school students order lunch through their schools and most of the food containers used are made of styrofoam. In this connection, will the Government inform this Council:*

- (a) *whether it plans to compile statistics on the amount of such styrofoam-container waste discarded each year by primary schools in Hong Kong; if not, the reasons for that;*
- (b) *of the number of whole-day primary schools where facilities are available to students for washing their tableware, and its percentage in the total number of whole-day primary schools; and*
- (c) *of the difficulties encountered in implementing measures to reduce styrofoam waste in schools?*

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

- (a) The Administration compiles statistics on the amount of municipal waste produced on a regular basis. These provide information on the geographical distribution of solid waste production, the types of waste involved and their disposal outlets. For styrofoam waste, some 120 tonnes were disposed of in 1998 in landfills each day. Of these, about 100 tonnes were styrofoam food or drink containers.

The Administration is keen to reduce the proliferation of styrofoam waste from all sources as part of the waste reduction strategy. Our statistics provide information on the trend of growth in styrofoam waste. Separate statistics are not kept on the use of styrofoam boxes in schools.

- (b) At present, all whole-day primary schools are equipped with basic washing facilities. Newly built government funded primary schools have wash basins in each classroom. Other government funded primary schools may apply to the Education Department for installation of similar facilities when necessary.
- (c) The Environmental Protection Department, in conjunction with the Environmental Campaign Committee and Education Department, have met with school principals to discuss ways to reduce the use of styrofoam lunch boxes in schools. Guidelines suggesting practical solutions have been distributed to schools and caterers. These include encouraging students to bring their own lunches, providing facilities for students to wash their tableware, and encouraging caterers to use food containers which are environmentally friendly.

The response from the schools has been positive, although some difficulties have been identified, including:

- some working parents consider it not practical to prepare lunches for their children;
- there have been products which claim to replace styrofoam as material for producing food containers. They are often made from a mixture of starch, plant fibre or polystyrene. However, these products have potential problems and their effectiveness has yet to be demonstrated. Of the samples tested, some would leak when holding liquid, some could not keep food warm and some which have high synthetic fibre contents are not as biodegradable as advertised;
- the use of reusable food containers would add to the operating costs for caterers. Such costs would inevitably be reflected in higher meal charges.

As with other types of packaging materials, we will continue to promote the avoidance of unnecessary packaging and the use of more environmentally friendly products. Efforts will continue to be made to test new products that may be used as alternative material to styrofoam for making food containers.

BILLS**First Reading of Bills**

PRESIDENT (in Cantonese): Bills: First Reading.

LANDLORD AND TENANT (CONSOLIDATION) (AMENDMENT) BILL 1999**EDUCATION (AMENDMENT) BILL 1999****DRUG TRAFFICKING AND ORGANIZED CRIMES (AMENDMENT) BILL 1999**

CLERK (in Cantonese): Landlord and Tenant (Consolidation) (Amendment) Bill 1999

Education (Amendment) Bill 1999

Drug Trafficking and Organized Crimes (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.

LANDLORD AND TENANT (CONSOLIDATION) (AMENDMENT) BILL 1999

SECRETARY FOR HOUSING (in Cantonese): Madam President, I move that the Landlord and Tenant (Consolidation) (Amendment) Bill 1999 be read the Second time.

The object of the Bill is to amend the Landlord and Tenant (Consolidation) Ordinance, so as to simplify tenancy renewal procedures, increase the statutory

compensation payable to the tenant and sub-tenant occupying premises repossessed by the landlord for redevelopment, increase the penalties for harassment of the tenant and unlawful eviction, and improve the general administration of the Ordinance. I shall now speak on these four areas.

Firstly, the Government proposes to simplify tenancy renewal procedures. Currently, most domestic tenancies are regulated by Part IV of the Landlord and Tenant (Consolidation) Ordinance. The statutory procedures stipulated therein are, however, rather cumbersome, and there are also strict time limits governing the exchange of statutory documents between the landlord and the tenant. As a result, many landlords and tenants have experienced difficulties in following all these procedures. The Lands Tribunal has also indicated that the complicated procedures and strict time limits stipulated under Part IV are preventing it from making decisions regarding new tenancy applications solely on their merits. In view of all this, the Government proposes to amend the relevant provisions, so as to shorten the lead time for the landlord to serve a notice of termination of tenancy on the tenant and for the tenant to make a request for a new tenancy. This will enable the landlord and the tenant to make their decisions in the light of the prevailing market circumstances within the fourth month before the expiry of the existing tenancy.

In order to make it easier for the landlord and the tenant to agree on a new rent after tenancy renewal without having to seek a decision from the Lands Tribunal, the Bill also proposes a new clause which stipulates that the landlord and the tenant can apply to the Commissioner of Rating and Valuation for rental information about comparable premises.

Besides, in order to give the Lands Tribunal a greater power of discretion, the Bill proposes to empower the Lands Tribunal to hear cases in which the landlord or the tenant fails to observe the statutory time limits in serving or submitting notices.

Secondly, the Bill also proposes to revise the basis of calculating the compensation for the tenant and sub-tenant occupying premises to be redeveloped. This proposal will enable tenants and sub-tenants of cubicles and bedspaces to receive higher levels of compensation. That way, their financial burden of removal can be relieved.

In addition, the Government also proposes to empower the Commissioner of Rating and Valuation to issue certificates stating the ratable value of premises and the compensation that would be payable to tenants, so as to provide a basis for landlords and tenants to negotiate the amounts of compensation payable.

Thirdly, the Government proposes to impose heavier penalties to deter the offence of harassment of the tenant and unlawful eviction. The Government is of the view that this is a very serious offence, and, in fact, Legislative Council Members have also been urging the Government to impose heavier penalties. In view of this, the Bill now proposes a fine of \$500,000 and a prison term of 12 months on first conviction, and a fine of \$1 million and a prison term of three years on each subsequent conviction.

From past experience, we notice that when handling cases of harassment of the tenant, the prosecution often encounters very great difficulties in proving the intent of the defendant. For this reason, the Bill also proposes to amend the relevant provisions, so that the prosecution is only required to prove that the defendant knows or has reasonable cause to believe that his or her act is likely to cause the tenant to give up occupation of the premises. This provision is proposed to replace the existing requirement under which the prosecution has to prove the intent of the defendant.

Fourthly, we also propose a number of other amendments to improve the operation of the Ordinance:

- amending the relevant provisions to ensure compliance with the human rights provisions in the Basic Law;
- repealing some out-dated provisions;
- transferring the power to amend the Fourth and Fifth Schedules from the Chief Executive to the Secretary for Housing; and
- introducing other technical amendments.

Madam President, the Government believes that the Bill as a whole can strike a balance between the interests of landlords and those of tenants. We also believe that the simplified procedures will improve the operation of the Ordinance. I sincerely hope that Members can 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 Landlord and Tenant (Consolidation) (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.

EDUCATION (AMENDMENT) BILL 1999

SECRETARY FOR EDUCATION AND MANPOWER (in Cantonese): Madam President, I move that the Education (Amendment) Bill 1999 be read the Second time.

The Bill seeks to give legal backing to the Government's long-established retirement policy for teachers and principals employed by aided schools.

In February 1999, the principal of an aided secondary school sought a declaration from the High Court that section 57 of the Code of Aid for Secondary Schools concerning the retirement policy of principals and teachers contravened the Education Ordinance and was of no effect. The Court ruled in June 1999 that section 57 of the Code of Aid for Secondary Schools was not binding on the principal under the doctrine of privity of contract and so was unenforceable against him. The ruling is taken to be equally applicable to principals of aided primary, secondary and special schools.

The objective of setting a retirement age for teachers and principals is to ensure a healthy staff turnover which is important for revitalizing the workforce and in keeping the school intellectually active. It also helps to meet the reasonable expectations of staff for career advancement.

Under the current policy, the Director of Education may, after a principal or teacher has reached the age of 60, exercise her discretion to grant extension of service on a year to year basis for a maximum of five years. The limit of five years is to provide a buffer against unforeseen circumstances which may require the continued service of the principal or teacher and ensure that a qualified successor is available. When considering an application for extension, the recommendation of the School Management Committee, the ability and performance of the principal or teacher concerned, and any reasons furnished by

the School Management Committee in support of the application are taken into account. These may include recruitment difficulties, any unforeseeable circumstances giving rise to a vacancy which cannot be filled within the time available, staff succession problems and so on. Each application will be considered on its own merits.

Retirement at the age of 60 has been stipulated in the Codes of Aid for over 25 years and is generally accepted by principals and teachers in aided schools. Setting the retirement age at age of 60 is also in line with the practice in the Civil Service and most private sector organizations.

In view of the Court ruling mentioned above, the Administration now proposes to give the retirement policy the necessary legal backing. The main provisions of the Education (Amendment) Bill 1999 are:

- (a) except serving teachers or principals, no one who is 60 or above shall be employed as a teacher or a principal of an aided school;
- (b) the retirement age of serving teacher or principal of an aided school is 60, but with the approval of the Director of Education, may remain in employment for a period of not more than one school year after that in which he has attained the age of 60. The approval may be extended by the Director for a maximum aggregate period of five consecutive school years; and
- (c) a serving teacher or principal who is aggrieved by the decision of the Director in relation to the extension of service may appeal against such decision to the Appeals Board established under section 59 of the Education Ordinance.

We put the proposals in November this year to the Education Panel of this Council for discussion; the Panel supported the proposals. I urge Honourable Members to support the Bill and to pass it into law quickly, so that its provisions may be implemented as from the 2000-01 school year.

Thank you, Madam President.

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

DRUG TRAFFICKING AND ORGANIZED CRIMES (AMENDMENT) BILL 1999

SECRETARY FOR SECURITY (in Cantonese): Madam President, I move the Second Reading of the Drug Trafficking and Organized Crimes (Amendment) Bill 1999.

Over the years Hong Kong has been using laws and administrative measures to combat money laundering activities. Notwithstanding the international Financial Action Task Force on Money Laundering's comprehensive evaluation report in 1998 on Hong Kong's anti-money laundering regime which commended highly on our co-ordinated and continuous efforts, certain provisions in our laws still have room for improvement in light of the latest trends in money laundering. One of the major obstacles in reporting suspicious transaction was the small number of convicted money laundering cases, which in turn discouraged people from reporting those transactions.

To increase the effectiveness of anti-money laundering legislation, the Bill makes a number of proposals. These include the clarification of the procedures in the case of an issue of a confiscation order against an absconded person, the extension of the scope of the subject of the issue of a restraint or charging order, the introduction of penal provisions against persons breaching a restraint or charging order, the imposing of a requirement on persons holding any realizable property that is the subject of a restraint or charging order to provide information as to the value of the property and so on. The Bill also proposes the addition of provisions to make it an offence for a person to deal with property if he knows or has reasonable grounds to believe that the property which in whole or in part directly or indirectly represents the proceeds of drug trafficking or indictable offences. In addition, we propose to apply the mental element of "has reasonable grounds to suspect" on offences related to undisclosed suspicious transactions. The Bill also proposes to increase the maximum term of imprisonment for a money laundering offence or offences such as failing to disclose suspicious transactions.

We have consulted the Action Committee Against Narcotics and the Panel on Security of the Legislative Council on the various proposals made in the Bill. We have also consulted the two professional legal bodies and financial regulators on a number of occasions.

Madam President, the Bill will further enhance the effectiveness of our anti-money laundering regime to bring it in line with the changing circumstances and to deter effectively drug trafficking or other serious crimes. I urge Honourable Members to support the Bill. Thank you.

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the Drug Trafficking and Organized Crimes (Amendment) 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.

Resumption of Second Reading Debate on Bill

PRESIDENT (in Cantonese): We will resume the Second Reading debate on the Adaptation of Laws (No. 10) Bill 1999.

ADAPTATION OF LAWS (NO. 10) BILL 1999

Resumption of debate on Second Reading which was moved on 21 April 1999

PRESIDENT (in Cantonese): Under Rule 21(4) of the Rules of Procedure, I have permitted Mr Andrew WONG, Chairman of the Bills Committee on the Adaptation of Laws (No. 10) Bill 1999, to address the Council on the Committee's Report.

MR ANDREW WONG: Madam President, as Chairman of the Bills Committee on the Adaptation of Laws (No. 10) Bill 1999, I wish to report on the main deliberations of the Bills Committee.

The Bill seeks to adapt references in six ordinances and their subsidiary legislation to bring them into conformity with the Basic Law and the status of Hong Kong as a Special Administrative Region (SAR) of the People's Republic of China.

The Bills Committee notes that the majority of the adaptations proposed in the Bill are straightforward technical amendments. The exceptions are some proposed adaptations in Schedule 2 to the Bill relating to the International Organizations and Diplomatic Privileges Ordinance (Cap. 190) and its subsidiary legislation. These were deliberated at some length by the Bills Committee.

The Bills Committee points out that the substitution of "England" by "the People's Republic of China" in the relevant parts of Cap. 190, which would have the effect that what is in force or accorded in the People's Republic of China would be in force or accorded in Hong Kong, would seem to be inappropriate as Hong Kong is an indivisible part of the People's Republic of China.

The Administration has explained that the substitution should not cause any ambiguity as the references to the People's Republic of China in the relevant provisions in Cap. 190 impliedly refer to the jurisdiction of the People's Republic of China and the references to Hong Kong impliedly refer to the jurisdiction of Hong Kong.

The Bills Committee has reservations about the reference to "custom for the time being in force in the People's Republic of China" in the long title and section 6 of Cap. 190, since firstly, the People's Republic of China does not have a system of customary law, and secondly, international custom, though accepted and observed by the Government of the People's Republic of China, is not enforced as such by the courts in China.

The Administration has advised that the word "custom" in the context of the long title and section 6 of Cap. 190 should be taken to mean international custom. As the People's Republic of China recognizes and accepts international custom, the People's Republic of China has an international obligation to provide privileges and immunities according to international custom, hence, the more reasons that international custom should have effect in the SAR.

The Administration has, therefore, agreed to move Committee stage amendments to clarify the fact that "custom" in this context means international custom.

On the substitution of "British citizen, British Dependent Territories citizen or British Overseas citizen" by "Chinese national" in the 15 pieces of subsidiary legislation made under Cap. 190, the Administration has explained that the legislative intent of Cap. 190 will remain unchanged after the proposed adaptation in that the principle that the national of one country is not given diplomatic privileges and immunities when he is in his own country will be maintained. The Administration has pointed out that some Hong Kong permanent residents who were previously not entitled to enjoy privileges and immunities in Hong Kong as staff of the international organizations would, after the reunification, become eligible to enjoy such privileges and immunities.

The Administration has further explained that Hong Kong residents who are of Chinese descent and born in Hong Kong or other parts of China would be regarded as Chinese nationals in the SAR, regardless of whether they hold or have held Hong Kong British Dependent Territories Citizen passports, British National (Overseas) passports or any other foreign passports. If such Hong Kong residents choose to be treated as foreign nationals in the SAR, they will have to make a declaration of change of nationality to the SAR Immigration Department. After their declarations have been approved, these persons will be regarded as foreign nationals in the SAR and will be eligible for consular protection. And if they are staff of the international organizations concerned, they will also be able to enjoy privileges and immunities to which staff of such organizations are entitled.

The Bills Committee accepts the Administration's explanations for substituting "British citizen, British Dependent Territories citizen or British Overseas citizen" by "Chinese national" in the relevant subsidiary legislation made under Cap. 190.

Madam President, subject to the Committee stage amendments to be moved by the Administration, the Bills Committee supports the Bill.

Thank you, Madam President.

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): Chief Secretary for Administration, do you wish to reply?

(The Chief Secretary for Administration indicated that she did not wish to reply)

PRESIDENT (in Cantonese): I now put the question to you and that is: That the Adaptation of Laws (No. 10) Bill 1999 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. 10) Bill 1999.

Council went into Committee.

Committee Stage

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

ADAPTATION OF LAWS (NO. 10) BILL 1999

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. 10) Bill 1999.

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 and 3 to 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): Schedule 2.

CHIEF SECRETARY FOR ADMINISTRATION (in Cantonese): Madam Chairman, I move the amendment to sections 1 and 6 in Schedule 2. When deliberating on the Adaptation of Laws (No. 10) Bill 1999, the Bills Committee discussed with the Government on two references to "custom" in the adaptation of the International Organizations and Diplomatic Privileges Ordinance. After the discussion, the Government agreed to propose a Committee stage amendment to amend sections 1 and 6 of Schedule 2 and amend the two references to "custom" as "international custom".

The purpose of the amendment is to give greater clarity to the meaning of certain provisions in the International Organizations and Diplomatic Privileges Ordinance. In addition, the amendment seeks to amend or repeal words inconsistent with the word "custom" in these provisions, including the two references to "custom" mentioned above. The amendment also substitutes the originally proposed wording of "in force in the People's Republic of China" with "recognized by the People's Republic of China", and repeals the words "and be enforced in the Colony".

I move the amendment to these provisions.

Proposed amendment

Schedule 2 (see Annex II)

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 amendment 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.

CLERK (in Cantonese): Schedule 2 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. 10) BILL 1999

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

Adaptation of Laws (No. 10) Bill 1999

has passed through Committee with amendment. 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. 10) Bill 1999 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. 10) Bill 1999.

Resumption of Second Reading Debate on Bill

PRESIDENT (in Cantonese): We will resume the Second Reading debate on the Industrial Training (Clothing Industry) (Amendment) Bill 1999.

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

Resumption of debate on Second Reading which was moved on 24 November 1999

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 Industrial Training (Clothing Industry) (Amendment) Bill 1999 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): Industrial Training (Clothing Industry) (Amendment) Bill 1999.

Council went into Committee.

Committee Stage

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

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

CHAIRMAN (in Cantonese): I now propose the question to you and that is: That the following clauses stand part of the Industrial Training (Clothing Industry) (Amendment) Bill 1999.

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.

CHAIRMAN (in Cantonese): Council now resumes.

Council then resumed.

Third Reading of Bill

PRESIDENT (in Cantonese): Bill: Third Reading.

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

SECRETARY FOR TRADE AND INDUSTRY (in Cantonese): Madam President, the

Industrial Training (Clothing Industry) (Amendment) Bill 1999

has passed through Committee without amendment. 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 Industrial Training (Clothing Industry) (Amendment) Bill 1999 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): Industrial Training (Clothing Industry) (Amendment) Bill 1999.

MOTION

PRESIDENT (in Cantonese): Motion: Proposed resolution under the Import and Export Ordinance.

PROPOSED RESOLUTION UNDER THE IMPORT AND EXPORT ORDINANCE

SECRETARY FOR TRADE AND INDUSTRY (in Cantonese): Madam President, I move that the resolution to make the Import and Export (Registration) (Amendment) Regulation 1999 as printed on the Agenda be approved.

Earlier today, the Industrial Training (Clothing Industry) (Amendment) Bill 1999 which requires exporters of clothing items to lodge their export declarations only by electronic means in future was read the Third time and approved by the Council. I would now like to further request Members to approve the making of the Import and Export (Registration) (Amendment) Regulation 1999. The Amendment Regulation seeks to delete the arrangement of lodging trade declarations in person under regulations 4, 5, 6, 7(1), 8 and 14(1). The Amendment Bill and the Amendment Regulation aim to achieve our plan of requiring trade declarations and export declarations of clothing items be submitted electronically from April 2000 onwards. This will be a step forward in promoting the widespread use of electronic commerce in the business community.

I now request Members to approve the making of the Import and Export (Registration) (Amendment) Regulation 1999.

Thank you, Madam President.

The Secretary for Trade and Industry moved the following motion:

"That the Import and Export (Registration) (Amendment) Regulation 1999, made by the Chief Executive in Council on 16 November 1999, be approved."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by the Secretary for Trade and Industry, as set out on the Agenda, be passed.

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

MR HUI CHEUNG-CHING (in Cantonese): Madam President, as a representative of the import and export sector I welcome the Government's proposal to require that trade declarations be lodged by electronic means. This is a milestone in promoting electronic trading in the import and export sector.

When trade declarations were lodged in person, trade participants had to purchase trade declaration forms and submit the forms to the Customs and Excise Department in person. After long holidays, people have to spend a long time queuing before counters at the Customs and Excise Department to lodge trade declaration forms. Hong Kong traders who need to send their products for processing in the Mainland have to commute to the Customs and Excise Department to lodge trade declaration forms three or four times between sending raw materials and semi-finished garment products to the Mainland and exporting the finished products. Obviously a lot of time is wasted.

Lodging trade declarations by electronic means is different. A transaction takes only a few minutes and everything can be done in the office and the lodging of documents is not restricted to office hours. This fits the requirement to be efficient in the trade and is conducive to cost-saving.

Madam President, although lodging trade declarations by electronic means and processing trade documents electronically are very convenient and fast, the Government must keep a close watch on the issue of security. The import and export sector is certainly very concerned about it. The Government must devise specific means for strict supervision and a proper system of management.

With these remarks, Madam President, I support the resolution.

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

(No Member responded)

PRESIDENT (in Cantonese): Secretary for Trade and Industry, do you wish to reply?

(The Secretary for Trade and Industry indicated that she did not wish to reply)

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by the Secretary for Trade and Industry 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 of the Members present. I declare the motion passed.

MEMBERS' MOTIONS

PRESIDENT (in Cantonese): Members' motions. Proposed resolution under the Interpretation and General Clauses Ordinance.

PROPOSED RESOLUTION UNDER THE INTERPRETATION AND GENERAL CLAUSES ORDINANCE

MR RONALD ARCELLI: Madam President, I apologize for that. I was afraid that I might fall asleep. (*Laughter*)

I move the motion standing in my name on the Agenda.

The Declaration of Geographical Constituencies (Legislative Council) Order 1999 declares areas of Hong Kong to be geographical constituencies for the purposes of an election to elect the Members for the second term of office of the Legislative Council, gives names to those constituencies, and specifies the number of Legislative Council Members to be returned for each of those constituencies.

The Legislative Council (Registration of Electors) (Appeals) (Amendment) Regulation 1999 and the Electoral Affairs Commission (Registration of Electors) (Geographical Constituencies) (Legislative Council) (Amendment) Regulation 1999 introduce changes to the principal Regulations as a result of the enactment of the Legislative Council (Amendment) Ordinance 1999 which sets out the arrangements for the Legislative Council Election to be held in September 2000. The scope of the two principal Regulations will also need to expand to cover the District Councils Election.

The Subcommittee has concluded its deliberations on the three items of subsidiary legislation and will report to the House Committee on 17 December 1999. In order to allow adequate time for the House Committee to consider the subsidiary legislation, it is necessary to extend the scrutiny period to the meeting of 5 January 2000.

Madam President, I urge Members to support this motion.

MR RONALD ARCULLI moved the following motion:

"That in relation to the -

- (a) Legislative Council (Registration of Electors) (Appeals) (Amendment) Regulation 1999, published as Legal Notice No. 282 of 1999;
- (b) Declaration of Geographical Constituencies (Legislative Council) Order 1999, published as Legal Notice No. 283 of 1999; and

(c) Electoral Affairs Commission (Registration of Electors) (Geographical Constituencies) (Legislative Council) (Amendment) Regulation 1999, published as Legal Notice No. 284 of 1999,

and laid on the table of the Legislative Council on 24 November 1999, the period referred to in section 34(2) of the Interpretation and General Clauses Ordinance (Cap. 1) for amending subsidiary legislation be extended under section 34(4) of that Ordinance to the meeting of 5 January 2000."

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

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

(No Member indicated a wish to speak)

PRESIDENT (in Cantonese): I now put the question to you and that is: That the motion moved by Mr Ronald ARCULLI, 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 of 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): 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 amendments. The movers of amendments will each have up to 10 minutes to speak. Other Members will each have up to seven minutes for their speeches.

First motion: Long-term transport strategy for Hong Kong.

LONG-TERM TRANSPORT STRATEGY FOR HONG KONG

MRS MIRIAM LAU (in Cantonese): Madam President, we are entering the 21st century in 16 days. To meet the demand of an increasing population in the next century, we need to devise a perfect transport system. What is more important is that, to ensure "sustainable development", our transport system must satisfy the social, economic and environmental needs of the people of Hong Kong, and in a balanced manner. I move the motion in respect of the long-term transport strategy for Hong Kong today with a hope that the Government could tap the collective wisdom of the community and work with the people in promoting the development of Hong Kong's transport facilities.

I support in general the strategies and recommendations of the "Hong Kong Moving Ahead: A Transport Strategy for the Future", fully agreeing with the need of building a safe, reliable and highly efficient transport system with environmental protection being the bottomline. However, some of the strategies and recommendations proposed do leave room for improvement.

The Government, for example, has not learned its lesson and rectified certain flaws in its past policies. The present long-term transport strategy for Hong Kong is based on the "White Paper on Transport Policy in Hong Kong" of 1990. Nevertheless, the practical experience we gained over nearly a decade has told us that there are deficiencies in the policies and recommendations made then. For instance, on the upgrading of the transport infrastructure, the Government has constructed a number of highly efficient roads connecting Hong Kong to China, but there has not been supporting facilities to match the increase

in cross-boundary traffic, resulting in the long lines of good vehicles on the expressways year after year. Over the improvement to public transport, the Government had indicated that a financially viable network of feeder bus service to and from ferry piers would be encouraged. But all the Government did over the years has mainly been "talk instead of practical actions"; it has not played a leading role. Not until recently have a bus company and a ferry company joined hands themselves in starting a connecting ferry and bus service, and that is for individual routes only, without a full network of feeder service. That the Government has neglected the development of ferry service is one reason that ferries have not been able to fully play their transport role.

The Government set five major objectives in its long-term transport strategy for Hong Kong, with a multi-pronged approach to turn our transport system both efficient and environmentally-friendly. But I have to point out that the Government must comprehensively consider the interactive relations among the objectives and the consequences there arise from. To do otherwise will mean only retrogression for the Government, back to piecemeal measures addressing incidental problems.

The Government has specifically indicated that in the future transport planning would be integrated with town planning, with railways as the mainstay along which intensive development would be carried out. This direction is a correct one. However, how is the Government going to ensure fair competition between railways and other modes of transport, to ensure the railway fare is maintained at a reasonable level that the citizens can afford? How, also, is the Government going to make sure there is still a niche for other modes of public transport? And what will be the role of the ferry, taxi, public light bus and non-franchise bus? Will the Government remain "more talk than practical actions" in respect of the provision of better public transport services and facilities? Are the environmentally-friendly transport measures proposed by the Government comprehensive?

In its transport and town planning, the Government has indicated that timely transport infrastructure would be provided, but on the other hand, a proviso is added that it must also be cost effective. It seems that the Government has not been able to free itself from the planning dogma of "moving in people before providing facilities". I hold that the transport infrastructure

must be provided in time so as to bring along a population increase. Therefore, some cost effectiveness must be forfeited. To do otherwise, that is, to construct new infrastructure facilities after having a sizable settlement, there will already be serious traffic congestion and environmental pollution problems. I hope that the Government could clarify in this respect.

Besides, I have to specifically highlight the "people-oriented" element in transport and town planning. This is because the "sustainable development" now being stressed in Hong Kong is nothing but to serve the people, to meet our social, economic and environmental needs and those of our posterity. Therefore, transport planning must not only satisfy the need for mobility of the community, but also balance the various elements, such as lowering pollution, saving energy, increasing the safety margin, and the sustainable development of society, so as to avoid a repetition of the road system on the West Kowloon Reclamation hampering nearby housing development, or of the noise nuisance caused by high-volume traffic to the residents of public housing and Home Ownership Scheme blocks in the former garrison barracks in San Po Kong.

In future infrastructure development, the Government is going to give priority to railways which will become the "trunk" transport facilities, with other modes of public transport providing a "feeder" service to the railroad network. I support a rail-based system, which is environmentally-friendly. But the Government is saying on the one hand that developing the rail system is to reduce public reliance on road-based transport, but has indicated on the other that bus routes parallel to the railways will be permitted.

That the Government is ambivalent could be the result of having set the wrong objectives. I think that the overall objective is to spread passenger pressure on individual modes of transport within the system. Under this objective, the rail system, as the artery of our future transport system, will need to connect with branch blood vessels so as to support the activities of Hong Kong. At the same time, there may be a need for parallel bus routes so as to avoid excessive pressure on the rail system, or just to avoid monopolization of the market. To this end, the Government must devise a reasonable public transport framework whereby all modes of transport can find room for development in the market and play their part therein. Besides, the Government must have a reasonable route plan so as to remove overlapping of routes or over-provision of

vehicles in any particular routes. To facilitate the connection among the various modes of transport, the present connecting facilities must be improved and more convenient and better locations must be provided to serve as public transport interchanges.

Liquefied petroleum gas (LPG) taxis, public light buses using environmentally-friendly fuels will be gradually put into service in the foreseeable future, and the Government must have the foresight to make full use of them to provide feeder services. What is more, non-franchised buses, which have not been touched upon in "A Transport Strategy For The Future", must not be ignored as they physically run on our roads. They should be put to more effective use. So the Government has to consider non-franchise buses along with other modes of transport.

An all-encompassing transport network will promote competition among our public transport providers, not only giving our citizens choices, but also bringing improvement of service as well as ensuring reasonable fares.

In the area of freight transport, the Third Comprehensive Transport Study has pointed out that commercial vehicles are a necessity, that goods vehicles cannot be replaced by railways. Operators in the freight industry in fact wish to reduce the level of pollution caused by their vehicles. But because the logistic facilities for containers are both insufficient and scattered, container tractors cannot but keep running on the roads all over the territory. Inadequate cross-boundary facilities have also resulted in vehicles lining up on expressways. Besides, as the Government or private operators have not provided enough parking facilities, goods vehicles have been resorting to roadside parking or loading and unloading, creating traffic jams and accumulation of exhaust fumes.

Apart from providing adequate supporting facilities to the freight industry, we can also introduce different measures to reduce the impact of transport on the environment. For example, artificial or natural barriers can be used to separate pedestrian and vehicular traffic; bypasses can be built; roads entering the city can also be built underground, so as to lessen the effect of vehicles entering the city on the people. As to the need of pedestrians, it is not necessarily met by creating more pedestrian precincts; we can consider underground facilities, such as the underground pedestrian system in Japan, or overhead pedestrian walkways.

As a matter of fact, in our crowded Hong Kong where most districts are highly developed, designating too many pedestrian precincts may only create worse traffic congestion. In a nutshell, if only we can make good use of space, we are sure to be able to achieve the separation of people and vehicles.

The road system in the next century will no longer be the product of "solid" concrete and asphalt, but will be information-based infrastructure. Utilizing intelligent transport system, combined with the global positioning system (GPS), the digital communications network, the Internet technology, roads will supply road users plenty of information, facilitating marshalling management of vehicles, providing security surveillance service, navigation service and emergency assistance to vehicle owners. Hong Kong is going to develop its own high technology, and transport is a huge market for application of high technology; the Government and private citizens can do well making use of it. Besides, the research for and use of environmentally-friendly fuels and modes of transport is also a big market in the new century; the Government, private organizations and the transport industry can co-operate in such research.

To further perfect our transport system, the Government should be positive and proactive with planning for the next century and design a pattern acceptable to the citizens. What is more important is to draw up a timetable for implementing the various proposals as well as the various railway and highway projects. It will serve as our goal for developing a safe, comfortable, environmentally-friendly and highly efficient transport system.

Madam President, I shall later respond in detail to the amendments to be moved by Miss Christine LOH and Mr Albert HO to my motion. However, before my response, I wish to point out that the "sustainable development" now stressed in Hong Kong means that any policy and plan we make must balance the economic, social and environmental needs, so as to avoid achieving something at the expense of some others. This is the case with transport policies, it is also the case with environmental policies. A transport policy that is totally inclined towards environmental protection will only stifle traffic flow; one that is totally biased towards traffic flow will be bad for the environment. There must be balance and co-ordination between the two.

With these remarks, Madam President, I beg to move.

Mrs Miriam LAU moved the following motion: (Translation)

"That, in order to develop a safe, comfortable, environmentally-friendly and efficient transport system which matches the growth of Hong Kong's population and economy in the 21st century, this Council urges the Government, in implementing the various proposals contained in "Hong Kong Moving Ahead: A Transport Strategy For The Future", to provide a new transport infrastructure in a timely manner to match population growth; to conduct people-oriented transport and town planning to promote harmony between people and the environment; to optimize the use of space to achieve separation of pedestrian and vehicular traffic; to provide sufficient support facilities to facilitate freight movements; to maximize the functions of various public transport means and ensure that they have room for development individually; to promote fair competition among different means of public transport to provide choices for the public; and to formulate a timetable for implementing the proposals in the transport strategy, as well as to further explore other forward-looking and innovative initiatives to complement the inadequacies in the existing proposals."

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

DEPUTY PRESIDENT (in Cantonese): I now propose the question to you and that is: That the motion moved by Mrs Miriam LAU as printed on the Agenda, be passed.

Miss Christine LOH and Mr Albert HO will move amendments to this motion. The two amendments have been printed on the Agenda. In accordance with the Rules of Procedure, the motion and the two amendments will now be debated together in a joint debate.

In accordance with Rule 34(5) of the Rules of Procedure, I will ask Miss Christine LOH to speak first, to be followed by Mr Albert HO; but no amendment shall be moved at this stage.

MISS CHRISTINE LOH: Mr Deputy, I seek an extensive amendment to the Honourable Mrs Miriam LAU's motion because we have fundamental differences in how to achieve the objective for Hong Kong to have a "safe, comfortable, environmentally-friendly and efficient transport system".

The motion may sound innocuous, but I ask Members to consider each component to see the total vision of such a transport policy. The motion's general reference to promoting harmony between people and the environment rings hollow when you examine the overall consequences. Let me be specific.

Firstly, Mrs Miriam LAU asks the Government to implement, and this Council to endorse, the proposals in "Hong Kong Moving Ahead: A Transport Strategy For The Future". I caution Members not to be unduly impressed by this document. I cannot even recommend the Third Comprehensive Transport Study (CTS-3). The two documents are classic cases of smoke and mirrors to conceal some alarming projections from the Strategic Environmental Impact Assessment for the CTS-3. I believe that these two documents were not mentioned by Mrs Miriam LAU in her speech. The CTS-3 is supposed to aim at integrating land-use, transport and environmental planning. I am sorry to say that it has failed.

By asking the Government to implement its strategy in Hong Kong Moving Ahead, Mrs Miriam LAU is not paying sufficient attention to the consequences. According to the Strategic Environmental Impact Assessment:

1. By 2016, Hong Kong could have over one million vehicles on our road, up from 500 000 today;
2. Cross-border traffic could increase by 400% during the same period;
3. As for air quality, for all of the scenarios in the report, including the low growth scenario, Hong Kong will fail its Air Quality Objectives;
4. Air quality will be particularly bad in Northwest New Territories, and also in Tai Po, Sham Shui Po, Tsuen Wan, Sha Tin and Kwun Tong despite improved emission controls; and

5. Noise pollution will also be much worse for many people in the New Territories.

Secondly, in asking the Government to implement Hong Kong Moving Ahead to provide a new transport infrastructure in a timely manner to match population growth, Mrs Miriam LAU is essentially putting the emphasis on the timely provision of highways. The CTS-3 sets out 26 major highway projects to meet projected growth demands. These will not only be very expensive, but they will also bring more traffic, worse air and noise pollution.

It is clear from the Strategic Environmental Impact Assessment that it will be due to the provision of new highway infrastructure that pollution will rise. Mr Deputy, it should be obvious that Hong Kong should shift away from road-based to rail-based transport, which is why my amendment calls for a proper evaluation of rail and road-based systems.

Right now, roads and rails are not evaluated on an equal economic or even financial basis. Rail is expected to be self-financing, while roads are fully subsidized. The environmental and social consequences between the two modes are not considered.

Thirdly, the motion calls for "optimizing the use of space to achieve separation of pedestrian and vehicular traffic". The Government's vision — which seems to be also Mrs Miriam LAU's — is to build roads and provide elevated walkways for pedestrians. These can help, but they do little to reduce pedestrian exposure to pollution, or indeed, to make the walking experience a pleasant one. Accessibility is a problem for the elderly, the disabled and people with young children.

My amendment calls for separating people from traffic by limiting vehicle access in built up areas and providing more street level, vehicle-free, pedestrian schemes.

Fourthly, the motion calls for the provision of sufficient support facilities to facilitate freight movements. Members should remember that there could be a quadrupling of cross-border traffic, much of it freight traffic. The dramatic increase will create unacceptable levels of air and noise pollution for the people in Northern New Territories.

My argument is that we should not simply be trying to accommodate increasing traffic, but try to manage it, or shift it to more environmentally-friendly methods, such as by rail and sea. I want the emphasis to shift to rail as a preference because if roads are provided free of charge to users, there will be no incentive to use other means. That is why I am specifically calling for managing road traffic growth through road pricing or other measures.

Fifthly, Mrs Miriam LAU then asks for the maximization of the functions of various public transport means to ensure further development and to promote competition as well as to give the public a choice. Surely, what we should do is to optimize rather than maximize transport usage. The desire for competition should be balanced by whether some methods will result in more congestion, more pollution, and therefore result in a lower overall quality of life for Hong Kong people.

Members in this Council have complained about the excessive number of passenger buses on our roads. Competition has resulted in choice but it has also resulted in other problems. So, the answer is not to "maximize" its function but to optimize it. Hong Kong needs to manage its transport very much better. There are systems and techniques that are well known and well tested, but it would be too tedious for me to go through them here today.

Mr Deputy, now let me comment on two other parts of my amendment. Firstly, I suggest that Hong Kong should put roads underground whenever possible. That will optimize the use of valuable space, and I do not think I need to go into any further details.

Finally, I want rail development responsibility to be taken out of the Highways Department. The Rail Development Office should be put in the Planning Department since the balancing act can be better undertaken there.

In conclusion, I urge Members to read the Strategic Environmental Impact Assessment. It is a fact document with hundreds and hundreds of pages, and maybe very few people have taken the trouble to read it. It makes very sobering reading, because only by reading the Strategic Environmental Impact Assessment do we realize the consequences of Hong Kong Moving Ahead. In the Strategic Environmental Impact Assessment, it recommends rail expansion, putting roads underground and extensive pedestrian schemes. It also recommends tightening vehicle noise standards, engine encapsulation and better speed regulation. It also prefers trolley buses and calls for better traffic

management. And yet, Mr Deputy, none of these recommendations are in the wonderful document called "Hong Kong Moving Ahead", which we are about to implement if we approve the original motion.

MR ALBERT HO (in Cantonese): Mr Deputy, I seek to move an amendment to the motion of Mrs Miriam LAU because the Democratic Party opines that, when the long-term transport strategy for Hong Kong is drawn up, what have to be considered, apart from those points mentioned by Mrs LAU in her motion, should include the regulation of the various public transport operators, and in particular, of the quality of service and the level of fares.

Many instances in the past have shown that when government regulation of public transport operators is inadequate, or when the regulatory system is imperfect, the general public will be affected. Let me take the Mass Transit Railway Corporation (MTRC) and the Kowloon-Canton Railway Corporation (KCRC) as examples. Though these two public transport corporations are wholly-owned by the Government, they enjoy considerable independence in their operation, deciding entirely on their own any adjustments to the fares they charge, a process in which the Government has totally nothing to play as a regulator. Fare adjustments by franchised buses have in principle to be approved by the Chief Executive in Council, but in operation, the government departments concerned would first consult the Transport Advisory Committee (TAC) which is itself an outfit with a low degree of transparency in its operation and the membership of which lacks representativeness. How, with such sort of regulatory mechanism, can the rights and interests of the citizens be safeguarded? Mr Deputy, I can quote several other examples to illustrate the consequences of the lack of effective regulation, among them the most conspicuous ones being the automatic toll increase mechanism of the Western Harbour Crossing and the Tai Lam Tunnel, and the profit control scheme of China Light and Power Company Limited.

The Government at present has different means of regulating the various modes of public transport. Some are put under the oversight of the Legislative Council, while some enjoy the autonomy to raise their fares, and still others need only the approval of the Chief Executive in Council. The policy concerned is quite confusing. In order to achieve uniform regulation of all the public transport operators, we think that Hong Kong should set up an independent and fully representative regulatory framework to more effectively monitor the level

of fares and quality of our present public transport services, so as to protect the rights and interests of the public.

This proposal is in fact nothing new. During a debate on a bill in the then Legislative Council in 1997, Mr Gordon SIU who was the Secretary for Transport said, "The Government would consider establishing an independent and credible public transport management commission with a high degree of transparency, appointing people respected and trusted by the community as its members, to scrutinize all fare increase applications from public transport operators. The Government would consult the public in due course regarding the membership, terms of reference and mode of operation of such an organization." I would ask the Government: When is the "due course"? Over two years have passed, and what substantial measures have the Government taken in respect of regulating public transport operators, so as to make us feel that the public is duly protected?

I believe that nobody will oppose regulating public transport operators, while there might be different ideas as to the scope of regulation, the regulatory mechanism as well as the manner of regulation. The Democratic Party thinks that this regulatory mechanism must be objective, independent, credible and highly transparent; besides, its terms of reference must include the scrutiny of the levels of fares of all modes of public transport, the setting of service quality targets, the handling of complaints, the monitoring of operational safety, as well as the study of the competition and co-ordination among the various means of public transport, so that the greatest effectiveness of the mechanism can be achieved. My colleague, Mr Andrew CHENG, will later elaborate this point.

In a nutshell, the current TAC should be completely reorganized to make it representative and transparent. Or a new regulatory framework should be set up with the objective of ensuring quality public transport services and reasonable level of fares. We could further study which approach to take.

On the relationship between transport and town planning, it used to be the principle of the Government in any development and planning "to move in people before building a railway". In the past, when a new town did not have the required population density to justify the construction of a railway, the Government would wait until the settlement in that area grew to a certain size before it considered extending the railway to the town. Tuen Mun New Town in the '70s is a good example. The result was that as the population growth

turned out to be far out-pacing the railway construction timetable of the Government, crowdedness was created in the district. Also as a result of the mistaken estimate in the employment opportunities in the district, serious problems in external transport and the environment arose. I think that in this case, the Government made serious mistakes in planning and transport provision.

In the Third Comprehensive Transport Study (CTS-3) published by the Government earlier, it was pointed out in definite terms that future population and employment centres would be created close to railway stations so that the railway could produce the maximum transport effectiveness. The Democratic Party welcomes this new planning criterion because future new towns of Hong Kong, such as Tseung Kwan O and Ma On Shan, must not be developed with the former planning concept of "moving in people before building a railway". It would be preferable to have all the transport facilities in place before the full development of the town, or at least the two could proceed in parallel, with the railway as the backbone supporting the development of the town and bringing along population growth. To achieve this objective, the Government must invest more resources and manpower in the complicated process involved in the projects, I mean the complicated process of railway building, such as land resumption problems.

There is one more point I wish to raise for discussion, and that is the Government's role in the relations between government-owned transport corporations and public transport operators. This point is almost entirely ignored in the whole CTS-3 report. It has supposedly always been the policy of the Government not to subsidize any public transport operators. However, as we all know, it is not a simple case as that. The MTRC and KCRC are cases in point. In the past, the Government gave them indirect subsidies so that they could develop their railway systems. When this Council recently scrutinized a bill concerning a railway for instance, the Government stressed repeatedly that if the MTRC could not continue to enjoy the right to property development over the stations, it could in no way carry on expanding its new railway network. Thus it can be seen that the property development right is a form of indirect subsidy which cannot be separated from the operation and development of that particular mode of public transport. In that case, when the MTRC goes public, how will its relations with the Government be defined? How can we be able to clearly see that, if the corporation continues to enjoy such subsidies, the subsidies are reasonable and subject to adequate supervision, without making the citizens think that there are confused and ill-defined relations and mutual interests between the

Government and a private corporation that was previously a public one? This we must address properly.

What is more, certain modes of public transport may be operating under special circumstances with special needs, and therefore need extra support from the Government. Certain outlying island ferry services mentioned by Mrs LAU just now are one of the examples. They are operating with considerable difficulty. But geographical factors demand that ferry service must be provided to outlying islands, for such service is their only means of external transport. Under the circumstances, if they are not operating properly, or cannot charge fares that are both reasonable and acceptable to the residents of the outlying islands, it will be very unfair to those residents. Therefore, the Government must work out a subsidization policy in this respect.

Finally, I wish to comment on the amendment of Miss Christine LOH. Though we approve many of her views relating to the environment, as she proposes to delete the promotion of the principle concerning fair competition and add instead the idea of having a rail-based transport system, I am not so sure and have misgivings. Therefore we can only abstain from voting on her amendment. Thank you.

DEPUTY PRESIDENT (in Cantonese): We shall now proceed to the joint debate.

MR LAU KONG-WAH (in Cantonese): Mr Deputy, the Democratic Alliance for the Betterment of Hong Kong (DAB) welcomes the various recommendations made in the "Hong Kong Moving Ahead: A Transport Strategy For The Future". After more than a decade of hard work by the Government planning and building our transport infrastructure, our transport network basically links up all parts of the territory and beyond. To rise to an even higher level, we should further consider ways to develop a safe, comfortable, environmentally-friendly and highly efficient transport system so that Hong Kong can maintain its status as a world-class city and support the economic development of Guangdong and Hong Kong.

Among the many objectives set by the Government, there is a timetable for a series of large-scale transport infrastructure and other projects, covering many areas. However, it should be noted that for the projects to succeed, there has to be a proper and timely long-term transport strategy to provide the needed guidance. Otherwise, the huge amount of money spent on such constructions could only bring complaints from the citizens. Therefore, the strategy must be "people-oriented".

The approach of the Government in developing Tuen Mun New Town 10-odd years ago taught Hong Kong a bitter lesson. Some people have recently doubted if there is a need for Hong Kong to build more roads. If they look at the experience of Tuen Mun and the situation there, they will probably change their mind.

Mr Deputy, another major recommendation in "A Transport Strategy for the Future" that warrants our attention is the "more environmentally-friendly transport measures". Hong Kong has a very serious problem of air pollution, the absolute majority of which comes from vehicle emissions. It will definitely help improve our air quality if vehicles switch to more environmentally-friendly fuels. But we must not do this to the neglect of emission control and vehicle maintenance. The plan of the Government to change 18 000 taxis into LPG ones, and to study the feasibility of LPG buses and light buses can only solve a small portion of the problem involving diesel-powered vehicles. A greater portion of the problem concerns the emission from heavy diesel vehicles. This part of the problem still exists.

What is more, the Government has recently kept tightening the standards on the sulphur content of fuels, stepping up random inspection of vehicles for emission and cracking down on illegal marked oil. These are in fact ordinary and required actions, they can only address the symptoms of the issue. If the Government wishes to really tackle the problem at root, it should quickly work out a guideline for the conversion of heavy diesel vehicles and, public resources permitting, formulate a policy to encourage owners to replace their old heavy vehicles. Besides, in the training of automobile maintenance technicians and the upgrading of maintenance workshops, the Government should actively offer assistance and support. The DAB believes that only through comprehensive transport policies and measures can we make the transport policy of Hong Kong meet the objective of "sustainable development".

Mr Deputy, according to available information, the Government is going to spend \$100 billion to build the various key railway lines. We naturally hope that each of the railways will be cost effective. At this crucial juncture, therefore, we wish to again ask the Government to work out a definite timetable to extend the Ma On Shan Railway direct to Kowloon so as to achieve the objective of "people-oriented" transport planning.

Given the importance of railways, all changes involving railways are closely related to us. Firstly, the proposed floating of the shares of the MTRC has made the citizens worry about how the corporation will set its fares in the future. The DAB thinks that any fare increase proposals in the future should be forwarded to a TAC with expanded terms of reference for consultation before they are submitted to the Chief Executive and the Executive Council for approval. This will ensure that a privatized MTRC will still be under public supervision and cannot raise its fares at will.

On the other hand, another innocent citizen was pushed over the railway platform on the 4th this month and sustained serious injuries. This again drew public attention to the safety issue of the MTR and the progress of installing platform screens. According to the timetable announced by the MTRC, six stations would be fitted with the screens in the first phase which is estimated to complete by mid-2003; the work in the remaining 24 stations will be completed by 2006. The DAB and the citizens are very much unhappy about this timetable. Therefore we hope that the MTRC will learn its latest lesson and expedite the relevant works so as to safeguard passenger safety.

Mr Deputy, in the English version, all the five recommendations in "A Transport Strategy for the Future" begin with the word "Better". The DAB hopes that when the Government is planning for the future transport system of Hong Kong, it should not only aim at making everything "better" than what they are at present, but should also endeavour to achieve "the best", so as to meet the needs of development in the 21st century in Hong Kong and even in the whole world. What can we do to achieve "the best"? Basically, it can be achieved through a "people-oriented" approach, which is arguably also based on the views of the Legislative Council. For this reason, I have to state clear on behalf of the DAB our inclination in today's voting. The original motion of Mrs Miriam LAU and the amendment of Mr Albert HO are in line with our thinking,

therefore we will support them. As we do not agree with the amendment of Miss Christine LOH, the part involving road pricing in particular, we will vote against it. Thank you, Mr Deputy.

MR LAU CHIN-SHEK (in Cantonese): Mr Deputy, Hong Kong is a tiny place with a huge population. Among the four basic necessities of "clothing, food, housing and transport" in the people's daily life, housing and transport have always been foremost in the people's minds. To the masses, the adequacy or otherwise of transport facilities, and whether the level of fares is reasonable, are of great importance. I believe that when the Government considers a long-term transport strategy for Hong Kong, there is a need for it to make the protection of the people's livelihood one major consideration in a policy-making.

The present CTS-3 report has proposed anew the direction of according priority to railway development. I support this general approach. My stand has all along been asking for a mass transit system such as railways to connect our main regions within the urban area and with all our new towns, so as to facilitate residents going out from and returning to where they live. It is worth noting that almost all wage earners go to other districts for work, many even have to cross the harbour to reach their workplaces. Therefore, a convenient, speedy and large-passenger-volume mass transit system is arguably a necessity of life.

However, I have the feeling that the Government has a very conservative way of thinking regarding the expansion of our rail system, giving rise to quite a number of new towns with several hundred thousand residents having no railways for through travel to the urban areas. Tuen Mun, Yuen Long, Ma On Shan and Tseung Kwan O are some of such new towns. The good news for these towns is that in the coming few years, their external transport will improve following the completion of the railway network currently under construction. However, there are many other areas where no firm decision has been made for rail development. Examples are areas in Southeast Kowloon, Western and South Districts of Hong Kong Island where the Government has plans for major development. If the CTS-3 principle of giving priority to railways is followed, I believe that the Government must change its conservative attitude and take active action to extend the present railways in the urban areas to other districts, so as to enable a genuine and full-scale improvement to the public transport network of Hong Kong.

Naturally, while implementing the "rail-priority principle", I agree that there is a need to encourage the continued development of other modes of public transport, buses in particular, so as to promote competition and to give the people more choices. However, I believe, and the Government is bound to admit, that railways always have an edge in the competition which I also think will increase with time. Given this direction of development, I must reiterate that the Government must step up its monitoring on the fares and service of the railway systems, and must not give complete freedom to the railway corporations to set their fares under the pretext of "market competition".

For this reason, though the privatization bill in respect of the MTRC is still being scrutinized by the Bills Committee, I must point out unequivocally to the Government that if the MTRC is to set its fares without any form of control after privatization, I will firmly oppose the bill. I also believe that the general public will not support such a move of the Government that will hurt people's livelihood.

In fact, over the issue of monitoring the level of public transport fares, I think that other than the MTRC, I should also be concerned about the monitoring of bus fares which are very significant to people's livelihood. I believe many Members still remember that I proposed a private bill in the former Legislative Council, empowering the legislature to monitor bus fares. It was a pity that the bill was defeated at Second Reading by a margin of three votes. However, the then government undertook to conduct a review on the mechanism of monitoring bus fares. Two years have passed however and nothing is heard regarding the promised review. I expect the Secretary for Transport would in his response supply a definite reply in this respect.

Mr Deputy, I so submit. Thank you.

DR RAYMOND HO (in Cantonese): Mr Deputy, over the years transport has been a issue hard to handle. Naturally, the small area and huge and increasing population in Hong Kong have added to such difficulties. In the past, the Government lacked vision when formulating transport policies. In developing new towns, new road and railway networks, it neglected the importance of long-term transport planning and effective traffic management. For these, we have paid and are still paying a hefty price, including serious traffic congestion and pollution of the environment.

Some of the recommendations in the "Hong Kong Moving Ahead — A Transport Strategy For The Future" published by the Government recently obviously indicate that more attention has been given to long-term planning. This is a delightful improvement. First of all, I welcome the Government's policy to develop railway transport. In fact, Hong Kong should have focused on railway development 10-odd years ago so as to reduce our reliance on diesel-powered vehicles and elevated highways, and to cut air pollution and improve traffic flow. I persistently urged the Government to pay attention to the importance of such development when I was the Chairman of the TAC. But the Government could not make up its mind to continue building other branch lines after the three lines of the MTR were completed in the mid-1980s. Several years of time was thus wasted.

Past rail development in Hong Kong remained at the stage of "railway lines" which is a long way from the objective of having a "railway network". It is hoped that the Second Railway Development Study soon to be published will give us more indications and recommendations. In fact, in view of the present development in Hong Kong, the Government needs to plan for the construction of an East Kowloon railway and a MTR extension to Western District on Hong Kong Island as soon as possible, so as to align the transport facilities in these districts with rising population with the railway network in other areas of the territory.

While building railways as our key transport facilities, we should at the same time do our best in developing feeder services. Railways can serve large communities, but they cannot reach small ones therein. Therefore citizens need feeder service from other modes of public transport. In this way, overlapping of bus routes that cause urban traffic congestion, air and noise pollution can be reduced. The present situation in Central and Wan Chai Districts can best demonstrate this point.

Railway development is doubtless very important. But we must at the same time build roads to meet the needs of the development of different areas. A Member has proposed to transfer the responsibility for railway development from the Highways Department (HD) to another department, this I do not think is proper. As the railway and road developments are closely related, it will not be reasonable to transfer the Rail Development Office of the HD to another department. Also, that proposal has not specified to which department should the Rail Development Office be transferred. Miss Christine LOH suggested

just now to place the Rail Development Office under the Planning Department, but the suggestion lacks realistic justifications, and I do not think it can have my support. This is because if the co-ordination in the planning for railways, roads and bridges is not done well, there will surely be a huge waste of resources without achieving the desired effects. In fact, the present setup has been in operation for many years and no problem has so far arisen. So why change for the sake of changing?

With limited space and a huge population, Hong Kong is in no position to extend its railways and roads indefinitely. So to solve our transport problems, we also need to resort to other means, such as traffic management measures, park-and-ride schemes, prohibited zones and pedestrian precincts. At the same time, positive actions should be taken to improve the road-level environment so as to encourage citizens going to nearby destinations to consider using the most basic mode of transport, that is, walking. However, we must also build more overhead pedestrian walkways so as to separate pedestrian and vehicular traffic as far as possible.

On the other hand, the Government should study ways as soon as possible to raise the efficiency of its traffic management work through the latest technology, and to increase traffic flow in our existing road system. As regards the electronic road pricing scheme that has been under discussion on and off for years, the Government should not make any hasty decision. Another reason is that other advanced cities can give us little useful reference. A decision should only be made after the completion of the relevant study and also after extensive consultation.

I hope that the Government could play a leading role in the long-term transport development of Hong Kong, and work out a long-term blueprint for it. I also hope that the Government would play a co-ordinating role in enabling the various modes of transport to fulfill their functions in better serving the citizens who, through the mutual support and benign competition among the transport operators, will be able to enjoy quality and efficient services. Their levels of fares can also be decided according to the principles of a free market. The public transport operators must keep improving the quality of their services to win the patronage of the citizens.

Mr Deputy, I so submit. Thank you.

DR TANG SIU-TONG (in Cantonese): Mr Deputy, in Part V of his policy address this year, the Chief Executive indicated his determination to improve the poor air quality as well as the living and ecological environment of Hong Kong in order to build Hong Kong into a world-class city. One of the essential element for the realization of his vision is to highly integrate "transport strategy" with "town planning" so that we will have a rail-based transport system to meet the transport demands of the citizens in carrying out their economic, social and recreational activities, and to cut their reliance on road transport. "Hong Kong Moving Ahead — A Transport Strategy For The Future" published in October is a report proposing an integrated strategy for the implementation of the concept to combine transport infrastructure construction and town planning. If the strategy can be carried out as proposed, not only would our air quality greatly improve, but we would also have a transport system that is highly cost effective and at the same time environmentally-friendly when Hong Kong enters the 21st century.

The proposal for a rail-based transport strategy was in fact put forward 10 years ago in the Second Comprehensive Transport Study. The problem is that in these 10 years, "rail-based" has remained a mere "slogan". The Government has yet to implement the strategy, not to mention to employ this concept in town planning. The experience from the development of the Northwest New Territories is a classic negative example.

With the progress of development in the Northwest New Territories, continuous streams of people have been moving to the new towns of Yuen Long, Tin Shui Wai and Tuen Mun. But the job opportunities and education facilities in these new towns are in "serious imbalance" in relation to the population; as a result, large numbers of people have to take long trips to work or to school in Kowloon or even Hong Kong Island every day. As the northwest railway project could not progress in time to provide the needed service, these people have to rely on buses as their main means of transport, resulting in huge demand for road transport. Just a few years ago, whenever a major congestion occurred on Tuen Mun Highway, the entire transport system in the Northwest New Territories would be completely paralyzed.

Traffic in the Northwest New Territories saw great improvement after the opening of Route 3 and the Western Harbour Crossing. People now use buses to travel from and to the Northwest New Territories. However these buses add pressure to the traffic in Central and Wan Chai, resulting in serious congestion in

these two districts. The problem was prevented from deteriorating only after the Government introduced traffic management measures such as rationalization of bus stops or bus routes. This clearly shows that in the past the Government did not really aim at making railway the key component of our passenger-moving system when drawing up transport strategy and making town planning. What it did was to incessantly expand the road network to meet demands in a short-sighted way. Such a fragmented strategy only pushed traffic congestion and the related environmental problems from one district to the other; the problems remained unsolved.

Therefore, I think that the rail-based strategy must be followed in real earnest in future transport and town planning. The development of any new district and the building of a railway to it must be one integrated project, or even proceed in parallel. The direction recommended in "A Transport Strategy For The Future" for the development of the railway system as the key component of passenger transport and for intensive development along railways is a very sensible and forward-looking approach. The Government has recently proposed to try it out in the three new districts of Hung Shui Kiu, Kwu Tung and Fan Ling. I think this is a worthy attempt.

Mr Deputy, I would like to draw the attention of the Government to one last point. Both the latest comprehensive transport study and the one before that did not review in any detail the transport strategy of road-based freight movements. However, in this year, traffic in the whole Northwest New Territories came to a standstill a number of times as a result of traffic congestion created by goods vehicles waiting to clear border customs check-points, or loading/unloading in the container berths. This shows that our roads are close to its "absolute capacity" in meeting the demand of freight transport. What is more, as a great majority of our over 100 000 goods vehicles are diesel-powered, if their rate of growth is not restrained, they will also seriously aggravate our environmental pollution problem. Therefore, in order to meet the transport demand resulting from our growing cross-boundary freight movements and to improve the environment, I urge the Government to study, actively and as soon as possible, the feasibility of developing cross-boundary freight movement by rail, so as to offer an environmentally-friendly alternative to the freight industry of Hong Kong.

Mr Deputy, I so submit.

MR KENNETH TING (in Cantonese): Mr Deputy, over the issue of long-term transport strategy for Hong Kong, the Federation of Hong Kong Industries thinks that the SAR Government should pay better attention to cross-boundary freight movements. In particular, the Government should also introduce measures as soon as possible to relieve congestion in cross-boundary traffic.

Freight traffic between China and Hong Kong has been increasing in the past decade and more. The period from 1988 to 1997 saw a 134% increase in the number of goods vehicles moving between Hong Kong and the Mainland. The statistics of 1998 alone tell us that among the 27 000 vehicles using the boundary crossings at Sha Tau Kok, Man Kam To and Lok Ma Chau daily, 88% are goods vehicles, with an increase of 3.5% over the figure in 1997. In view of the inadequate measures taken by the authorities both sides of the boundary to facilitate freight movements, the congestion in cross-boundary traffic has long plagued Hong Kong manufacturers. Most members of the Federation who have factories on the Mainland blame the frequent congestion in cross-boundary traffic for delays in the delivery of manufactured goods.

Delays in cross-boundary freight movement not only increase the operation costs of the manufacturers, but will also affect their freight delivery schedules and result in air pollution and damage to the environment which in turn affect the health of the citizens and the drivers. Therefore, we opine that the SAR Government should strengthen co-operation with the provincial authorities in Guangdong in solving the problem of cross-boundary freight traffic congestion.

We suggest that the two governments should allocate more resources to their respective customs and relevant departments so that cross-boundary freight inspection staff and kiosks could be increased to shorten the waiting time for goods vehicles as far as possible.

Besides, the two governments should also tighten the control on roads in the border areas so as to prevent queue jumping. Vast space should also be made available as holding areas for vehicles waiting for their turn to enter the border roads. This will prevent traffic congestion that will affect other road users.

Mr Deputy, the best way to relieve cross-boundary traffic congestion is in fact joint inspection by the customs authorities of the two sides. This will

minimize the inspection time and process. Therefore, the SAR Government should further study the feasibility of introducing joint inspection with the Mainland.

Lastly, the Federation of Hong Kong Industries hopes that the Hong Kong/Guangdong Co-operation Joint Conference would put the problem of cross-boundary freight traffic congestion on the top of its agenda, subject to regular review. We also hope that the both sides to the Conference would at the same time demand their subordinate departments to put forward improvement proposals as soon as possible, and to inform and consult Hong Kong manufacturers at the earliest date.

Mr Deputy, I so submit. Thank you.

MR LAW CHI-KWONG (in Cantonese): Mr Deputy, environmental awareness is always absent in the transport policy of Hong Kong. This has resulted in air and noise pollution. In order to ensure a healthy environment for sustainable development, the Government must adopt "people-oriented" transport strategy and planning.

A "people-oriented" sustainable transport strategy must include four elements: (1) encourage walking; (2) minimize the bad effect of vehicular exhaust on the human body; (3) replace the existing high-pollution vehicles with some low-pollution transport system; (4) a reasonable balance between citizens' right of choice and the impact of vehicular traffic on the environment.

In encouraging walking, the Democratic Party has all along maintained that "walking is an important mode of transport". We suggested to the Government to conduct a territory-wide strategic study on pedestrian walkway network earlier this year, and proposed the provision of electric pedestrian escalators and overhead walkways at suitable places as an incentive to the citizens to walk. It is a pity that the Government has not responded positively to our suggestions. The Democratic Party suggested that the Government should examine building in Sai Ying Pun, Wan Chai and Causeway Bay pedestrian escalators similar to the one in Central District, and study a network of overhead walkways to connect Central with Wan Chai. We believe that these facilities would solve the traffic congestion and environmental pollution problems on Hong Kong Island. Participation by private companies in the management of

the network could also be encouraged by allowing them to earn a profit through selling advertising spaces on the escalators and overhead walkways. This would also save the Government a huge sum of money in the operation and maintenance of the network. Besides, the Democratic Party also asked the Government to conduct an assessment on the impact on pedestrians and residents in all and any of its transport planning, with a view to maximizing the separation of pedestrian and vehicular traffic, and minimizing the harm of vehicular exhaust to pedestrians and local residents.

Currently, the two railway corporations, for commercial reasons, only consider extending their network to an area when the population there reaches a certain size with a certain level of demand for external transport service. This practice has often increased public reliance on cars and roads. Therefore, the Democratic Party supports the Government's policy of developing mass transit railway systems as the key transport facilities. In new development areas, the Government should first consider the feasibility of building a railway when doing the planning. New towns, railways, housing and roads should be built simultaneously so as to reduce the demand for road transport. The Government should also actively study the feasibility of promoting other low-pollution vehicles, such as trolley buses, power-cell cars and LPG light buses. However, there must be sufficient facilities to support such modes of transport and the Government must maintain effective communication with the industry and offer incentives such as some tax measures to attract operators to participate in the new venture.

The Democratic Party has been advocating fair competition among different modes of public transport so as to protect the right of the citizens to choices. However, the traffic congestion problem in Central has shown that there has emerged vicious competition in public transport services, resulting in the citizens bearing the social cost of such vicious competition. The Government must assume a regulatory role to ensure that a balance can be struck between the right of the citizens to choose and the impact of vehicular traffic on the environment. Moreover, the Democratic Party has been urging the Government to put into practice the idea of providing transport interchanges. However, the Government has shied away from any active action in this respect on the pretext of a mismatch in toll measures and land-use planning. The Democratic Party urges the Government to positively study this idea as soon as possible so as to ameliorate the congestion of our roads.

We deem the noise pollution problem very serious and must not be ignored. The study report points out that by 2016, there would be a 50% increase in the number of people living under excessive noise pollution as compared with 1997. Though the Government will conduct environmental impact assessments for the construction of all main roads in the future, the lack of supervisory manpower and measures to abate noise pollution will result in the life of the citizens being greatly affected. The Democratic Party proposes that the Government should increase supervisory staff to monitor the projects concerned. We also suggest the implementation of all the noise abatement measures so as to minimize the noise pollution produced during the construction and also in the subsequent use of the roads. The Government has also promised to start the consultation on the "feasibility study of measures to abate current road traffic noises" by the end of this year. There is still no sight of this consultation. The Democratic Party therefore hopes that the Government would honour its promise as soon as possible.

Miss Christine LOH has moved a number of specific amendments to the original motion. Though the Democratic Party greatly supports some of the amendments, we opine that issues like road pricing should be seriously and carefully studied. Further, Miss LOH has proposed to delete "fair competition", which is a very important principle in the whole transport system, therefore, the Democratic Party cannot support this amendment.

Thank you, Mr Deputy.

MR CHAN WING-CHAN (in Cantonese): Mr Deputy, I wish to discuss the room for future development for the various modes of public transport. When we consider the long-term transport policy of Hong Kong, we must first consider the question of how to provide adequate means of transport to move passengers to their respective destinations. Hong Kong has limited land and a huge population; for this reason mass transit systems naturally become the first choice. It is also the case in other cities with similar traffic congestion problems. However, railways are much less flexible than other modes of public transport. Therefore, we must not underestimate Hong Kong residents' demand for the service of franchised buses, light buses and taxis.

The CTS-3 concluded that the importance of the railway would be further elevated, projecting that the railway patronage would increase to 50% of the total passenger volume by 2016 from 33% in 1997. There will be this huge increase because railways will in the future serve the most busy routes, housing in future new towns will be built in the vicinity of railway stations, or new towns will be built as large-scale public transport centres. This policy obviously will greatly facilitate public access to the various railway stations. The Federation of Trade Unions and the Democratic Alliance for the Betterment of Hong Kong (DAB) endorse the priority development of a rail-based system to meet major public transport demand, and to increase the attraction of new towns. However, the Government must be cautioned against railways monopolizing the market, or to unintentionally stifle competition from other forms of public transport. There are reasons for this. If rail service is interrupted, such as the failure of the signalling system of the Airport Railway on the 5th and 12th of last month, its passenger carrying capacity will immediately be reduced to zero. Also, each railway line will be saturated in a number of years, and measures such as expansion or replacement of the signalling system might not be able to meet increased public demand immediately. Such problems can only be solved with the help of other modes of transport. To ensure that external transport of the various districts will never be totally paralyzed, we must not think that all problems can be solved by building railways alone.

So, it is still necessary to build trunk roads so that other road-based transport services still have room for development. A perfect franchised bus network is only possible with a perfect road network. Naturally, apart from franchised buses, non-franchised bus service in fact plays a rather important role. Though non-franchised buses basically serving housing estates do at present create some congestion problems in the business districts of Hong Kong during the morning peak hours, they are welcomed by many residents. They not only supplement the franchised bus service in a flexible manner, but also play a part in spurring franchised bus companies to improve their service. Therefore any future plans for business districts should take care of the need for bus stops for non-franchised buses.

As to light buses and taxis, I believe the most important task for the Government is to properly assist the operators to switch to new types of vehicles. Even though from the angle of use of road surface, light buses and taxis are far less efficient road users than railways and buses, they actually carry a large number of passengers, close to 29% of the total, and they provide a convenient

service. While there are plans to introduce compulsory use of LPG-powered cars as taxis, the Government must proactively do its part well in ensuring adequate supporting facilities are provided when implementing the plans in the future.

The issues of LPG filling stations and LPG prices have been discussed both inside and outside the Legislative Council on a number of occasions. It is hoped that the Government would actively follow up the issues so that services will not be affected in the future. Further, the Government should pay due attention to the problem of the vehicle replacement costs for the operators. We all know that the prices of taxi and light bus licences have fallen significantly, and many licence holders have even joined the ranks of negative-asset owners. They will have much difficulty in securing bank loans; that Hong Kong economy has not yet fully recovered does not help either. A survey just completed by the DAB confirms that 60% of the citizens are taking less taxi trips, meaning that income for the taxi industry has dropped. To require taxi operators to switch to LPG cars at this juncture will force make them worry if they can afford the possible hefty price rise when they buy their new vehicles. It was a pity that in his reply to my question last time, the Secretary for Transport said that vehicle prices would be dictated by the market, meaning that there was no solution in this respect. However, if the prices of LPG cars really rise sharply, there will be resentment in society; and it will also affect the progress in the light bus industry switching to LPG vehicles. The Government should seek to import more types of vehicles to Hong Kong so as to create competition among suppliers. This would relieve the worries and burden of the vehicle owners.

What is more, the Government must be even-handed, and should not again do something like banning other modes of public transport after the commissioning of the Light Rail, as it did in the past, so that citizens will have more choices.

I so submit. Thank you, Mr Deputy.

MR AMBROSE CHEUNG (in Cantonese): Mr Deputy, in this debate I wish to first focus on the state of affairs of our railway development, and then examine if the Government has done properly in its planning for railway development, and the relevant project design and supervision.

We would begin by reviewing what happened in the past decade, and then try to project into the next. Looking back at the past decade, the Government published the "White Paper on Transport Policy" in the early '90s, then the railway study report and the related consultation in 1993, and the recent mass transport study report. We can see that a very specific approach was adopted to give railways a key and priority role in solving our transport problems. I agree with this general direction. I am also aware that works on the Ma On Shan railway, Tsim Sha Tsui and Lok Ma Chau branch lines will soon start, while the West Rail project has already commenced.

I wish to cite three examples to show that the Government often makes mistakes in planning and supervision. The West Rail is the first example. In 1993 and 1994, the Government began to speed up the West Rail project, but we could see that there were problems in its planning. By 1993 and 1994, the West Kowloon reclamation work that began in 1989 was almost completed, and the alignment for Route 3, a key component of the new airport transport network, was finalized and the relevant works started. As the planning was at that time, there had in fact been foul-ups in the co-ordination of the alignment for the Northwest Railway, Route 3 and West Kowloon reclamation projects. As a result, when the West Rail was planned, its alignment was subjected to great constraints. So what has been the effect of such constraints? First, the West Rail can only be built on the residential side of Route 3, affecting the whole of Sham Shui Po District, and the entire strip from Nam Cheong Estate to Mei Foo Sun Chuen, the positioning of the Mei Foo Station in particular. Second, the Government broke its promise of putting in place a 150-metre-wide buffer zone between Route 3 and the residential strip from Nam Cheong Estate to Mei Foo Sun Chuen. Third, Phase 2 of Lai Chi Kok Park, already begun, and the remaining portion of the partially completed foundation works for the Urban Council complex, had to be terminated, resulting in a loss of close to \$10 million. Fourth, as the alignment of the West Rail is close to the residential area, the Mei Foo Station is now only about 30 m away from the nearest residential block.

In view of the design difficulties and constraints, we proposed to the Government to build the West Rail underground. The Government, which played a supervisory role, did not heed the views of the residents, but turned around to support building the West Rail on the surface. What I can say here is that the surface railway scheme we shall see in operation later is built with an easy and low-cost design, but that design is not the best one in terms of protecting the living environment and overall interests of the residents. This example shows that the Government often blundered in planning.

Another example is the Tsim Sha Tsui branch line, a case we have discussed for a number of years. From the proposals made in respect of the West Rail in the past two years, we can see that the alignment of the West Rail also affects the seven to eight facilities along the Tsim Sha Tsui branch line, such as the Museum of Science and Technology and parks within Tsim Sha Tsui District, including the Signal Hill Park. These examples repeatedly show that the design of the West Rail fails not only to meet the expectations of this Council, but is also not up to professional standards because the project cannot in fact meet the requirements specified by the Architectural Services Department. In other words, from these planning and design, we can see that the Government needs to exert itself and do better.

I wish to cite one more example. I wish to examine if the Government is playing an adequate regulatory role from the preparatory work for floating the shares of the MTRC. I think that we can notice from two things that government regulation is inadequate. The first thing is that the framework agreement at present under study by the Government and the MTRC does not include a suitable medium-term review, as I would call it. As a mass transit system, there should be a review every 10 years to examine if the network can continue to meet the demands of the public because in five or 10 years, there could be new technology, upgraded quality of service and raised public expectations. If there does not exist a voluntary medium-term review, doubts will arise in the future as to whether the MRTC has made appropriate arrangements in respect of investment, service, carriage or station designs.

The last thing is the confusing supervisory role of the Government which, being a major shareholder, is also responsible for monitoring the role of minor shareholders. If, after the listing of the MTRC, the Government asks the Corporation to build a new line, then insofar as listing rules are concerned, that would constitute a major and relevant issue. As the new line is to be built at the Government's request, the Government may not make the decision even it is a major shareholder. The decision must be made by the small shareholders holding the 49% stake. In fact such requirements are stipulated in the ordinance in respect of the stock exchange. At present, the Bills Committee has not been able to propose a detailed scheme to solve this problem.

With this speech, Mr Deputy, I hope to urge the Government to improve on its supervisory and planning work in respect of the mass transit systems. Thank you, Mr Deputy.

MR LEUNG YIU-CHUNG (in Cantonese): Mr Deputy, we are discussing the issue of long-term transport strategy. Many colleagues have said that to achieve this goal, there must be good co-ordination between town planning and transport policy. Actually, I think that as far as long-term transport strategy is concerned, we must first affirm a couple of objectives. Firstly, it should lead to improvements in both air and noise pollution at present generated by the transport system. Secondly, it should provide a cost effective and efficient transport network that is affordable to the citizens, so that they can enjoy a more convenient transport system. We must first establish these two main objectives.

Many colleagues have said just now that we need a combination of measures to improve air quality and abate noise pollution. Among such measures is the better use of the natural environment, as has been mentioned in today's amendment, such as building more of the transport system underground, or the separation of pedestrian and vehicular traffic. These are good ways to reduce environmental pollution. I can also recall that the Secretary for Planning, Environment and Lands said last month that the old "grid pattern" should no longer be used in future town planning, that is, roads should no longer be built before houses. It is because that was not considered flexible enough, and would impose constraints on planning, making it difficult for both polluted air and noise to dissipate. If the old ways are changed, there could be improvement indeed to the problems of both air and noise pollution.

However, while we are talking about improving the environment, we must remember that the most important point is whether we can provide an affordable transport network that is cost effective, efficient and convenient. This point is actually very important, being also the theme of today's debate. Mr Deputy, the core issue is in fact: Can we have a "people-oriented" transport strategy?

When we studied transport policies in the past, we often considered the issue from a single perspective, and not from the angle of overall public interest, or from a "people-oriented" angle. This brought unsatisfactory results. Many colleagues said just now that our transport network, the several MTR lines, and the operation of the bus companies, including their levels of fares, in fact cannot

meet public expectations. The development in these respects has all along been the subject of criticism. Therefore, I think it is most important that we understand how we can make this transport strategy "people's oriented".

In the past, when dealing with the various problems in our transport system, be it fares or other development, the Government very much depended on the views of the TAC. As a result, citizens lacked the opportunity to participate in the deliberation process, because TAC members are all individuals and professionals appointed by the Government. There is absolutely no public participation. I hope that while we are discussing the long-term transport strategy, we can also talk about how to provide more opportunities and channels for the public to take part in the discussion on transport strategy. For example, as members of local councils, we often discuss matters relating to bus routes, light bus routes and fares. In this respect, I think that it is imperative for the Government to provide more channels for more citizens to voice their views through involvement in district organizations, so as to achieve effective community development. I feel that the Government has done inadequately in this respect. I hope it would strength its relevant effort.

Further, I still hope that the overall policy-making process of the Government could be made more open. I think the TAC with its present composition is still a closed organization, not open enough. I hope that the Government could try to think about this issue, and let more people participate in the work of the TAC. As the theme of the present debate is to have a "people-oriented" strategy, if the policies of the Government still have a narrow range of targets, they will contravene the basic principle. Many large public transport companies apparently seem to heed public opinions a lot, but this is only a public relations ploy, a form of publicity. In some views-collecting tea parties, for example, they only listen to the views of the citizens on "minor" issues; when it comes to major principles and important policies, they always go their way. I hope that these big companies will discontinue such practice of window-dressing while remaining closed in respect of real and crucial problems. Otherwise, we cannot achieve the goal of having a "people-oriented" strategy as the motion urges.

Mr Deputy, I so submit.

MR FUNG CHI-KIN (in Cantonese): Mr Deputy, the debate on the motion moved by Mrs Miriam LAU and the amendments by two other Members today focuses on the long-term transport strategy and the ways to improve services and protect the environment. I think that in transport strategy, we must first acknowledge that the Government has done a lot over the years, and we should recognize its achievements in this respect. Nowadays, citizens taking buses feel that the trips are more comfortable and pleasurable. Nevertheless, some problems never stop surfacing. We often plan long term, but problems keep popping up before our eyes.

Before today's debate, I read a document issued in March which mentioned that the community thought there existed many traffic congestion black spots, particularly in Central, Wan Chai, Causeway Bay and Mong Kok, and the Government had proposed many ideas to ameliorate the situation. However, the present case is that the situation is worsening, especially in Central where hundreds of thousands of people work and live. Looking at the buses and light buses, I both love and hate them. We are comfortable inside the vehicles, but we are infuriated when we are stranded in traffic jams. Pedestrians crossing the roads have to hold their noses, and also cover their mouths or put on masks. In the circumstances, the strategy of the Government will basically need to address a number of problems. Firstly, it must promote competition to provide more modes of transport for the people to choose. But it must not be overdone to bring about vicious competition, resulting in all the operators putting all their assets on the roads, and using the biggest possible vehicles. Secondly, while making available competitive and efficient services, how can attention be suitably paid to the protection of the environment? Some Members mentioned that the best way is to designate more pedestrian precincts. Even though Hong Kong is a small place, we cannot always walk. I often walk between Central and Sheung Wan. For such trips, I rarely take my car because driving annoys me and needs even more time. But sometimes I get so exerted from walking that I pant. So even it is people-oriented, we cannot only tell people to walk, or what is commonly called "taking bus route No. 11". Therefore we can consider the issue of protecting the environment in a suitable way, and cannot turn everywhere a pedestrian precinct where no cars are allowed. Otherwise the industry represented by Mrs LAU would see disaster. The third issue is that when we need to solve some long-term problems and some immediate ones, we have to look at the balance between the commitment on the part of the Government and that of the citizens. The Government might think land needs to be reclaimed from the sea for more roads and railways. This will

involve huge investments. From the angle of community commitment, this burden will eventually fall on the citizens. In other words, it will add to the social cost. In that case, how can the citizens afford to shoulder such burden?

Mr Albert HO hopes that we need suitable and reasonable fares, that is, to "have the cake and eat it too". I work in Central and I am not going to talk about lofty principles, but I hope that when the Government considers the long-term strategy, it could also learn the "mixed long-term and short-term trick" from the financial sector, and will sometimes do things the short-term way. It is said that in view of the environment in Central, professionals do not like to work in Hong Kong, and that "gwai lo" very much dislike Hong Kong. I am sorry, I should not have use the term "gwai lo", but then they also call themselves "gwai lo". Give that Central is a place with such a concentration of humanity, we also hope that Hong Kong can provide a good working environment. In that case, how can we concentrate our effort on cracking this black spot in Central? At present, Central is the battlefield of buses and light buses. How are we going to improve this? I think the Government should rack more brains instead of dilly-dallying and waiting.

Of course, I cannot claim to be an expert. But I feel that many people are now thinking that a transport interchange should be set up. Can we consider for Central the method used in directing crowds leaving the Hong Kong Stadium at the end of an event? At the end of a working day, no matter where the citizens wish to go, vehicles do not necessarily go in the direction of Queensway or Western District. It is heard that the Sai Ying Pun Stadium is basically a disused one, and the whole structure seems to be a waste. As a matter of fact, there are some places that can be turned into transport interchanges. When vehicles reach Central, why can they not first scatter so that people do not have to wait for the different routes of buses. Some are waiting for No. 916, some for No. 217, and everybody is craning their heads around while the vehicles are empty, without any passenger. I think that as far as existing resources are concerned, the vast open space at the HMS Tamar naval base is available; can the Government consider getting all vehicles there before directing them to take specific routes to the old tunnel in Eastern District or to Sai Ying Pun? The only problem that remains to be solved involves the Mid-levels. But an electric escalator is already provided leading up there, so it needs only a small number of buses and light buses. The overall plan is not affected.

As Central is the place where hundreds of thousands of people work and go, why does the Government not immediately introduce effective measures to let everybody feel that the environment has improved? I think that the Government must take a leading role and create a place to experiment this way of handling the problem, that is, to try to use the method of directing crowds away from the Happy Valley Race Course or the Hong Kong Stadium at the end of an event, instead of letting people crowd at bus stops where buses have a lot of trouble entering and leaving. I think that to those working in Central, actions trying to solve some immediate problems are much preferable to official eloquence. I hope that citizens could be convinced that the Government has the determination to consider efficiency, consider service and also consider protecting the environment. This is my personal view as a member of the public. Thank you, Mr Deputy.

MR ANDREW CHENG (in Cantonese): Mr Deputy, the Democratic Party has been very much concerned about the "priority development of rail transport" and the "promotion of fair competition among the different modes of public transport", two objectives recommended in the transport strategy. The reason is that the Government should find it really difficult to achieve these two seemingly contradictory objectives. The report has not given detailed explanation as to what mechanism and measures the Government will introduce to implement the policy.

For reasons of environmental protection and cost effectiveness, the Democratic Party agrees that Hong Kong should give priority to the development of a railway network so that the existing railway system will be made even better. A perfect railway network will not only drive development in new districts, but also help reduce congestion in road-based traffic as well as greatly reducing the time needed for people to travel. Though rail development merits encouragement and support, the functions of and the benefits brought about by competition among the different modes of public transport must not be ignored by the Government. It is definitely necessary to maintain fair competition among public transport operators so as to protect the public's right to choices.

Mr Deputy, the transport strategy contains detailed explanations on how rail development is to be given priority. For instance, the Government aims to raise the number of rail passengers as a percentage of total passenger volume from the 33% in 1997 to 40% to 50% by 2016, by which time, the passenger transport system would be rail-based with other modes of transport providing feeder services so that the railway system generates the greatest effectiveness. It is obvious that with promotion by the Government, rail will gradually monopolize the transport market in Hong Kong. And what makes the Democratic Party more concerned is, after the public listing of the MTRC, with its monopolistic edge in competition and without proper supervision, how can passenger interests be safeguarded?

Mr Deputy, in response to the indication by the Government that benign competition between the MTRC and other modes of public transport would be promoted, the Consumer Council had the following statement: "As a promoter of the fair competition policy, the Consumer Council welcomes the Government's promise that the rights and interests of the consumers will be protected through a competition mechanism; the Consumer Council however is concerned that the policy the Government will make has to aim to concurrently achieve different or even contradictory objectives. As government policies often have a bearing on competition in the market, whether the anticipated benefits from market competition can be realized depends on thorough implementation by the Government of its policy, and also on other policies not undermining the benefits to be brought about by the competition mechanism."

Mr Deputy, the Consumer Council is aware that important public policy consideration is involved in giving railway development the priority, for example, rail transport can improve the cost effectiveness of the whole transport system and cut pollution. However, in our consideration of these factors, we must ensure that various modes of transport can compete in a completely level playing field and that there are different modes of transport at reasonable fares at the public's choice. This is of particular relevance with the future railway lines.

Mr Deputy, the Democratic Party urges the Government to listen to the views of the Consumer Council and introduce measures to thoroughly implement the two policies recommended in the long-term transport strategy, that is, "to give priority to rail development" and "to promote fair competition among various modes of public transport".

With these remarks, Mr Deputy, I support the amendment of Mr Albert HO.

MR SIN CHUNG-KAI (in Cantonese): Mr Deputy, I do not have in-depth knowledge of transport issues, so I do not talk about transport from a transport angle, but from an information technology (IT) angle.

I am not talking about this issue for the sake of talking about it. In fact, IT is of great help to transport and environmental protection. The global positioning system (GPS) is already being used worldwide, in major countries in particular, to help drivers reach their destinations via the shortest routes. I think that there is such a need in Hong Kong, and the Transport Department (TD) might have already begun studies in this respect. I took a pleasure trip to Japan in the summer and noticed that the Japanese have produced many gadgets to be hung in front of drivers to give them maps and directions. If such a system can be introduced into Hong Kong, professional drivers will find it particularly helpful. For example, taxi drivers can make use of the system to avoid entering congested areas. With such a system, the TD or various departments involved in traffic management can report traffic situations more quickly and accurately, thereby reducing traffic congestion on our roads, or even pollution. This will please Miss Christine LOH. I believe the Government should seriously consider how to facilitate such development in Hong Kong.

The second point I wish to talk about is that we need a well-based database before such an IT system could be developed. At present, many government departments, such as the Highways Department, TD and Buildings Department, and even public utility companies, use different databases in producing maps that show buildings and facilities. The Government should in fact study the introduction of a database with a common interface for private organizations and various government departments. I hope that through the introduction of a road

network or public facility data base with a common interface the development in this area can be helped.

Lastly I wish to talk about the third-generation mobile telephone service. I believe this service will be available by the third quarter next year. It is generally expected that this third-generation mobile phone can provide broadband service for information dissemination. I hope that the traffic management departments will catch this new trend and study ways to utilize such latest technology to supply traffic information via radio stations or the TD so that drivers can more accurately grasp road conditions in order not to unnecessarily burden our roads. For instance, when congestion occurs on a particular road, this information can be provided via the phone.

I hope that the Government could do more in developing the GPS system, the database of maps and roads and the third-generation mobile phone technology. Thank you, Mr Deputy.

MISS CHAN YUEN-HAN (in Cantonese): Mr Deputy, I have in recent years been immensely interested in the topic now under debate. The reason is because I find myself detesting more and more the transport strategy of the Government for this place where I was born and raised. This was once a quiet place; and thanks to the foolish and confused designs by the Government, the quality of our life saw huge changes. I am conscious of the deteriorating air quality of our city, and am suffering a lot from it.

If we carefully study the whole transport strategy or design for Hong Kong, we can see that it is fundamentally not something "people-oriented". The planning was for Hong Kong Island to develop up the hill in the way of having alternate strips of roads and buildings. We can see that even given the best environment, eventually residential buildings are bound to be sandwiched between vehicular roads. The more our society prospers, the more roads we find encircling us. The exhaust and noises produced by vehicles have made the people of this ever-developing city dislike the place all the more.

My office in the Hong Kong Federation of Trade Unions is located in Southeast Kowloon. After the relocation of the airport, I attempted to understand what was the plan of the Government for that area. The first plan of the Government for Southeast Kowloon, I discovered, had made no consideration for the element of "people", and was made merely to suit the requirements of government departments. A stadium and a museum have been planned for a location within the region, also in the vicinity is a four-level road network system. That location is in the Richland Gardens and Telford Gardens area. I am puzzled, though to some degree I understand that if a place has a stadium and a museum, it needs the support of a well-developed road network. But does this require a four-level elevated road system? The Richland Gardens and Telford Gardens are quiet housing estates, but after the development of the old airport site, we shall discover what "marvellous" places they are.

Another example is that in the development of our road networks, the Government has never taken into account the element of "people" and the original environment of the community. When the section of road from Tseung Kwan O to Lei Yue Mun was constructed, the Government completely ignored the fact there was a beautiful beach and a beautiful hot tourist spot there. What the Government did was to build the road on piers right across the Lei Yue Mun strait. It takes just one development project to destroy a lot of things in our city, including our heritage and quality of life. We then launched a campaign, began to care about our town planning and started to ask questions of many government departments. Eventually, an officer of a government department said to me, "Miss CHAN, we have never considered the need of 'people'; all we consider is the need of government departments." I would ask the Secretary not to shake his head. That officer I mentioned is one of his subordinates. I am sorry I offended the Secretary. As it is, the development plan for Southeast Kowloon has been amended by incorporating many of our views. However, there still remains one fatal flaw, and that is what I just mentioned, the roads respectively connecting Tseung Kwan O, Sha Tin and Tsim Sha Tsui East with the urban areas are still of a four-level design.

I wish to commend officers of the Transport Bureau because they accepted many of our views. They said, "All right, let's bury one level below ground." For this, I praise them. I wish to point out, after we have worked for over one year, the authorities are beginning to consider the need of "people", and have agreed to build one level underground. But three levels are still on the surface and over ground. So the bunch of us who care about the district and who live in

the district began to look for alternative sites on behalf of the Government. We chartered a boat and took the officials concerned on board to cruise along the shoreline. We discovered that there are alternatives to the site chosen for the roads. The roads could be built at the Kowloon City Pier because the seabed there is less complicated. But it seems that the Government has to this day been very firm with its plan. I have mentioned all this not with a view to easing our relations with the officials. I have done this simply to state the fact. Are the designs in respect of the development of the whole of Southeast Kowloon, our town planning and our road transport system "people-oriented"? There are a multitude of voices right now, and the Government now seems to listen to dissenting views, so the design for the entire Southeast Kowloon has been subject to repeated revisions. I hope that the Secretary for Transport would stay alert and would not allow a repetition of the mistakes made during the development of West Kowloon or other new towns in the past, that is, the mistakes of not considering the element of "people".

The Secretary is present today. Over the past year and more, I have had many discussions with the departments under his Bureau, hoping to improve the road network for the whole Southeast Kowloon. The original design was to build four elevated roads at the interchange at Telford Gardens and Richland Gardens, though one is now to be built underground, I still hope that the rest would also be put underground as well, and a stadium bigger than the currently designed would be constructed on the surface.

I do hope that the Government would seriously study the proposals. Before all the development in Hong Kong, we used to lead a quiet and comfortable life in cleaner air. Ever since the development, we have had to face the consequential problems, such as the damage to the city and the deterioration of the quality of life. We have not done well in handling such problems. In the long-term transport strategy, I hope that the Government will honour Secretary Gordon SIU's pledge made recently, that future design would be like that in Fan Ling, would be "people-oriented". The last thing we need is a "multi-layered cake" design in which residential buildings are layered with vehicular roads, trapping citizens in the midst of exhaust and noise pollution. When the whole community pursues a better quality of life, when the whole community abhors air and noise pollution, I hope the Secretary would today accede to our requests in respect of the entire design, and build a "people-oriented" road network. Thank you, Mr Deputy.

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

MR EDWARD HO (in Cantonese): Mr Deputy, the debate today is about the long-term transport strategy for Hong Kong. Naturally this debate stems from the report of the Third Comprehensive Transport Study published by the Government. There are two points raised in the report that I welcome, and they are the important relations between land use and transport planning, and the important objective of protecting the environment. This seems to be the first of this kind of comprehensive transport studies to have done so. In the past when we talked about transport, we only discussed the volume of vehicular traffic and how to build roads. I am glad we are now beginning to see and discuss the very important relations among land use, planning and transport.

On many occasions both inside and outside this Chamber, I have talked about the relationship between town planning and transport. From a macroscopic point of view in particular, if the residence and workplaces of the citizens could be planned to be nearer to each other, people do not have to make their daily long trips to and from work, creating congestion on our roads. If we could create more jobs in the future new towns, the number of vehicles on our roads could be reduced, and this could directly cut environmental pollution as well as air and noise pollution. Therefore, this is very important.

The Government has recently recommended to create three priority development areas in the Northeast and Northwest New Territories, namely, Fan Ling North, Kwu Tung North and Hung Shui Kiu. The Planning, Lands and Works Panel of the Legislative Council was briefed on this. However I was disappointed by these three proposed projects, mainly because with a projected population of 340 000 for these new towns, there would only be 47 000 jobs, enough to engage only around 11% of the population. We all know certainly that the population of Hong Kong will continue to increase, and our development must perforce be concentrated in the northern part of the New Territories. If we do not grasp the planning opportunity to create more jobs in the new towns, we will forever face problems and controversies: Should we construct more railways, or should we build more roads? Or how are we going to move people and freight to their workplaces and delivery destinations respectively?

Mr Deputy, in respect of the second point, I was pleased to have heard Secretary SIU say that he hoped to have environmentally-friendly new towns, to have "clear water and blue sky", as also cherished in a booklet, when new towns were to be planned. But I see no such thing for the time being in the three new towns just mentioned by me. When we had the meeting the other day, we expressed our wish for the Government to supply us more sketches or perspective plans to let us see if the idea of having "clear water and blue sky" would be materialized. I like what Mr FUNG Chi-kin said about Central just now. I think that the problems in Central have existed long enough. However, private developers have in fact done a lot, such as connecting virtually all the first floors of the various buildings with overhead walkways. In the eyes of foreigners, our main commercial district has been an example of comparative success. Naturally, road-level pollution and relatively narrow sidewalks are still quite serious problems. Therefore, I hope that the environment in Central could be improved; I also wish the same for the future environment of new towns. To be otherwise would result in similar problems in our new towns. A good solution in fact is for each new town to use pollution-free means of transport in the outskirts of and within new towns, as well as for the transport interchanges. In view of the difficulty in designating pedestrian precincts in the urban areas and the impossibility of turning whole town centres into such precincts, could we consider the proposal of Mrs Miriam LAU to build pedestrian networks underground as the Japanese did? This of course can be done. Some Members mentioned the building of railways which I support wholeheartedly as the current study has given the rail priority. As to ways to regulate fares, I am not going to talk about it because I think there are opportunities in the future for debates on the subject.

As I am running out of speaking time, so I only want to say a few words about the amendment of Miss Christine LOH. I think that there is no need for her to move the amendment, because the original motion of Mrs Miriam LAU already advocates the development of a safe, comfortable, environmentally-friendly and efficient transport system, encompassing also the "people-oriented" element. We do not need to criticize Mrs LAU for highlighting some aspects, or for neglecting others. I think that if there are good recommendations in the study report, we should reinforce and affirm such recommendations instead of singling out certain points for amendment.

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

(No Member responded)

DEPUTY PRESIDENT (in Cantonese): Mrs Miriam LAU, you may now speak on the two amendments. You have five minutes.

MRS MIRIAM LAU (in Cantonese): Mr Deputy, the amendment of Miss Christine LOH apparently stresses environmental protection to the neglect of the transport demand in Hong Kong.

I shall respond to Miss LOH's amendment point by point. Firstly, she proposed to transfer the rail development responsibility from the Highways Department to the Planning Department. I do not have the slightest idea why she wants this. I think that for one department to handle railways and roads can better balance and co-ordinate the development of the two.

Miss LOH suggested to change to more environmentally-friendly mode of freight movement, such as by rail. I agree that the rail should be used as far as possible, I stress, as far as possible. But we must know that the functions of railways and roads are different, and railways cannot replace roads in freight movement. We can look at Germany in this respect. Germany has a perfect railway network, with a line going straight to the port, but rail freight accounts for only 30% of all freight moved in Germany, with the remaining 70% still being carried by trucks. Therefore, in addition to developing moving freight by rail, we must ensure road-based freight movement can operate in a flexible manner. Miss LOH further suggested to require freight movements to be done only in off-peak hours. I think this can be promoted and encouraged; but a mandatory requirement will certainly affect business operation seriously. So we must deal with it carefully. If deliveries are to be made only at night, does this mean that all shops that close for the night must remain open to take the delivery? Miss LOH also raised the issue of electronic road pricing so as to contain the growth of road traffic. About this I have great reservations. It is still unknown if electronic road pricing suits the environment in Hong Kong. I

do not wish, I definitely do not wish to follow the footsteps of Oslo where the sole effect of road pricing is more revenue for their Treasury. Before we have sufficient information, before we have made an in-depth study, we have no reason to give a go-ahead for road pricing at this stage.

Miss LOH further proposed the implementation of the recommendations of the Strategic Environmental Impact Assessment conducted for the Third Comprehensive Transport Study. I must let it be known that I did carefully read the recommendations of the Assessment which in fact include certain highly controversial suggestions, such as the possibility of adopting the quota system of Singapore or some other fiscal means to restrain the increase of vehicles. The Assessment also recommended to peg the air pollution index with regional restrictions on vehicles. All these recommendations have far-reaching consequences, and we must study them prudently, discuss them and give them more thought. If we support the amendment of Miss LOH today, we shall be in a way writing a blank cheque, for other people to put down the amount.

Miss LOH also wishes to delete from my original motion the part on the promotion of fair competition among different means of public transport, and wishes only to promote a rail-based transport system. I think that such suggestions do not help create a balanced transport system, and may even lead to monopolization of the transport market by the rail. This Council has been urging the Government to introduce more competition in the public utilities market. Does Miss LOH only want us to support environmental protection at the expense of fair competition?

Naturally, we all support environmental protection. But what we want is a transport policy with equal emphasis on transport and environmental protection, not a transport policy that is merely subordinate to an environmental policy. In fact, total daily passenger volume carried by our public transport system now reaches 11 million. In 1997, the transport industry, together with its relevant trades, accounted for 9.3% of our gross domestic product. From this figure it can be seen that the transport industry is very closely connected to Hong Kong's social activities and economy. It will be absolutely bad to the overall development of Hong Kong if the transport sector is sacrificed because of the environment.

For the above reasons, I am sure my original motion can better meet the social, economic and environmental needs of Hong Kong people because my motion adequately takes care of both the need of environmental protection and of transport. Therefore, I hope Members would support my original motion and oppose the amendment of Miss LOH.

The amendment moved by Mr Albert HO seeks only to add at the end of the motion that "this Council also urges the Government to play a more proactive monitoring role in Hong Kong's transport strategy to ensure that the quality of public transport services and the levels of fares are reasonable, so as to safeguard the interests of the public". My original motion is otherwise kept intact. His objective, I believe, is shared by all Members, and also has my support. The difference between us is that I do not agree with the approach proposed by him. When he spoke just now, he mentioned that the Government might need to regulate the fares of railways, and there might be debts to be repaid. Maybe we should debate the subject on another occasion, or when the relevant ordinances relating to railways are tabled for amendment. Our objectives are the same, only our approaches are different. I am convinced that the more effective means is to promote fair competition, through which to improve the quality of public transport services and to lower the fares. As we share the same objective, I will support Mr HO's amendment.

SECRETARY FOR TRANSPORT (in Cantonese): Mr Deputy, this is the last meeting of the Legislative Council in the 20th century and it is timely for us to hold a motion debate over our new transport strategy this afternoon. Our long-term transport strategy will help Hong Kong move ahead towards the new era, and our mission is to provide a safe, efficient and reliable transport system to meet the economic, social and recreational needs of more than 6 million people in an environmentally-friendly manner.

I would like to thank Members for their valuable views which can help us launch our transport strategy in a more comprehensive manner. As Members' views cover a wide-ranging scope, I cannot respond to all their views *seriatim*. In fact, many specific topics such as the fare increase mechanisms of means of public transport, the feasibility of constructing individual rail links, the proposed cross-boundary freight joint inspection system, the arrangement for the Mei Foo Station of the West Rail, buses jamming Central and Wan Chai as well as the

ferry policy have often been examined and discussed on other occasions. Thus I will not repeat the points today. Yet, I would like to take this opportunity to clarify the misunderstandings of the community of our new transport strategy.

Mr Deputy, perhaps I should brief Members on the background of the formulation of this strategy first. Actually, we revise our transport strategy regularly in order to meet the current community expectations and to map out a blueprint for long-term development. More than two years ago, on the basis of the re-evaluation of the population figure and the needs of urban development, the Government commissioned the Third Comprehensive Transport Study (CTS-3) that started in August 1997 to assess the transport needs of Hong Kong up to 2016. The Study was completed in September this year. Using different growth forecasts, it has mapped out a blueprint for the development of the transport infrastructure. The Study also provides forecast data on the comprehensive transport situation to facilitate the Government's formulation of balanced transport strategies applicable until the next century. The "Hong Kong Moving Ahead: A Transport Strategy for the Future" published in October is based upon the 1990 White Paper on Transport Policy, and it specifies the principles of the future transport policy. The three guiding principles specified in the 1990 White Paper on Transport Policy are as follows:

- (1) improving transport infrastructure;
- (2) expanding and improving public transport; and
- (3) managing road use.

The sole objective of these three guiding principles is to make transport policies that meet the needs of the development of Hong Kong and our population. As these principles are well-tested, the long-term transport strategy has carried on the spirit of these principles. In response to the ever-changing community expectations and to ensure that our transport policy can facilitate the continued development of Hong Kong, our new policy includes the following five key policy areas:

- (1) better integration of transport and town planning;
- (2) better use of railways as the backbone of our passenger transport system;

- (3) better public transport services and facilities;
- (4) better use of advanced technologies in transport management; and
- (5) better environmental protection.

The new "Moving Ahead" strategy has carried on the principles of the 1990 White Paper and includes five key policies to realize these principles. The timetable for implementation of these key policies will be set out in detail in the Policy Objectives booklet published annually by the Transport Bureau, and the relevant arrangements will suit the actual needs of the community at that time.

I believe few people will have doubts about the principle of providing transport infrastructure in a timely and cost-effective manner, with due regard for the environment. But the problem is how a balance can be struck in enforcing the principle. Surely we have to provide adequate transport facilities to meet the needs of the local population when a new town is developed. The CTS-3 has also made proposals on the highways needed by new developments, and we will review the need of building highways from time to time, and provide transport infrastructure when suitable as well as adequate diversified transport services. More importantly, we must provide railway services as soon as possible to satisfy the external transport needs of the new development areas. As we have to utilize valuable social resources to make investments in railways, we must ensure that the population served by railways will be sufficient to maintain the operation of railways in the long run. Putting this simply, the population along a new railway corridor must ultimately reach around 500 000 while the population level required for the extensions of the existing railway lines will be somewhat lower. But I must stress that this does not mean that the relevant districts must reach the highest population target within a short period of time, especially at the initial stages of planned development, for this is not necessary. For example, when the Administration planned the construction of the Tseung Kwan O MTR Extension, the Tseung Kwan O new town had a population of only 150 000, and when the Tseung Kwan O MTR Extension opens to traffic in 2002, the population of the district will only be slightly more than half of the forecast maximum population level. Similarly, even though the population of North Lantau keeps increasing, it is much less than the maximum level. Nevertheless, a railway started providing services in the district last year. It has been clearly stated in our strategy that we should better integrate transport and town planning to ensure that the newly developed districts are provided with

adequate transport services within a reasonable time period. To this end, we will actively incorporate transport planning into town planning, and when we revise the standards and criteria of planning in Hong Kong, we will re-determine and review the standards of transport planning.

The new strategy will place greater emphasis on the needs of pedestrians in transport and land use planning because walking is the most environmentally-friendly mode of transport at the local level. When the Administration makes plans for new development areas, it will provide suitable pedestrian facilities such as grade-separated walkways, pedestrianizing selected zones and comfortable space for walking. Moreover, we will provide passenger conveyors to co-ordinate environmentally-friendly means of transport. Therefore, we believe that the environment for pedestrians in future new towns will be greatly improved.

What measures do we have for developed areas? We will improve the existing pedestrian facilities including pedestrianizing selected roads for environment or road safety considerations and we will also construct foot-bridges or new subways. For instance, we are going to pedestrianize selected zones in Causeway Bay, Tsim Sha Tsui and Mong Kok and are conducting the relevant feasibility studies. We expect to gradually implement these schemes in the first quarter of the coming year. We are also planning to expand the existing pedestrian bridge systems in Wan Chai North, Central, Admiralty and Tsuen Wan.

The community in general has misunderstandings of our new strategy concerning the priority given to railway development. Railways are environmentally-friendly and efficient mass carriers and the railway is therefore one of the key points of our strategy. Our key task is to advocate better use of railways so that railways will form the backbone of our passenger transport system. To achieve this major objective, we will encourage the community to use railways more by the following means. We will continue to make huge investments in the construction of new railways. In the next five years, we will utilize over \$100 billion to develop six new railway lines. A few months ago, I said that we would only construct five railway lines, and I said so again a year ago but I am now saying that six railway lines will be built. Therefore, the development of railways is not an empty talk. It is actually in progress. In the next five years, the six railways will be completed one after another and serve the public.

When we carry out town planning, we will concentrate on the development areas in the railway corridors and we will provide comprehensive pedestrian facilities that will link up these areas and the adjacent development projects. We will also provide public transport interchanges and park-and-ride facilities at suitable railway hubs so that passengers can easily switch to other means of transport. When designing the bus service networks, we will ensure the co-ordination between new railways and bus services so that buses will most effectively feed passengers to railway stations. These measures will also encourage the community to use railways more. Some say that the Government should not build new highways in order to give priority to the development of railways and minimize the impacts of highways on the environment. We must understand that while highways and railways serve different functions, they can be complementary to each other. Highways are essential facilities for commercial vehicles in the freight and services industries as well as emergency vehicles, and their functions can hardly be substituted by railway systems. Actually, if we only have railway systems, once the systems break down and there are no supplementary means of road transport, what will our traffic conditions become? Some places are far from railway stations and people have to rely on the road systems. The biggest merit of highways is flexibility. As I have said, we need highways to allow other means of transport to feed passengers to railway stations. Certainly, the community is concerned about the environmental impact of highways and we fully appreciate this. Therefore, we will establish a mechanism to prudently evaluate the actual needs and timetable of construction of individual highways proposed in the CTS-3 before constructing them. Our objective is not only to provide the relevant facilities as a usual practice on the basis of established forecasts. When deciding whether we will implement the individual highway projects proposed in the CTS-3, we will carefully consider other reasonable and feasible methods before constructing the necessary highways.

Mr Deputy, I would like to take this opportunity to elaborate the co-ordination of various means of public transport under the new transport strategy, including the balance between railway and bus services about which Members are particularly concerned. The Government's policy is to ensure that valuable transport resources and road surface can be utilized in the most effective manner. More than 90% of commuters in Hong Kong use public transport. To make more effective use of the limited road surface, we hope to attract more people to give up using private cars and switch to public transport services. The challenge we are facing is how we can suitably balance various transport modes

to better co-ordinate various transport services. On the one hand, we will strive to develop railways to make railways the backbone of the passenger transport system. On the other hand, we will not overlook the fact that commuters should be given reasonable choices. However, while we advocate the effective use of railways, it does not mean that we will intentionally suppress competition from other transport modes. With the growth in population and people's ever increasing demand for public transport, the passenger volume of various public transport modes will increase. Take the demand for railways and buses as an example, as forecast in the CTS-3, with moderate growth, the passenger volume of railways will increase by 106% from now until 2016. There will be more than double the number of existing railway passengers, and the number of passengers of buses will also increase by 30%. Under the premise of giving priority to the development of railways, the transport functions of franchised buses should not be overlooked for they play an particularly important role in feeding passengers to railway stations. Therefore, there will be appropriate bus services along railway corridors, and we will encourage franchised bus companies to make investments to improve the quality of services. Despite this, as there is limited road surface in Hong Kong, we must provide more interchanges for buses to enhance the efficiency of the bus service network. We are now negotiating with franchised bus companies over the timetable for the implementation of the scheme for the first eight interchanges. We will comprehensively and actively examine Mr FUNG's innovative scheme for forwarding buses in Central.

Concerning other means of public transport such as minibuses, ferries, trams and taxis, although they perform different functions within the whole transport system, they complement one another and provide commuters with various choices. Our objective is to facilitate co-ordination among different transport modes so that each of them can perform its functions while commuters will continue to have choices. Therefore, we will maintain healthy competition among service providers. Although Hong Kong as a world-class city depends on uninterrupted transport services, transport does have impact on our environment. So we must address the public's concern and implement environmentally-friendlier measures. A long-term solution is the better integration of land use and transport planning to reduce transport needs and the better use of environmentally-friendly transport modes. We emphasize that we will suit our transport infrastructure and services to the needs of development, rather than the needs of development to transport development. The cart should never be put before the horse. The development of means of transport and the

establishment of the transport infrastructure will meet actual development and economic needs as well as the transport needs of the people. In this regard, the Planning, Environment and Lands Bureau has recently presented an innovative new town development concept. The next stage of new town planning will depend on environmentally-friendlier transport modes such as railways as the backbone of the passenger transport system. New towns such as Fanling North, Kwu Tung North and Hung Shui Kiu will be provided with comfortable pedestrian facilities.

In respect of the use of environmentally-friendlier means of transport and fuel, let us take the schemes for the use of liquefied petroleum gas (LPG) vehicles and electric vehicles as an example. The relevant Policy Bureaux are co-operating closely with the relevant departments in an effort to convert all taxis into LPG taxis by the end of 2005. And the Transport Bureau fully supports the Planning, Environment and Lands Bureau in the conduct of a trial scheme for LPG minibuses. If the consultation with the trade yields a satisfactory outcome, and if there are adequate matching infrastructure and technologies, a pilot scheme will be launched in April next year. The Government is setting up a preparatory committee so that the six-month pilot scheme can begin in the first half of next year as scheduled. We will also conduct a feasibility study on the use of trolley buses in Hong Kong. This study will be conducted by the Transport Bureau and the Transport Department around March and April next year and completed by the end of next year. The studies on various planned developments will explore the feasibility of using other environmentally-friendlier transport modes. Evidently, we have adopted a multi-pronged approach to reduce the impact of transport on the environment.

Before summing up, I would like to discuss cross-boundary traffic. To cope with the flourishing economic and social activities of the Hong Kong Special Administrative Region and the adjoining Guangdong Province, our transport infrastructure, planning and traffic management must take into account future demands in cross-boundary passenger and freight movements. On transport infrastructure, the new Sheung Shui to Lok Ma Chau Spur Line, which is being fast-tracked for completion in 2004, will provide the much-needed relief at the Lo Wu rail crossing. A new road link with the Guangdong Province — the Shenzhen-Hong Kong Western Corridor and the related Hau Hoi Wan link road — is scheduled for completion by 2005.

Regarding cross-boundary freight transport, the CTS-3 states that given the high costs of handling containers, the proposed construction of a freight railway line cannot effectively meet the needs of short-haul freight transport between Hong Kong and the Pearl River Delta regions, and heavy goods vehicles will continue to play a major role in cross-boundary freight transport. As the Government also appreciates the impacts of these vehicles on the environment, it is in active discussions with the freight industry on how vehicle exhaust can be reduced.

Concerning cross-boundary transport management, we will maintain close contacts with the Mainland in respect of cross-boundary traffic and we have taken a series of measures to enhance the efficiency of cross-boundary vehicle checkpoints. Under the first phase facility enhancement scheme at the Lok Ma Chau checkpoint, 10 more pairs of kiosks for immigration and Customs clearance will come into service on 28 December. When these kiosks are opened, Lok Ma Chau can handle 32 000 cross-boundary vehicles daily as compared to the present 19 000. The second phase of the scheme prepared by the Security Bureau is tentatively scheduled to be completed by 2003. The scheme includes the expansion of the immigration hall in Lok Ma Chau, the installation of more x-ray machines for cross-boundary vehicle inspection as well as other improvement works. This will improve the operation of various services at the checkpoint. We will strive to ensure that the transport infrastructure and other relevant facilities can meet the existing and future needs of cross-boundary traffic.

Summing up, the responsibility and objective of the Government is to develop a transport system conducive to the sustained development of Hong Kong. However, the public must understand that whatever choice of transport mode will impact directly on public health and the economic results of Hong Kong. Therefore, we call upon the public to co-operate with the Government in order to achieve the objective of this transport strategy. We will step up publicity and education to let the public understand more and support various transport strategies.

Mr Deputy, I would like to thank Mrs Miriam LAU, Miss Christine LOH and Mr Albert HO once again for moving the motion and amendments in respect of this topic and I would also like to thank the other Members for the views they expressed. We will carefully consider all their views so as to perfect our transport strategy. Thank you, Mr Deputy.

THE PRESIDENT resumed the Chair.

PRESIDENT (in Cantonese): I now call upon Miss Christine LOH to move her amendment to the motion.

MISS CHRISTINE LOH: Madam President, I move that the Honourable Mrs Miriam LAU's motion be amended, as set out on the Agenda.

Miss Christine LOH moved the following amendment: (Translation)

"To delete ", in implementing the various proposals contained in 'Hong Kong Moving Ahead: A Transport Strategy For The Future', to provide a new transport infrastructure in a timely manner to match population growth;" and substitute with "to truly promote a rail-based transport system by fairly evaluating roads versus railways on an economic as well as financial basis and transferring the responsibility for railway development out of Highways Department;"; to delete "conduct" from "conduct people-oriented transport and town planning" and substitute with "promote"; to delete "to promote harmony between people and the environment; to optimize the use of space to achieve" and substitute with "by increasing"; to add "through provision of more street level pedestrianization schemes; to optimize the use of space by putting roads underground wherever possible" after "separation of pedestrian and vehicular traffic"; and to delete "provide sufficient support facilities to facilitate freight movements to maximize the functions of various public transport means and ensure that they have room for development individually; to promote fair competition among different means of public transport to provide choices for the public; and to formulate a timetable for implementing the proposals in the transport strategy, as well as to further explore other forward-looking and innovative initiatives to complement the inadequacies in the existing proposals" and substitute with "promote environmentally-friendlier modes of freight transport such as rail and off-peak hour road deliveries; to manage road traffic growth through road pricing or other traffic management measures; to promote public transport through the use of Intelligent Transport Systems; and to implement the

recommendations of the Strategic Environmental Impact Assessment for the Third Comprehensive Transport Study to avoid the projected deteriorating environmental quality resulting from the current transport strategy". "

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment moved by Miss Christine LOH be made to Mrs Miriam LAU's motion.

I now put the question to you as stated. Will those in favour please raise their hands?

(Members raised their hands)

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

(Members raised their hands)

Mrs Miriam LAU rose to claim a division.

PRESIDENT (in Cantonese): Mrs Miriam LAU has claimed a division. The division bell will ring for three minutes.

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

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

Functional Constituencies:

Mr Kenneth TING, Mr James TIEN, Mr Edward HO, Dr Raymond HO, Mr Eric LI, Mrs Selina CHOW, Mr Ronald ARCELLI, Mr CHAN Kwok-keung, Mr Bernard CHAN, 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 and Mr Timothy FOK voted against the amendment.

Mr Michael HO, Mr LEE Kai-ming, Mr CHEUNG Man-kwong, Mr Ambrose CHEUNG, Mr HUI Cheung-ching, Mr Sin Chung-kai, Mr LAW Chi-kwong, Mr FUNG Chi-kin and Dr TANG Siu-tong abstained.

Geographical Constituencies and Election Committee:

Miss Christine LOH and Mr Andrew WONG voted for the amendment.

Miss CHAN Yuen-han, Mr LEUNG Yiu-chung, Mr LAU Kong-wah, Mr TAM Yiu-chung, Mr HO Sai-chu, Prof NG Ching-fai, Mr CHAN Kam-lam and Mr YEUNG Yiu-chung voted against the amendment.

Miss Cyd HO, Mr Albert HO, Mr Martin LEE, Mr Fred LI, Mr James TO, Dr YEUNG Sum, Mr LAU Chin-shek, Miss Emily LAU, Mr Andrew CHENG, Mr SZETO Wah, Mr David CHU, Mr Ambrose LAU and Miss CHOY So-yuk abstained.

THE PRESIDENT, Mrs Rita FAN, did not cast any vote.

THE PRESIDENT announced that among the Members returned by functional constituencies, 27 were present, 18 were against the amendment and nine abstained; while among the Members returned by geographical constituencies through direct elections and by the Election Committee, 24 were present, two were in favour of the amendment, eight against it and 13 abstained. 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 negatived.

PRESIDENT (in Cantonese): Now that we have dealt with Miss Christine LOH's amendment, Mr Albert HO, you may move your amendment.

MR ALBERT HO (in Cantonese): Madam President, I move that Mrs Miriam LAU's motion be amended, as set out on the Agenda.

Mr Albert HO moved the following amendment: (Translation)

"To add "; this Council also urges the Government to play a more proactive monitoring role in Hong Kong's transport strategy to ensure that the quality of public transport services and the levels of fares are reasonable, so as to safeguard the interests of the public" after "to complement the inadequacies in the existing proposals"."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment moved by Mr Albert HO be made to Mrs Miriam LAU's motion.

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

(Members raised their hands)

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

(Members raised their hands)

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

PRESIDENT (in Cantonese): Mrs Miriam LAU, you may now reply. You have four minutes and three seconds.

MRS MIRIAM LAU (in Cantonese): Madam President, I wish to thank the 14 Members who have spoken on my motion today. I also thank the two Honourable Members for moving their amendments, thereby making the debate on this prosaic subject a lot more lively.

In fact, I think the objective of today's motion has been achieved. I consider this document on the long-term transport strategy of Hong Kong is a very important one, which is underpinned by the Third Comprehensive Transport Study (CTS-3). Such comprehensive transport studies are conducted roughly once every decade, each of which studies the scenario in the next 10 to 15 years. The current one, CTS-3, concerns our transport needs in the next 15 years. I believe that if the strategy is implemented, it can at least meet our needs for 10 or more years. Naturally, I do not dismiss that some changes will be warranted along the way, but there will not be any significant deviation from the major objectives and policies. Therefore, it is important that we must tell the Government whether we support this strategy. If we have any views, we must make them clear to the Government at this stage, so that it can consider them when the strategy is implemented. I believe that the Government has been given a lot of valuable opinions and I hope that the Government could consider such opinions in detail in the implementation of the long-term transport strategy.

This Council has just approved Mr Albert HO's amendment to my motion, signifying that the majority of Members agree that the Government must play a more proactive monitoring role in this transport strategy. I have said in my earlier speech that the motive behind Mr HO's amendment might not be exactly the same as that of my motion; he might be asking the Government to regulate the level of fares charged by public transport more actively, he might even be asking this Council to assume the regulatory role. This subject was debated many times by us in the past. I do not agree with such an approach, but I agree that the Government has a monitoring and regulatory role to play. I also agree that quality public transport services should be ensured, and that the fares should be set at a reasonable level. I opine that the Government can play a more proactive part in monitoring in order to achieve this objective; it can also promote fair competition among all modes of public transport. With only one or two modes of transport, it could easily result in a monopolized market in

which the citizens have little choice, to the detriment of quality improvement and rationalization of fares. I feel that enhanced competition is more effective and acceptable than any direct regulation.

In fact, the general global trend is deregulation on public transport. All countries hope to maintain a reasonable level of fares and to improve the quality of service through market force, consumer choice as well as the competition among the various modes of public transport. Therefore, in my motion I have urged the Government to ensure fair and genuine competition among the various modes of public transport. This objective cannot be achieved by mere expectations or encouragement. The Government must bear the responsibility of devising a reasonable framework to ensure that the various modes of public transport can each play their part, and have their own room for development. Continued improvement to the quality of service can only be achieved through competition within such room for development.

Madam President, I so submit. Thank you.

PRESIDENT (in Cantonese): I now put the question to you and that is: That Mrs Miriam LAU's motion, as amended by Mr Albert HO, be approved. 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)

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

PRESIDENT (in Cantonese): Second motion: Opposing the legalization of gambling on football matches.

OPPOSING THE LEGALIZATION OF GAMBLING ON FOOTBALL MATCHES

MR YEUNG YIU-CHUNG (in Cantonese): Madam President, I move the motion which has been printed on the Agenda.

PRESIDENT (in Cantonese): Mr YEUNG Yiu-chung, do you wish to seek permission for the meeting to be suspended for five minutes and resumed after the public officers have returned to this Chamber?

MR YEUNG YIU-CHUNG (in Cantonese): Are there any public officers in this Chamber?

PRESIDENT (in Cantonese): Mr YEUNG Yiu-chung, do you wish to seek permission for the meeting to be suspended?

(Public officers entered the Chamber at this juncture)

PRESIDENT (in Cantonese): The public officers have just returned to this Chamber. Mr YEUNG Yiu-chung, please continue with your speech.

MR YEUNG YIU-CHUNG (in Cantonese): Thank you, Madam President. Tragically, a sergeant who was deeply in debt because of gambling losses committed suicide yesterday. This was another accusation lodged in blood and tears against the harmful consequences of gambling. The motion on opposing the legalization of gambling on football matches that I move today is absolutely reasonable, well founded, in line with public opinion and backed by relevant tragic incidents. The Democratic Alliance for the Betterment of Hong Kong (DAB) has recently conducted a telephone survey in this connection. Of the 829 people surveyed, 60% opposed the legalization of gambling on football

matches, 63% considered that legalizing gambling on football matches would foster the gambling habit of the population and 75% believed that so doing would encourage youngsters to gamble on football matches. From this we could see that the majority of the people are concerned about the negative effects that legalizing gambling on football matches might have on the community. Furthermore, 60% of the people surveyed were of the opinion that even though the legalization could help to attract more spectators and thus give the sport a boost, it might not necessarily have any positive influence on the football sector since the performance of local football teams would not be enhanced as a result.

The survey also reveals that the majority of the public do not gamble on football matches, since 85% of the people surveyed said they had never participated in any football gambling activities involving money. For this reason, the DAB believes that if the Government should legalize gambling on football matches, it would only serve to give the public more chances to participate in gambling activities, thereby aggravating the undesirable trend towards gambling, in detriment to the healthy development of the younger generation.

A number of opinion surveys have also been conducted by other groups and organizations, and their findings all coincide with that of the DAB. As indicated in the results of one of these surveys, 90% of the interviewees opposed the legalization of gambling on football matches, and more than 80% were of the view that legalizing gambling on football matches would encourage gambling and instil into the younger generation the mentality of taking chances and making gains without pains.

So, the public opinion is distinctly and explicitly opposed to the legalization of gambling on football matches. There is no question of the public opinion being unclear about the issue, defeating a categorical judgement of their stances. As such, the DAB opposes the amendment proposed by the Honourable Miss CHOY So-yuk.

Madam President, people support the legalization of gambling on football matches mainly for the following four reasons.

First reason: Gambling on football matches is a *fait accompli* and could hardly be stopped despite repeated combat efforts, so it would be better putting football gambling activities under legal control to turn the harmful effects into benefits. This argument simply does not hold, given the many unlawful *faits accomplis*. Drug abuse, smuggling, prostitution, abduction of child, violence, copyright piracy and many other activities are offences against the law and they are committed by people in the real world, should we then opt to legalize all those unlawful activities instead of taking any measures to combat them? If illegal football gambling activities could continue to exist despite repeated combat efforts, it would only imply that the efforts we have made were not effective enough. Hence, we should focus our attention on the more effective measures to be taken, instead of ducking out of our responsibility to combat football gambling activities or even conniving at them.

Actually, legalizing gambling on football matches will not help to eradicate illegal football gambling activities but may even turn out the contrary. In the United States, for example, the National Gambling Impact Study Commission Report points that since the Nevada State Government has legalized gambling on sporting events, it should be held responsible for the numerous illegal sports wagering activities. According to the findings of the United States Department of Justice, more often than not states which permit some form of legalized gambling are rife with three times more illegal gambling activities than those states where gambling is outlawed. Given that legal gambling activities are normally accompanied by large-scale publicity campaigns and are well-known to the people, naturally illegal gambling syndicates will turn them to their advantage to save on the publicity expenses and to collect illegal bets on ball games underground. Yet betting with bookmakers is very convenient, and bets can be placed at discount rates, not to mention the wide variety of betting formulas available. All these are the attractions which legal gambling cannot offer; and that is why illegal gambling would not disappear but continue to develop even if there should be legalized gambling. From this we can see that legalizing gambling on football matches to turn the harmful effects into benefits is but wishful thinking. On the home front, although the Hong Kong Jockey Club has been established for many decades with world-class management, off-course betting with bookmakers is still rampant. At present, the betting turnover of bookmakers could amount to as much as 30% to 50% of that of the Jockey Club. But the Jockey Club just could do nothing in the face of this problem which has caused it enormous losses. So, the argument that legalizing gambling on football matches could help to eradicate illegal football wagering is simply not tenable.

Second reason: Given that betting on horse races is permitted, why should betting on football matches not be permitted as well? I should like to ask those people who hold such an argument whether they believe that all forms of gambling should be legalized simply because betting on horse races is legal. Actually, it is not appropriate to equate football wagering to betting on horse races. This is because horse racing, with its long history in Hong Kong, has become a part of people's lives in Hong Kong, so much so that "horse racing and dancing will carry on as usual" is regarded as an important symbol signifying that people's way of life in Hong Kong will remain unchanged after the reunification. Moreover, young people under the age of 18 will not be admitted to the racecourse. However, gambling on football matches is another story. Football is the favourite sport of many young people, and since they are so interested in participating in the sport that it is simply impossible to inhibit their going to football games. On the other hand, if there should be no restrictions, so that young people could also gamble on football matches or watch and play football in the midst of football gamblers, the negative effect on the mental development of our young people would inevitably be grave.

Certainly, the most contentious part of this argument lies in the question of whether legalized gambling activities available in Hong Kong are lacking in variety and thus calling for the gambling industry to be expanded to introduce more forms of legal gambling into Hong Kong. The forms of legal gambling available in Hong Kong at present include horse racing, Mark Six Lottery and mahjong playing. Apart from that, casinos and football betting shops are also available in Macau, our close neighbour. As such, people who are strongly attracted to gambling should have no difficulty in finding something to suit their interest. Given that there are enough vehicles for gamblers to satisfy their needs, we really do not need to have any additional vehicles for gambling. Quite the contrary, the tendency towards gambling is so strong in Hong Kong that measures should be taken to curb its development.

Third reason: Legalizing gambling on football matches will not encourage people to participate in gambling. There has been the view that only those people who are in the habit of wagering on football matches would participate in gambling on football matches, others will not join in even if this form of gambling has been legalized. This argument is tantamount to shutting one's ears when stealing bells, which is an attempt seeking to deceive oneself and other people. According to an American research, following an increase in the forms of legal gambling available in the country, the number of people participating in

gambling activities will also increase. At present, there are members of the community who bet on football matches through some bookmaking syndicates, but certainly the majority of the people do not participate in this form of gambling. If gambling on football matches should be legalized by the Government, it would only serve to encourage members of the public who have never gambled on football matches to join in, thereby increasing the number of football gamblers in Hong Kong.

Fourth reason: This is a measure to enable the Government to earn the revenue which would otherwise be lost through other channels. Some people consider that legalizing gambling on football matches will kill two birds with one stone, since the public could bet on football matches while the Government could collect more tax. However, should we also consider legalizing illegal gambling establishments, trafficking in heroin and other dangerous drugs in order not to lose those illegal earnings to others? As regards increasing government revenue, there should be many viable measures other than legalizing gambling on football matches. Moreover, if the Government could practise frugality and reduce wasting resources, there should be no need for it to consider legalizing gambling of football matches for those betting duty which worth less than half a billion dollars.

Madam President, the key to increase in tax revenue is economic development. The gambling industry cannot help our economy to revive; otherwise, the economic performance of Macau should have surpassed that of ours since a long time ago. To increase tax revenue by legalizing gambling on football matches is tantamount to self-destruction. What is more, it would serve to give international investors the negative impression that we are at our wits' end, so much so that we have to depend on "gambling" for the survival of Hong Kong. This is absolutely detrimental to both the image and the reputation of Hong Kong in the international community. As a matter of fact, to introduce more forms of gambling into Hong Kong will have damaging effects on our economic development, especially at this juncture when the economy has just started to recover. Rather than bestowing any blessing on us, fanning the passion for gambling will only do more harm than good to Hong Kong despite the efforts we have made to sharpen our competitive edge and to facilitate the development of our economy. All in all, this game is just not worth the candle. I demand the Government give us a full explanation of its need to legalize football wagering.

Madam President, legalizing gambling on football matches will definitely encourage more people to participate in gambling activities, thereby causing Hong Kong to incur social costs the enormity of which could hardly be assessed. Not only the families concerned will have to suffer, we will also be paying huge prices in terms of law and order, our young people, the ethos of our society, as well as the image of Hong Kong in the international community. I believe we could all plainly see the social and family tragedies brought about by the habit of gambling. In this connection, an outstanding Red Cross volunteer, being over-indulged in horse betting, has stolen his colleague's credit card to pay off the debts he owed to loan-sharks and thus destroyed completely his own bright future. In another case, a pathological gambler was forced to smuggle for the triads \$0.4 billion worth of illicit drug "ice" just to repay the debt incurred through gambling losses. It is really a shock to learn that, as pointed out by the Audit Commission, gambling and overspending have all along been the major factors accounting for police officers' inability to pay off debts. The number of police officers unable to repay debts incurred through gambling losses have increased by two times since the second half of 1997. However, what worries us most is that the tendency towards gambling on football matches has already spread to schools, seeing that four fifth formers of an Anglo-Chinese secondary school have been caught betting on football matches on the school premises. Many students are unaware that it is an offence to gamble on football matches; however, there are also students who, knowing that football gambling is illegal, still consider that it is fun to bet just a small amount of money. Worse still, a first former has committed suicide after losing his money through gambling. From all these tragic stories we have drawn this single yet profound lesson: Gambling should never be encouraged.

In particular, the legalization of gambling on football matches is not conducive to the long-term development of Hong Kong into a world-class cosmopolitan city. The Chief Executive has proposed to develop Hong Kong into a New York City or London in Asia, but he has never talked about developing Hong Kong into a Las Vegas in Asia or a large casino of Asia. Given that Hong Kong is now striving hard to revive its economy, to legalize gambling on football matches will only serve to act contrary to the objective, concept and direction of this development goal.

Madam President, the Government has been sending out very confusing messages in this connection. On the one hand, it will amend the Gambling Ordinance to tighten the definition of gambling to the effect that it will be an offence to help, abet, incite or impel others to participate in any betting activities. In order to plug the existing loopholes, the Ordinance will also be amended to make it unlawful for merchant vessels to operate casinos in high seas, and for overseas betting shops, including the Macau Jockey Club, to operate in Hong Kong. Yet on the other hand, the Government is also actively considering legalizing a number of gambling activities. On the one hand, the Chief Executive has mentioned in his policy address the need to "create an excellent environment for our younger generations to grow up in" by commending healthy tendencies and rectifying the unhealthy ones, with a view to benefiting our younger generations. On the other hand, however, the Government has recently given approval for the Millenium Sweepstake lottery tickets to be sold at locations other than off-course betting centres and for young people under the age of 18 to enter the racecourse on a racing day. Today, it has even indicated support for the legalization of gambling on football matches. All these self-contradictory acts are indeed perplexing.

With regard to the debates on this legalization issue, the Government must be criticized for the ambiguous attitude and stance it has adopted all along.

The DAB holds that a responsible government should not be that "short-sighted", nor should it focus its attention on profiteering or making fast money. On the contrary, a responsible government should focus its attention on safeguarding the healthy trends in the community, and on safeguarding the long-term interests of Hong Kong as a whole. For this reason, the DAB urges the Government to make it clear that it is opposed to the legalization of gambling on football matches. In addition, the Government should also step up its law enforcement actions and education efforts, with a view to combating effectively any illegal football gambling activities. Moreover, given that tobacco companies and financial investment publications are required by the Government to display respectively on their advertisements the warning messages "smoking is hazardous to health" and "dealing in securities carries risk", and that the Tracker Fund of Hong Kong, which aims at returning wealth to the public, has also warned people that "fund price may fluctuate, investors should be aware of the risk involved", should the Government not also require publications and

advertisements relating to horse racing display the warning that "gambling will do harm to the community"? The DAB hereby urges the Government to step up efforts to give more publicity to the negative effects of gambling, with a view to enabling the public to be fully aware of the harmful impact of gambling.

After all, the legalization of gambling on football matches is an issue involving not only the tax revenue of the Government but also the important question as to what destinations should Hong Kong and its young people be heading towards. This Council must make clear its attitudes towards the issue and adopt a clear stance. I hereby urge Honourable Members to support my motion.

I so submit. Thank you, Madam President.

Mr YEUNG Yiu-chung moved the following motion:

"That this Council opposes the legalization of gambling on football matches, and urges the Government to step up enforcement actions and enhance public education, so as to effectively combat illegal gambling on football matches."

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

Miss CHOY So-yuk 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 Miss CHOY So-yuk to speak and to move her amendment.

MISS CHOY SO-YUK (in Cantonese): Madam President, I move that Mr YEUNG Yiu-chung's motion be amended, as set out on the Agenda. Although I have moved to amend the motion today, it does not necessarily follow that I am in support of the legalization of gambling on football matches. My point is that since the legalization or otherwise of football gambling has all along been a

contentious issue, and the task force set up by the Government to look into the issue is currently conducting a comprehensive review of the existing policies on gambling including the merits and demerits of legalizing gambling on football matches, the Council should adopt a neutral and open-minded attitude to encourage the public to discuss the issue and to listen to their different views they raise instead of rushing into any conclusions at this stage.

The controversy over the legalization of gambling on football matches is mainly related to the following three questions.

Question one: Will the legalization of gambling on football matches serve to encourage more people to participate in gambling? Some believe so. Following the legalization of football wagering, the placing of bets will become more convenient, and wagering information will circulate more extensively, while bankers will put in their best effort to boost the amount of bets. Under the circumstances, naturally people who have a habit of betting on football matches will bet more actively and happily. Even those people who are interested in the sport only will be tempted to bet on a game or two. In the end, the tendency of our community as a whole towards gambling will be fostered.

On the other hand, there has also been the view that the legalization of gambling on football matches should not be regarded as any morally corrupted proposal but a measure to curb illegal football wagering. Perhaps legalization would serve to enhance the appeal of football wagering to the public, but given that betting with bookmakers is often closely associated with problems such as fraud and deception, extortion, as well as other triad activities, legalizing this form of gambling and having it operated and monitored by statutory bodies could at least ensure that businesses are handled in accordance with the reasonable and lawful requirements and system. That way, even though illegal football wagering will not be eradicated completely, the gambling activities that most people are interested in will somehow be put back on course and be separated as far as possible from the illegal dealings of the triads. I believe this should be helpful to combating the development of crime syndicates and their illegal activities, just like the situation when betting on horse races was legalized. So, it is indeed useful to look into whether legalizing football wagering would serve to encourage more people to gamble or prevent gambling activities from being corrupted.

Question two: Will the close relationship between football and gambling activities struck up after the legalization of gambling on football matches give rise to more match-fixing incidents, thereby undermining the sportsmanship of football players and corrupting the football circle? Certainly, given that there are only eight first division football teams in Hong Kong and the dividends involved in football wagering are very limited in amount, football players will very easily be suspected of participating in match-fixing. But the fact remains that regardless of whether football wagering is legalized or not, the problem of match-fixing will still be there. One plain example is that three members of the Hong Kong Football Association playing in the World Cup qualifying match held in Thailand last year have accepted bribes for match-fixing purposes. This is indeed a disgrace to the local football circle. I cannot help but contemplate: If football wagering should be legalized, football players would be further regulated by more rules and regulations and by football fans who bets on the matches. That being the case, would it help to combat effectively the problem of match-fixing, since it would be more difficult for the unlawful elements of society to scheme with unscrupulous football players.

Another point which is equally worth discussing is whether legalized or illegal football wagering could do more harm to the reputation of the football circle in the place concerned. Football wagering is a form of legal gambling in many countries, including Brazil, which has snatched most titles in World Cup Championships; and France, the 1998 World Cup Champion. As regards Britain, while Manchester United was nominated last year as the world's most popular champion football team and football association, the British football fans have always been well-known for their keen interest in football wagering. Could we say that the football circles in these countries are not comparable to that of ours in terms of reputation? Moreover, if we say that legalizing football wagering will serve to undermine the sportsmanship of football players, would we believe that sportsmanship could still be enhanced even though people are flocking to the Yau Tsim Mong District every night to participate in the illegal football gambling activities that could hardly be eradicated despite repeated government actions?

Question three: Is it necessary to oppose indiscriminately all forms of football gambling? As I said before, given the small scale of our local football league, legalization may not be a feasible alternative because it is very easy to manipulate both the result and the betting pool of matches. However, with regard to matches of the English Premier League, the Italian Soccer League, the

Spanish Soccer League, the Bundesliga, the European Cup, the Latin American Cup and the World Cup, given the large number of participating football teams and the keen competition involved, the betting pools concerned will certainly be considerable. Moreover, many of the famous football players could make use of their fame and image to make extra money in addition to their handsome remuneration packages, there should be hardly any incentive for them to accept bribes. Hence, it is quite unlikely for the result or the betting pool of the matches concerned to be manipulated. So, is it necessary for the Government to ban gambling on local and international football matches altogether? Could the Government considering taking a middle-of-the-road approach and allow certain specified agencies to accept bets on a number of significant international events such as the World Cup Finals under certain conditions such as bets ceiling and age requirements, so that the public could participate in some harmless football gambling activities? I think this question merits our consideration.

Madam President, although I stress that the legalization of football wagering is a very contentious issue, I am not saying that football wagering should be legalized (or should be legalized at this stage). My focus of attention is whether legalization will do more harm than good to Hong Kong as a measure to curb illegal football wagering and other related illegal activities and a measure to safeguard the interests of football gamblers, the lawful returns and charitable donations of the Hong Kong Jockey Club, as well as the tax revenue of the Government. In addition, regardless of what decision the Government will come up with, it should conduct in-depth research into the social costs of football wagering, including the effects of football wagering on crime rates, tax revenue, pathological gamblers, financial conditions of grass-root families, as well as marital and parent-child relations, with a view to giving a comprehensive and clear account to the people of Hong Kong, regardless of whether they support or oppose gambling on football matches.

Certainly, before coming to any policy decisions regarding the issue, the Government should step up its law enforcement actions and civic education efforts to combat illegal football gambling activities. As a matter of fact, the actions taken by the Government in this connection have not been very effective. In its answer to a question for written reply raised by me in this Council earlier on, the Government disclosed that the police had conducted 15 successful raids against illegal bookmaking on soccer over the past three years and seized a total of more than \$30,000 cash and over \$50 million bets on credits. However, according to an estimation made by the Hong Kong Football Association, the

total amount of bets placed by the people of Hong Kong on the English Premier League match between Manchester United and Chelsea alone had exceeded \$100 million. In view of the considerable amount of bets placed by the public on football matches and their craze for this form of gambling, we could plainly see that the Government has committed too limited resources and determination to combating illegal football gambling activities. Hence, the Government should expeditiously improve the manpower deployment, intelligence work and raid planning of the Police Force in this respect, and step up action to prevent law enforcement agencies from taking part in the illegal activities concerned.

Madam President, I so submit.

Miss CHOY So-yuk moved the following amendment:

"To delete "opposes" and substitute with "urges the Government to carefully study and consider the views of the public, including conducting opinion surveys to gauge public opinion, before deciding on"; and to delete ", and" after "gambling on football matches" and substitute with "; in the meantime, this Council"."

PRESIDENT (in Cantonese): I now propose the question to you and that is: That the amendment, moved by Miss CHOY So-yuk to Mr YEUNG Yiu-chung's motion, be passed.

We will now proceed to a joint debate.

MR CHEUNG MAN-KWONG (in Cantonese): Madam President, civilians who are badly off think of recovering the money they previously loaned to others, whereas a poor government seeks to explore new ways of gambling. After the financial turmoil, continued budget deficits have been recorded in Hong Kong. In view of this, the Government of the Special Administrative Region (SAR) has made repeated attempts to probe public opinion on its proposal to increase revenue by introducing new forms of gambling.

The Government has considered setting up a casino on Lantau Island, and it is now actively thinking about the legalization of gambling on football matches. The wishful thinking of the Government is that in view of the popularity of

betting on football matches, it is wiser to jump on the bandwagon to rake in a fortune rather than seeing the opportunity go over to others. Given the legalization of gambling on football matches will increase the annual tax revenue by billions of dollars, why do we not go ahead with it? While Mr Francis LO of the Home Affairs Bureau pretended to be neutral on the one hand, claiming that public views will be consulted, he said blatantly on the other hand that despite the loud voices against legalizing gambling on football matches, these voices are mostly sentimental, and it does not follow that the Government must listen to them just because of their loudness. The Government's intent has become all the more conspicuous. In order to make room for gambling on football matches, the Government does not hesitate even to trample on public opinion and discredit the dissenting voices.

Madam President, as the representative of the education sector, I oppose the legalization of gambling on football matches. Nowadays, the wind of gambling is already blowing in schools, exercising an increasingly strong influence on students. Last year, a student with good academic performance and conduct indulged in gambling and eventually committed suicide by jumping from a height because he had lost \$5,000. This year, a teacher in an English-medium secondary school discovered that over 60 students were engaged in collective gambling on soccer matches inside the school, and this incident has caused an uproar in society. But the known cases of students gambling on football matches are only the tip of the iceberg. Imagine if gambling on football matches is legalized, the tide of gambling is set to become irresistible, engulfing an even greater number of students, in which case education will become all the more difficult.

Madam President, the influence of horse-racing and that of football on young students are totally different. Sports activities in schools do not cover horse-racing but include football. To the students, horse-racing is a way of gambling for adults, but football is a sports suitable for all ages. Thanks to the televised matches, many students are keen on the soccer matches of the European premier league and become soccer fans. This is basically something healthy. But recently, in light of the popularity of gambling on soccer matches, the sports section of some newspapers and magazines has actually changed in substance to virtually become the section for soccer gambling. This will have an adverse effect on students. Influenced by what they constantly hear and see, more and more students began to take part in gambling on football matches, thus turning football from a healthy activity into a means of gambling. How possibly can the

education sector remain silent in view of the increasingly great influence of gambling in schools? Yesterday, on behalf of the Hong Kong Professional Teachers' Union, I submitted to the Home Affairs Bureau over 20 000 signatures from school principals, teachers and citizens opposing the legalization of gambling on football matches. This spells out most clearly and explicitly the position of the education sector on today's motion debate.

Madam President, in his policy address, the Chief Executive, Mr TUNG Chee-hwa, spoke of the need to "create a decent environment for the growth of our younger generation". He said that we must recognize that young people growing up in a materialistic society "may have their values distorted", and that we should "turn the tide and inculcate correct values". While Mr TUNG Chee-hwa's words are still ringing in our ears, the SAR Government has taken the lead to advocate gambling. Recently, the Secretary for Home Affairs, Mr David LAN, has continuously hinted at and defended the proposal to legalize gambling on football matches. The Hong Kong Jockey Club is even permitted to sell sweepstake tickets, the first prize of which is 2 000 taels of gold, to students below the age of 18 at convenience stores, supermarkets and MTR stations in the name of the Millennium; and the racecourse is allowed to be open for children to watch horse-racing, making the racecourse an avenue for family fun. Madam President, the SAR Government's policy on the youths in respect of gambling is but self-contradictory, thus creating an extremely absurd scenario in which Secretary LAN is quickening his pace to explore new ways of gambling while the Chief Executive preaches his doctrines at the pace of a tortoise. Should we, education workers in Hong Kong, believe in the Chief Executive or Secretary LAN? Should we oppose gambling or should we face the reality and allow the influence of gambling to keep on expanding to the detriment of our young students?

Madam President, I am fully aware that the Government is determined to introduce new forms of gambling, and consultation is only a downright hypocritical formality. But still, I am strongly opposed to it. In these days when people are unable to tell right from wrong and when gambling is rampant, the education sector should gear up to counteract the harmful effects of gambling, putting across the message to both students and the community that gambling will only incubate crimes, wreck families and do harm to students. Hong Kong is addicted to gambling. After the onslaught of the financial turmoil, we have not awakened from a gambling-styled economy. Worse still, we are even more indulged in gambling in that we resort to gambling to revitalize our economy and

increase public revenue. This is indeed indicative of the mentality of "why not place a bet when the economy is on the ebb?", hastily seeking medical treatment to cure an acute illness. We resort to gambling for the sake of tourism; and we resort to gambling for the sake of football. If we face the problem of insufficient funds for education one day, will the Government argue plausibly that there is even a stronger case to resort to gambling for the sake of education?

Madam President, I oppose the legalization of gambling on football matches from the angle that the influence of gambling should be curbed to protect our students, for I do not wish to see the 1 million students in Hong Kong growing up in a society which has a passion for gambling and thus becoming punters at young age.

On the question of gambling on football matches, Miss CHOY So-yuk's position has wavered, showing an obscure sense of right and wrong. She even seeks to delete the key components of the original motion, readily providing the Government with an excuse to give a green light to legalization in future. The Democratic Party does not want to side with the wicked deeds. Nor do we want to be ambiguous in our stance and let the Government take advantage of it. Therefore, we unequivocally oppose the amendment of Miss CHOY So-yuk.

MR TIMOTHY FOK: Madam President, I must declare my interest as the President of the Hong Kong Football Association (HKFA). My HKFA constituents want to legalize gambling in football matches. They do so because they need the revenue to make up for the huge losses over the years. Some of them have invested a lot in their sport for the love of the game. Each year, the monetary returns diminish. Even the little additional money that they could count on before — tobacco sponsorship — has been cut off by legislation. I think Hong Kong also lacks the top stadium venues that would make going out to the games enjoyable. Those are the grievances of my HKFA, and my job is to reflect them.

In the past, football was very popular because it was just about the only game in town. Nowadays, people have many sports and entertainment choices. Our football competes with the best football being played in Europe and Latin America, which is televised for free.

I am also realistic. Gambling in sports is very big and it is now universal, respecting no boundaries. Some people like to wager on sports, which is human nature. They think placing a bet on a game makes the experience all the more exciting. Other societies have tried to curb it without success. People who want to gamble will gamble in football matches and no law can stop it. What we must do perhaps is to find a way of regulating bets so that gambling would not corrupt the game.

Technology has made any attempt to stop gambling virtually impossible. Betting on-line is taking place every second of the day. The amount being gambled is also growing. Legislation cannot prevent people from wagering on-line. Technology is many steps ahead of legislation.

This means finding a way for collecting the revenue with the proceeds earmarked for sports development. I now ask the Government to consider the Honourable Miss CHOY So-yuk's suggestion, study the phenomenon locally and overseas, before acting in the public interest. The Government should not gamble on this issue that has many implications, such as sporting and financial implications. Thank you.

MR EDWARD HO (in Cantonese): Madam President, I believe it is a fact that the foreign trend of football gambling has invaded Hong Kong. Nowadays, the public can place bets through football bookmakers outside the territory via the Internet or long-distance calls. Individual newspapers in Hong Kong have also provided their readers with information on "odds".

Recently, public opinion started to pay attention to the impact of gambling on football matches on society. Whether this form of gambling should be legalized has now become a focus of dispute. Insofar as this issue is concerned, I think we must analyse the views for and against the proposal.

Those who oppose the legalization hold that gambling on football matches will impact adversely on society. Apart from taking stringent actions to combat illegal gambling on football matches, the Government must specifically inhibit the legalization of this form of gambling. As such forms of betting as horse-racing and Mark Six are already available in Hong Kong as entertainment to the public, there is no need for the Government to provide an additional vehicle of betting. Legalization of gambling on football matches will only further foster the gambling trend and produce negative impact on the growth of youngsters.

Nevertheless, there are voices in the community supporting this form of gambling. According to those who support gambling on football matches, off-course dog-racing and horse-racing dens could be found everywhere in Hong Kong 30 years ago. People from all walks of life, whether young and old, were allowed to "place bets". Subsequently, the Government decided to prohibit this form of gambling by way of levying through giving permission to the then Royal Hong Kong Jockey Club to set up off-course betting centres as a legal gambling channel. As a result, off-course gambling activities vanished completely. At the same time, rules were laid down for betting centres operated under the Jockey Club, prohibiting people under the age of 18 or in school uniforms from entering such centres. This has, on the contrary, helped reduce the opportunities for youngsters to access gambling. For these reasons, supporters hold that, with proper regulation, the legalization of gambling on football matches will only help curb gambling and reduce the incidence of social problems in connection with gambling.

It has also been pointed out by the supporters that similar gambling has been legalized in such overseas countries as Britain and Australia. In Australia, it is even administered by a public body. In Asia, even Singapore, where strict rules are applied in running the country and the nurture of youngsters is taken very seriously, has legalized gambling on football matches years ago. If the legalization is really a scourge, why have these countries, particularly Singapore where the social atmosphere is conservative, allowed the legalization of gambling on football matches?

Madam President, the reason why I have taken the trouble to state the supporting and opposing views held by members of the community on the legalization of gambling on football matches is that I hope Honourable colleagues in this Council can understand that this is not an issue of black or white. The community is at present divided on this issue. Therefore, we need to conduct more discussions instead of jumping to a conclusion. The legalization of gambling on football matches is not something new. Precedents could be found in foreign countries a long time ago. We should examine overseas experiences carefully and make an appropriate decision in the light of Hong Kong's unique situation.

As far as I understand it, the Home Affairs Bureau will soon set up an ad hoc committee to examine the legalization of gambling on football matches. The Liberal Party would like to urge the committee to conduct a comprehensive review of the problems at different levels in the light of experiences gained by foreign countries, as well as fully consulting this Council and the public before making its final decision. We do not think it is time we came to a conclusion on the legalization of gambling on football matches. Furthermore, the Liberal Party agrees that the Government should step up enforcement actions against illegal gambling on football matches.

With these remarks, I support Miss CHOY So-yuk's amendment on behalf of the Liberal Party.

MR LEUNG YIU-CHUNG (in Cantonese): Madam President, first, let me state my anti-gambling stand. Gambling should not be encouraged since it fosters the mentality of taking chances.

Just now, many colleagues said that the legalization of gambling on football matches will encourage gambling in schools. Let me tell Members that if we search the schoolbags of students in schools nowadays, it is not hard to find racing tips inside. This shows that students not only gamble on football matches, but also bet on horse races. I find it strange that colleagues do not object to betting on horse races while opposing gambling on football matches.

Earlier, Mr YEUNG Yiu-chung said that many tragic incidents occurred recently, in which people committed suicide by jumping from buildings or shooting themselves. I wonder if those incidents had to do with gambling on football matches. But there used to be many suicide cases related to betting on horse races, in which people killed themselves by jumping from buildings or shooting themselves. Thus, the problem is not limited to gambling on football matches. Just now, Mr CHEUNG Man-kwong said that a student committed suicide by jumping from a building because of a \$5,000 debt from gambling on football matches. Actually, betting on horse races has also led to similar incidents. I fail to understand why we merely focus on the objection to gambling on football matches today. I wonder if it is because the late Chinese leader, Mr DENG Xiaoping, said before the reunification in 1997 that "horse racing and dancing will carry on as usual" that we are not opposing betting on horse races today. Actually, it is an issue not just about gambling on football matches or horse races, it is about gambling in general. However, we are not discussing the problem of gambling in general today, but only one type of

gambling. In my view, this is not at all meaningful. If we are against gambling on football matches, why would we approve gambling on horse races? Gambling has always been a problem among the youth. In my view, it is wrong to focus on one aspect of the problem only. We might as well discuss the problem of gambling in general rather than discuss gambling on football matches. In today's debate, we should find out what the Government's policy on gambling is on the whole. We should consider gambling from a macro perspective, rather than just one aspect of it.

During the colonial era, the racecourse was an important establishment for the administration of Hong Kong. The racecourse brought people the hope of "a better tomorrow", thus serving to placate people dissatisfied with the Government's policy. This was the secret of the colonial government's success, making it easier to rule. Many Western countries have frequently demonstrated that a government might run a country more easily by holding out hope or giving people something to dream about.

On my part, I wonder why the Government would legalize gambling. The most important reason may be that the Government can provide no solution in terms of many policies. Its only recourse is to dope people with gambling. Today, we are faced with an army of the unemployed. What should we do? Failing to come up with any good measures to solve the unemployment problem, the Government connives at gambling to give people the hope that they might become millionaires tomorrow. The Government solves the difficulties and problems in society by way of encouraging people to take chances and dream.

In my view, we should address the problem of gambling squarely today. I hope that Mr YEUNG Yiu-chung will consider it carefully. We should not only discuss gambling on football matches. Actually, the so-called "Project Hope" proposed by the Government is only a strategy of governance. It is not enough to consider the pros and cons of gambling only from a moral point of view without identifying the crux of the problem. It would be oversimplifying the problem. I hope Members will consider this problem in greater depth. It would be more useful and meaningful to discuss how the Government should rule and promote the development of society. It is certainly not a good thing to talk about gambling all the time when the social problems are aggravating. Therefore, I hope that we will not shift the focus of the problem today. When we consider this issue, we should consider gambling in general. I wish to say to the Government that gambling is not a real solution to social problems. I hope that the Government can really come up with concrete proposals to solve the present social dilemmas, such as helping the army of the unemployed and solving

the problem of the great disparity between the rich and the poor. This is more useful and meaningful. The people of Hong Kong should no longer be doped.

Madam President, I so submit.

MR LEE CHEUK-YAN (in Cantonese): Madam President, I think the Government may have to clarify on a number of issues. First, Mr LEUNG Yiu-chung said the Government was trying to use gambling as "opium" to dope the people and to reduce pressure from some insoluble conflicts in the community. The Government must clarify whether this allegation is true. Many other Members also said the Government is trying to use gambling to overcome an imminent fiscal crisis because gambling can generate additional revenue. I think the Government should clarify what is at the back of its mind and account to the public and this Council for it.

Mr CHEUNG Man-kwong also indicated that the Government might in fact be trying to solve many problems by introducing a new form of gambling. I do not know whether the Government would set out odds on the next Legislative Council elections for fear that the elections may not have a sufficiently high turnout rate. Would it bet on which candidates would win so as to raise the turnout rate? If the people have betted on a certain candidate, they would certainly turn out to cast their votes. I really do not know whether the Government is in fact trying to solve all social problems by introducing a new form of gambling. Having said this, I may be unfairly accusing the Government. If that is the case, I must apologize to the Government. But it does owe us a clarification.

I very much agree with Mr LEUNG Yiu-chung, who said that the motion debate is a bit hypocritical. When we say we are against the legalization of gambling on football matches, we are not against betting on horse races. Why? I do not think the reason is as serious as Mr LEUNG Yiu-chung alleged, which is the Government is afraid of Mr DENG Xiaoping and does not want to break his promise to allow Hong Kong to preserve its way of life after 1997, including horse-racing and dancing; hence we dare not oppose betting on horse races. But I do not think that is the real reason. Rather, the fact could be that we dare not act against the punters. If we propose closing the Jockey Club, there will certainly be unrest in the community. Since we allow racing post and wonderful horse-racing pictures to be published daily, and we encourage people to bet on the races, it just does not sound logical to say we oppose gambling on football matches. This may be a difficulty we have to face. I am personally

against gambling as well and I see no reason to encourage gambling. But I can expect some difficulty in combating gambling. We cannot raise objections to gambling on football matches but remain silent on the many gimmicks employed by the Jockey Club to encourage gambling. I hope we can monitor the Jockey Club in future even though we are not trying to close it once and for all. We need to monitor it, to prevent it from dealing out new formulae to entice people to gamble. Like betting on races, betting on football matches is just as conducive to gambling. Both have serious consequences. Members must have heard stories about how families were wrecked when people turned to loan-sharks to borrow money for betting on horse races. As Mr YEUNG Yiu-chung said, some secondary school students also gamble on football matches. When it comes to consequences, gambling on football matches and gambling on horse races are just as harmful. This debate is going to be hypocritical if we target at gambling on football matches alone, letting go of the Jockey Club. I think in addition to objecting to the legalization of gambling on football matches, we need to monitor the Jockey Club as well. We must not allow it to devise new formulae to encourage betting on races.

I agree entirely with Mr YEUNG Yiu-chung, whose speech depicted the way gambling could wreck families and a person's mind. I think the Government should launch propaganda to foster positive and healthy concepts. Unfortunately, the Government is doing the opposite. I hope the Government could explain to the public today why it has allowed youngsters below 18 to enter the Jockey Club to buy sweepstakes for the Millennium Cup Lucky Draw. This is obviously an act that encourages gambling. While the Government hypocritically prohibits youngsters below 18 from entering off-course betting centres, it opened the racecourse to them. As it allows them to enter the Jockey Club, it tries to tell people how high-class it was to bet on races, to have family fun at the course. All this is meant to project a healthy image for betting on races. How could the Government be so self-contradictory? How could it prohibit youngsters below 18 from entering off-course betting centres, but at the same time encourage people to gamble? The Government owes us an explanation to dispel all these worries.

Lastly, if the community is to develop in a healthy manner we must be consistent in our overall policies. We cannot just raise objection to gambling on football matches without showing any resentment against betting on horse races. Thank you, Madam President.

MR ANDREW CHENG (in Cantonese): Madam President, some people say the Chinese race is, to a considerable extent, addicted to gambling. Originally I had great reservations about this viewpoint. This is because betting centres can be found everywhere in foreign countries. In addition to horses, football and dogs, bets can even be placed on whether Prince Charles has the chance to ascend to the throne or whether David BECKHAM will divorce. Therefore, foreigners should love gambling to almost the same extent as Chinese people.

Rolling into the '90s, a global tendency which has been greatly worrying me is that various kinds of gambling games have emerged in a legitimate manner. For instance, only two states were allowed to operate casinos in the United States previously. To date, more than half of the states have casinos. Our SAR Government has not only shown an interest to follow such examples, but also regarded gambling as a major source of government revenue. Subsequently, permission is now given for a study to be conducted on the feasibility of operating a casino in Lantau. The millennium horse race was organized after in-depth and careful planning. Now even the legalization of gambling on football matches is being considered. It seems that before long Hong Kong will become another Macau where there is no prohibition at all on gambling. Hong Kong will then become a world-class betting centre.

Madam President, football by nature is a very healthy sport. Professional soccer leagues taken place in Britain and Italy, the World Cup and so on have brought great joy to football fans in Hong Kong. However, when football is connected with gambling and when the results are tied up with pools in hundreds of millions of dollars, the cleanliness and fairness of football as a sport will be put under serious doubts. Over the past few years, power was often interrupted when several British football matches took place in the nights. It was subsequently confirmed that football gambling syndicates from Southeast Asia were involved. In addition, in the final match of the World Cup, Ronaldo suddenly found himself powerless in moving his hands and feet. To date, the cause leading to this incident is still unknown. However, it is suspected that the interests of football gambling syndicates were involved. We may never prove whether or not this speculation is correct. However, if gambling on football matches really becomes an integral part of soccer competition or even an element determining the victory or defeat of football teams, the results of football matches will then be manipulated at any time. By that time, such problems as

failure to intercept a ball, "letting the ball pass under the belt" and "a slip of the hands" will definitely appear one after another. Of course, professional football players can conceal these ugly scenes without our noticing them.

Amid the voices supporting gambling on football matches, some have come from people of the football circle. Some of them have even championed extending the gambling to including Hong Kong football matches, setting aside the relevant proceeds for promotion to revive the sport in Hong Kong. At present, Hong Kong occupies the 125 position in the ranking of the Federation International de Football Association. I do not think the legalization of gambling on football matches will upgrade Hong Kong's position in the football world and attract spectators to watch Hong Kong football matches. It is really ironical that the success of Hong Kong football hinges upon gambling, which is in turn used for "saving" Hong Kong football and bringing back the old glory. As a sport, football should be promoted by a healthier means.

In fact, even if in such advanced football countries like Britain and France where gambling on the relevant matches is rife, the proceeds derived from it will not be used for promoting football as a sport. The fact that Europe has achieved outstanding development in football is attributed to the willingness of the relevant governments to put in resources, the healthy structure of the football circle and a long-term foundation for training young football players. Why is football in Hong Kong declining? Why do we prefer watching the second-rate British soccer matches between Wimbledon and Southampton late in the night to a fierce play-off between South China and Happy Valley in the Hong Kong Stadium today. Of course, it is not because football fans can gamble on overseas football matches or we can watch football matches for free. Rather it is because there are problems with the structure of the local football circle. I have no intention to criticize the operation of the Hong Kong Football Association, but the people from the local football circle have only pinned their hopes on reviving football through gambling, without actively addressing the internal problems playing football in Hong Kong. This is somewhat putting the cart before the horse.

Madam President, with this motion before us today, I think the amendment has failed to express in unequivocal terms its position of opposing gambling on football matches. Even if opinion surveys will be conducted, public opinions can still be, as in the case of previous opinion surveys, twisted by the Government. The 1988 direct election is one example. As for the surveys conducted by non-governmental bodies, the Government can still make interpretation by selecting views in support of the Government. In the case of "scrapping the Municipal Councils", Secretary Michael SUEN only focused on data which were conducive to the Government. The Government can basically manipulate public opinions at will. According to the findings of a opinion survey conducted by the Democratic Party, in addition to a few surveys conducted recently, it is clearly indicated that most respondents object to football gambling. Therefore, we think it is still necessary to reflect in the motion our position of opposing the legalization of gambling on football matches. The amendment, if passed, will only give the Government an excuse, which may even turn into a loophole, for signalling a green light for gambling on football matches. For these reasons, the Democratic Party will object to the amendment and support the original motion.

Madam President, I so submit.

MR CHAN KWOK-KEUNG (in Cantonese): Madam President, owing to IT development, many football fans have been able to place their bets through overseas bookmakers via telephones, the Internet and so on, as well as through off-course gambling syndicates. The prevalence of gambling on football matches is evident from the monthly multiplication of bets.

Owing to the increasing prevalence of gambling on football matches, some people have even suggested legalizing it. I can definitely not agree to this proposal. Football competition is by nature good for our spiritual and physical well-being. Football players go playing in football fields because they love football; football fans go watching matches because they want to show their support for football as well as the players. Both have nothing to do with interests. It is purely because they love sports. Once matches are tied with gambling, this pure form of pleasure will turn into pursuits for interests. This is indeed detrimental to our lofty sporting spirit.

Some people hold that gambling on football matches can absorb capitals to subsidize the declining sport. However, we should not forget that once interests are involved, it will easily lead to various forms of vicious activities such as "match-fixing". Let us look at horse-racing in Hong Kong. Even if it is regulated by quite comprehensive legislation, we can still find "race-rigging" cases happening from time to time. This shows that whenever interests are involved, bad elements from among jockeys and horsekeepers will, usually induced by monetary gains, conspire in "race-rigging", thereby undermining the fairness of horse-racing and bringing losses to punters. The legalization of gambling on football matches will also give rise to the same situation for football players will come under enormous seductions. In fact, we can find frequent cases of "match-fixing" as a result of football players receiving bribes for playing in matches which take place in places where such gambling has been legalized.

Some supporters are of the view that legalizing gambling on football matches can boost government revenue. It is estimated that the Hong Kong Government can reap an additional betting duty amounting to \$4 billion with annual football bets reaching \$20 billion. Furthermore, an increase in the proceeds reaped by the Lotteries Fund can boost subsidies for non-profit-making bodies. However, it is not enough for us to consider whether or not such kind of gambling should be legalized solely from the angle of economic benefits. We should also assess the adverse impacts produced on society in a prudent manner.

As a result of gambling, countless families were shattered and family ties broken. People indulging in gambling often find themselves unable to gain control and, as a result, their lives are ruined. It is impossible to assess the price society has to pay as a result of these adverse impacts. Nevertheless, we are certain that the Government may need to spend more money to resolve social and family problems caused by gambling. Examples of these problems are rising numbers of crimes, broken families, and lack of parental care because of indulgence in gambling. The price can be bigger than the proceeds derived from legalized gambling on football matches.

The number of problems confronting youngsters towards the end of the century has been enormous. Examples are truancy, promiscuity, evil doings of youngster gangs and so on. The legalization of gambling on football matches will become another poison for young people. A lot of young people love football as a sport. Given the close link between gambling and watching

football matches, young people will easily form the bad habit of gambling in the course of watching football matches. As a result, they will develop a mind-set of greediness, reliance on luck and reluctance to work hard. For those who are unfortunate to get indulged in gambling as an adult, they will find it even harder to kick this bad habit.

Given the great convenience provided by the Internet, many football gamblers place their bets through this channel. Some commentators hold the view that as this is something we cannot stop, we can only choose to legalize it. I find this argument extremely ridiculous. Internet gambling has come in various forms and diversity. Gambling on football matches is but just one form of such gambling. People proposing legalizing this form of gambling for this reason are just like identifying with legalizing all forms of Internet gambling. If our society really turns out to be like that, I believe no one can bear with it for gambling has run rampant.

On the contrary, the Administration should step up its efforts in regulating Internet gambling activities. This is because legalizing a certain form of gambling is tantamount to advocating that kind of activity. Promoting a gambling activity which has previously only a few participants to allow more people to join in will only seriously corrupt our social values.

With these remarks, Madam President, I oppose the legalization of gambling on football matches.

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

MR SIN CHUNG-KAI (in Cantonese): Madam President, both the Democratic Party and I object to the legalization of gambling on football matches. I am not going to repeat the reasons here. However, in considering enacting legislation to address this issue, the Government must have a good understanding of the development of the Internet and the restrictions imposed on regulating the Internet. One point I want to stress in particular is that the Government must avoid as far as possible impeding the development of the Internet in enacting legislation whatsoever to combat Internet gambling on football matches.

Although the Internet has seen a dramatic and rapid development in recent years, its related technology has still not reached a fully-developed or mature stage. As such, I hope the Government can act prudently in taking any measures which may suppress Internet development. This is particularly so in the case of enacting legislation. I think it is not necessary to tailor-make legislation for the Internet. For instance, the Control of Obscene and Indecent Articles Ordinance, responsible for combating pornography, is applicable on different kinds of media. The Internet, publications and movies are all subject to regulation under this single Ordinance. By the same token, the same standard should be applied to different media and technology, no matter the legalization of gambling on football matches is acceptable to the community. In enacting legislation, we should maintain maximum neutrality insofar as technology is concerned.

Therefore, the Government must exercise care in strengthening regulation on Internet gambling behaviours. In enacting legislation against the legalization of gambling on football matches, we should enact appropriate legislation and refrain from interfering with the development of the Internet unduly, particularly not to impede the role played by Internet providers as a carrier. With respect to this issue, I hope the Government can consult the IT sector and listen to its views carefully and accurately in formulating the relevant legislation. As a matter of fact, many foreign governments are still examining and considering how to enact relevant legislation.

In examining how to combat Internet activities, it is imperative for the Government to consider whether or not legislation can provide the solution or whether technology should be used instead. I would like to cite an example which is easier to understand, and that is, Internet sex activities. I have been frequently asked by reporters whether Hong Kong legislation is capable of combating Internet sex activities. I must stress that these activities are subject to regulation under the Control of Obscene and Indecent Articles Ordinance too. The disclosure of obscene and indecent articles on the Internet will be regulated by the Ordinance in the same way.

The crux of the problem is when we consider this issue, we should adopt a neutral attitude insofar as technology is concerned. As a most effective method, we should rely on technology as far as possible in order to combat these activities and protect children from access to Internet sex or Internet gambling. With the availability of more and better filters for browsers, different websites can now be

filtered more carefully. We can apply the same method in filtering future gambling websites as well. In order to combat illicit activities on the Internet, the Government should first of all try to tackle the problems by way of technology before considering other means of regulation, such as requesting Internet service providers to carry out certain duties, or enacting legislation to exercise regulation in future.

I hope the Government can consult the IT sector and Internet service providers in addressing problems pertaining to the Internet or regulation of Internet gambling.

Madam President, I so submit.

DR RAYMOND HO (in Cantonese): Madam President, gambling has always been regarded as a bad habit. However, gambling is very popular in Hong Kong. Mark Six, gambling on horse races, property speculation, stocks speculation and so on are extremely common in Hong Kong. Now, gambling on football races has become our new focus of concern.

As a sport, football is fairly popular with the people of Hong Kong, including young people. It is really a pity that such a healthy sport, which is good for our body and mind, is now connected with gambling. What worries us is that gambling will give rise to many social problems, particularly when it is conducted in an unlawful manner. This is why we must address this issue.

At present, underground gambling activities in connection with football are extremely active in Hong Kong. The considerable amount of bets has directly affected our proven policies regulating gambling activities. Because of the popularity of gambling on football matches, some people even suggested to put this activity onto the right track by legalizing it. In doing so, they say, people who are interested can then place their bets on local football matches in an open and aboveboard manner. This will help boost the declining patronage of football matches and stimulate the football market. Nevertheless, I cannot fully subscribe to this argument.

To start with, people who love football as a sport do not necessarily like gambling on the relevant matches. The most important factors determining whether or not they will go to a stadium to watch a football match are the skills

of the competing football teams and their past performance rather than whether or not betting is allowed. Football skills are the most important factor in attracting attendance. If the football match is tinted with an element of gambling, it will probably undermine spectators' interests in the sport. This is because, without a good regulatory system, gambling on matches may lead to "match-fixing". On the contrary, for those who aim at gambling only, whether they can watch the football matches is not their major consideration.

On the other hand, there are also some people in the community who consider the legalization of gambling on football matches a means to boost the government coffers through relevant taxation. Even if this is true, we still need to consider the negative impacts on the community, particularly the younger generation. This may send a wrong message that gambling is a socially-acceptable behaviour and there is nothing wrong with it.

As the legalization will have profound impact on society, we must consider it carefully in making decisions. To start with, we must take a serious attitude in understanding the preference of the public with respect to this issue. The Government should explain to the public the merits and demerits of legalizing gambling on football matches and conduct extensive consultation. At the same time, we can study and make reference to the experience of other countries where such gambling activities are legalized. We should not come to a final decision rashly at this stage. For the time being, I think the Administration should take prompt action to perfect our legislation to plug the loopholes and take enforcement actions against underground gambling activities to prevent further deterioration of the situation, for otherwise it may lead to more unlawful activities and other social problems.

Madam President, I so submit.

MISS CHAN YUEN-HAN (in Cantonese): Madam President, we object to the legalization of gambling on football matches. The Hong Kong Federation of Trade Unions (FTU) is of the view when we talk about football as a sport, we will invariably associate it with a healthy image. We encourage young people to take part in this activity. Even the whole community makes a concerted effort in promoting the development of healthy activities of this kind. If we turn this healthy sport into a gambling vehicle, we would be defeating the social aspiration. Frankly speaking, I believe the legalization of gambling on football

matches will definitely produce many negative impacts, just as what happen to other countries. For example, it may give rise to numerous social problems. And it may also lead to more crimes and numerous problems of law and order. Consequently, it will have profound impact on the development of youths.

Madam President, I said at the outset that football is a healthy sport. We greatly encourage young people to cultivate an interest from an early age so that they will realize they can build up a strong body through exercise. However, if they find out the sport can be used as a vehicle of gambling, can Honourable Members imagine what consequences it will bring? My colleagues have gathered a lot of information from the Internet in preparation for this debate and found that many countries had conducted research in this area and their views are divided.

For instance, in February this year, a Research Centre of the University of Chicago in the United States conducted a research and found that each gambler could make the community suffer a loss of US\$3,000 every year. Moreover, many gamblers lost their jobs because of their gambling habits. I believe Honourable colleagues will be able to access such information on the Internet. Other countries which had conducted research in this area also raised various questions. Back to the home front, a study conducted by the Hong Kong Polytechnic University shows that the liberalization of gambling on football matches will give rise to numerous problems such as prostitution, triad activities and family disputes. Although we might be benefited in terms of tax revenue, the gain might not make up for the loss. Eventually, the loss incurred might be even greater.

Earlier on, in around June and July, a heated debate was triggered off among members of the community in Taiwan during deliberations on the addition of betting provisions to legislation related to the issue of charity lotteries tickets. In the course of those discussions, issues of public concern were also raised. I want to stress the point that the question for today's debate concerns "the legalization of gambling on football matches". Football is a sport; it is completely different from the matters mentioned above. If such a heated discussion can be triggered off by these issues, let alone the infiltration of certain gambling elements into a healthy activity. Is there such a need?

Furthermore, I need to make the point that gambling easily leads to criminal activities, and I believe this is already the case now. I predict the situation will become even worse if gambling on football matches is legalized. We do not need to look too far. Our neighbouring Macau is a distinct example. In Macau, various forms of gambling are legalized. How is the situation of the entire community? Need I say more? Apart from the recent reports of burning of vehicles and shootings, there was frequent incidence of crimes too. Even if we only read newspaper headlines without referring to their contents, we can reckon that these incidents were connected with casinos. It really puzzles me why most incidents happened to have to do with them. In fact, this issue warrants our serious consideration. In a similar study conducted in the United States in 1996, it was indicated that there had been a rise in the number of crimes committed in areas adjacent to Las Vegas despite a drop in the national crime rate. We can access to surveys like this on the Internet.

On the other hand, in the "City Forum" held last week, a certain Mr CHOY from the Society for Truth and Light quoted Atlanta of the United States where we can find a sharp rise in the number of crimes after the introduction of gambling. This will help us explore the issue in question today. Moreover, such examples abound. After the reunification, the SAR Government has put great emphasis on education for the young people, the need to promote a healthy culture as well as discouraging people from harbouring a gambling mentality. The experiences we have gained from the development of Hong Kong over the past 10-odd years tell us that it might be easy for us to make big money by engaging in other activities without working very hard and making a great effort in learning. However, over the past few years, some notions were re-established with respect to each of these questions. Having worked so very hard to make our younger generation understand some of these notions through blood and tears, why do we choose to instill something else into them alongside healthy activities?

Madam President, you may have noticed that our society has enjoyed a reasonable economic growth over the past 10-odd years. We often came across some university students who said that they needed not look for jobs specific to their majors after graduation for plenty of opportunities were available in the community to make big bucks. Even when they were still studying, they had a lot of opportunities to strike gold. The saying that a graduate can draw a

monthly salary of up to a few ten thousand dollars was also prevalent in the entire society. Today, many people have gone bankrupt after the financial turmoil. There are countless stories of blood and tears. We have made a lot of efforts and worked very hard to make people in the community to realize that a lot of things can only be achieved through hard work. Now why are we advocating gambling activities again? Frankly speaking, I will not attend the Millennium race betting activities though I will attend other activities marking the Millennium. This is because I strongly object to the liberalization of gambling activities to young people. This is what we think. While the Government is committed to fostering a healthy atmosphere in society, it is doing something detrimental as well. I consider the loss will eventually outweigh the gain on balance. It is said in the United States that each gambler will need to incur a lose of US\$3,000 every year. How much will we lose? I really have no idea.

In an opinion survey conducted by the FTU, it was found that 60% of the people in Hong Kong do not agree to the legalization of gambling on football matches. 60% of the respondents even hold the view that the legalization will help foster a gambling atmosphere, while 75% of the respondents consider that football gambling will produce many negative impacts on society. For these reasons, we will support today's original motion. As for the amendment, it is still under consideration by the FTU. I am thinking whether or not I should object to it. Frankly speaking, I do not find various points contained in the amendment too hard to accept. However, based on the observations I have made, we will still support the original motion. Thank you, Madam President.

MR DAVID CHU (in Cantonese): Madam President, the legalization or otherwise of gambling on football matches is not a simple issue at all. Recently, such illegal gambling activities have become very rampant. As disclosed by the Hong Kong Football Association, the amount of illegal bets placed on one single soccer match can reach as much as \$100 million. And, I know that the amount of illegal bets on an English Premier League match between Manchester United and Chelsea even exceeded \$100 million. The importance of combating such illegal gambling activities is well-recognized, but people do hold highly contentious views about their legalization or otherwise.

There is now a widespread worry in the community that the legalization of gambling on football matches will only create more social problems. Such a viewpoint seems to be well-supported if we look at Atlanta in the United States, where the crime rate has increased threefold following the lifting of the gambling ban there. Another example is Macau. The situation there has improved a little bit recently, but law and order is still its major headache. But then, if we look at Las Vegas, the biggest casino city in the world, we will see that its law and order situation is acceptable.

There is also another viewpoint which sees legalization as a possible way of combating illegal gambling on football matches. A good example is Singapore. There, in March this year, legalization was introduced as a means of combating such illegal activities. Some even ask, "Is it not a more effective way to combat illegal gambling on football matches if the Government can legalize it, make the whole thing open, for the purpose of easy management and control?"

Besides, some also think that race bets and soccer bets are both gambling. For this reason, they question why betting on horse races can be legalized but not soccer. They go on to argue that gambling on football matches has existed for a very long time, and that it is often impossible to regulate illegal bets on the Internet. So, they again question why we should refuse to legalize gambling on football matches. In response, some people have tried to refute such an argument by referring to the case of drug abuse. They question, "Drug abuse is also a long-standing problem, but should the Government thus also legalize it?" These people also view that the legalization of such gambling activities will be tantamount to an approval of the gambling culture on the part of the Government, and they are afraid that this will fan the flame of gambling and corrupt our young people.

As rightly pointed out by Miss CHOY So-yuk, the legalization of gambling on football matches is a very contentious issue for which there can be no definite answer to date. That is why before the Government carries out an extensive consultation exercise, we must not jump to any conclusion on the legalization or otherwise of such gambling activities.

With these remarks, Madam President, I support the original motion of Miss CHOY So-yuk.

MR ERIC LI (in Cantonese): Madam President, when some good friends come together to watch a soccer match over a glass of beer, they may gamble among themselves on the result of the match, basically for fun. This does not seem to be too big a problem, and I do not think that it is at all possible to root it out anyway. But if the whole thing becomes a highly organized and open activity, we must then look at it differently, from the perspective of its impact on the community as a whole. Some people argue that the legalization of gambling on football matches will boost both the patronage and income of the soccer industry. In other words, they think that there will be more fans and more income, and they thus say that nothing can be better. This really sounds sensible; if there can be more fans, and if the Government can also get more revenue, the proposal is indeed a very sound one. But if we bother to have any second thoughts about the matter at all, we will certainly ask, "When we say there will be more fans, just what kind of fans are we talking about? And, when we say there will be more income, just who will get the extra income and who will not?" All these warrant our consideration.

Let me first talk about the point on more fans. Members must not think that the legalization will necessarily lead to any increase in the number of soccer match-goers. And, even if this is really going to be the case, we must still ask, "What do all these people really want to see in the matches? Are they really interested in the display of sportsmanship?" These people may not be interested in any soccer skills at all, and they may just be interested in the results and the dividends. We may really wish to promote a wholesome sport and a wholesome sport culture, but if in the end we only manage to attract people who are not interested in sportsmanship to our stadiums, can we really promote soccer as a sport? Can we really help the sports sector realize its ideals?

As pointed out by many Members, the existence of illegal gambling on football matches can actually be attributed to the policy of the Government on gambling. Currently, the Government adopts a licensing policy for different forms of gambling such as horse racing and mahjong, and the licensees are required to pay betting duties at very high rates. In other words, the Government is able to collect huge sums of money from licensed gambling. Such a policy has actually become a major factor contributing to the continued existence of illegal gambling on football matches. That being the case, even legalization may well fail to combat the problem if the Government is again going to get a share of the profits by imposing a betting duty of some kind. And, we also need to look at those who gamble on soccer matches. Have they

actually been wagering on Hong Kong soccer? I doubt it. They have probably been gambling on Italian and British soccer matches, because only these matches can offer huge dividends. So, one really wonders whether the legalization of gambling on football matches can really help promote the local sport.

As also mentioned by Mr SIN Chung-kai, legalization may at best increase the number of "fans" watching soccer games on television only. These "fans" may not necessarily go to the stadiums, and they may simply wager on soccer results while watching the matches on television at home. Similarly, legalization may at best increase the number of "fans" sitting before the computer only, because bets can very often be placed via the Internet these days. Actually, our existing tax net and forms of taxation are still totally unable to deal with bets placed via the Internet. As rightly pointed out by Mr David CHU, even with legalization, we cannot possibly deal successfully with Internet bets. So, the Government may not necessarily succeed in collecting taxes, nor can it possibly achieve the full effects of legalization.

Hence, as I have just explained, legalization may not necessarily lead to any increase in the number of soccer fans who are genuinely interested in the sport. Now, I must then ask, "How will the Government spend the money it gets after legalization?" Some cherish the wishful thinking that once the Government gets the extra revenue, it will surely spend it for the benefit of the sport itself. But is this really going to be the case? As I have just explained, the Government will most probably impose a very heavy betting duty, and it will probably explain that since the community at large does not really endorse such betting activities, there is a need to impose a heavy duty as a reflection of people's negative attitude. This is in fact a usual practice of the Government in matters like this. But, remember, if only illegal gambling on football matches can benefit from legalization, the Government will simply fail to get any tax revenue at all. Generally speaking, according to the fiscal management principle of the Government, the revenue derived from a certain area may not always be ploughed back into that particular area. Usually, this is not the case at all. Once the money is collected, it will be taken by central government, and one can never tell whether the tax money from such bets will eventually be spent on the soccer industry. So, if any people ever think that the revenue generated by soccer will eventually be spent on the sport again, I would say that they have made a grave miscalculation.

Moreover, is it really such a good deal for the Government to collect the tax money? Can the Government just sit back and collect the money? When it comes to the collection of tax, we inevitably have to mention the costs involved. In this connection, I think that the Government really has to adopt a much broader vision, because the matter will not only involve the costs to be incurred by the Treasury or the Financial Services Bureau in the collection of betting duty. Rather, it must look at the costs to society as a whole. Many Members have already referred to the need for advising our young people against a speculative mentality and calling upon them to do something practical instead. Actually, the many surveys on the mentality of young people conducted by various educational institutions all point to the very worrying phenomenon that many young people wish only to make "quick money". The problem is that young people's "quick-money" or speculative mentality may well erode their resistance to corruption. And, it has also been found that many young people are prepared to make money by resorting to immoral means. I do not think that Members will endorse such a trend in our society, which is why we have all done a lot in education and counselling, so as to resist the influence of a culture emphasizing "instant access to wealth" or "quick money".

Some people, however, argue that the purpose of legalization is not so much to encourage young people to gamble, but just to show that we agree to allow those over the age of 18 to take part in gambling. Is such an argument really sound enough? Should we encourage the adoption of such a double-standard in our society? Should we say that while adults can gamble, young people should not? Should we say that different moral standards should be applied to adults and young people? If the answers are negative, then we must never subject our young people to the influence of such a double standard. Is it a big waste of social resources if the Government collects the tax money on the one hand, but has to spend money on combating the influence of such a culture of "quick money" on the other? Will this also increase the number of corruption cases which the Independent Commission Against Corruption has to handle, thus increasing its costs of investigation? Is it fair to society as a whole if so much social resources have to be spent on the sport of soccer alone?

There can be many alternative ways to promote the local soccer industry. I once advocated that part of the revenue from tobacco and alcohol duties should be used to finance some wholesome pursuits. I even advocated that gambling on football matches should be made a criminal offence punishable by heavy penalties, and the money from these penalties should be used to promote the

sport of soccer. I think all these ideas are more desirable and I support them very strongly. But I do not think that tax revenue should be regarded as a good reason for legalizing gambling on football matches, and I also do not think that this can really turn gambling activities into a wholesome activity at all.

With these remarks, I support the original motion.

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

(No Member responded)

PRESIDENT (in Cantonese): Mr YEUNG Yiu-chung, you may now speak on the amendment of Miss CHOY So-yuk. You have up to five minutes.

MR YEUNG YIU-CHUNG (in Cantonese): Madam President, although Miss CHOY So-yuk is not in this Chamber now, I must still say a few words in response to her amendment. Miss CHOY So-yuk herself once quoted this famous Cantonese colloquialism: "A mother cannot be anything but a woman — it is foolish to try to verify this." So, why should there be any more need to conduct any consultation? It is simply a waste of time to do so.

The amendment of Miss CHOY So-yuk urges the Government to listen to more opinions before deciding whether or not to legalize gambling on football matches. This is simply a waste of time. We cannot accept her deletion of the word "opposes" from our original motion. By proposing such a deletion, she is simply trying to avoid stating her position and attitude regarding this particular matter, something that she is obliged to do as a Legislative Council Member, a political party member. Naturally, before the Government does anything, it must listen to the relevant views, particularly those of Legislative Council Members. My motion aims precisely to convey our unambiguous opposition to the Government, and I very much hope that Members can support my original motion.

Actually, nearly all relevant opinion surveys reveal that most people oppose gambling and the legalization of gambling on football matches. The survey conducted by the Government itself early this year also reveals that 90%

of the respondents are against gambling, and only 1% of the respondents are in favour of the idea. So, even though the purpose of the Financial Secretary's earlier trip to Las Vegas was just to inspect the tourism industry there, members of the public still expressed grave concern and anxieties. This shows precisely that people are very sensitive as far as the issue of gambling is concerned. But the amendment of Miss CHOY So-yuk simply ignores all these unambiguous public sentiments and paves the way for the Government to legalize gambling on football matches in the future. This is nothing but a neglect of public opinion and should not be supported.

Madam President, the legalization will lead to many negative consequences, but the Government still contemplates such an idea. So, this Council should really state its position clearly and monitor the Government. As an institution representing public opinions, the Legislative Council must faithfully reflect people's opposition to the legalization. Besides, the Legislative Council is also duty-bound to impart a clear message to the community: it is firmly against any attempts made by anyone or any organizations to revive or fan the flame of gambling, whatever excuses they may put forward.

The amendment of Miss CHOY So-yuk, if carried, will impart a very wrong message to the community and tarnish the moral integrity of this Council. Hence, I hope that Members can oppose her amendment and support my original motion.

I so submit. Thank you, Madam President.

SECRETARY FOR HOME AFFAIRS (in Cantonese): Madam President, first of all, I would like to thank Mr YEUNG Yiu-chung for moving this motion and Miss CHOY So-yuk for moving this amendment. I would also like to thank Honourable Members who have given a lot of valuable comments on this issue, including the ways to combat illegal gambling on football matches and the question of whether gambling on football matches should be legalized.

Recently, gambling has become a hot topic for discussion. Issues like gambling on football matches, gambling companies outside the territory, Internet gambling and casinos have attracted a lot of attention and discussions in the public. It is only natural and healthy in a free and open society for people to air

their views on matters of their concern. The heated debate that has been going on can make the views from all sectors of society known and this helps us in policy formulation. The motion debate we have today provides an opportunity for Honourable Members to make known their stand on the legalization of gambling on football matches and on issues related to gambling. All these valuable comments will be put on the record, and serve as useful reference when we formulate a policy in this respect. I would also like to make use of this opportunity to talk about the current policy on gambling and our stand on illegal gambling activities on football matches and the legalization of such activities.

The government policy is not to encourage gambling, but we permit the existence of legal vehicles of gambling. These are mainly the horse races held by the Hong Kong Jockey Club, the Mark Six lottery and licensed mahjong establishments.

I would like to talk about the background to this policy. The Government has used a practical and pragmatic approach in formulating the above-mentioned policy which aims at balancing the demand for legalized gambling vehicles from those who gamble and the views of those who oppose gambling. We understand that there are many people who regard gambling as a kind of socializing activity or past-time. On the other hand, there is also much opposition to gambling, thinking that it would bring a host of social and moral problems. The approach taken by the Government is to confine gambling activities to certain legal and regulated vehicles. This is what we believe to be a reasonable balance between the aspirations and views from both parties.

This policy was made to combat illegal gambling activities. Illegal gambling activities have always been in existence, and they were very common before the 1970s. Most of these were illegal off-course betting on horse races and the *tse fa* gambling which could be found in many streets. These illegal forms of gambling were not subject to regulation by any official policy and they were controlled by bad elements. As a result, social and public order problems arose. The Government at that time gave approval to the Jockey Club to open off-course betting centres in 1973, and in 1975 the Hong Kong Lotteries Board was formed under the Betting Duty Ordinance to hold Mark Six lotteries. In this way legal and regulated forms of off-course betting and lottery are provided. The introduction of these measures dealt a direct and effective blow to illegal off-course betting on horse races and the *tse fa* gambling activities. They solved to a very large extent the social problems and public order problems at

that time caused by illegal gambling. These measures have been well-established and well-received by the public.

Now I would like to turn to matters on legislation. Under the above-mentioned policy, the Gambling Ordinance outlaws all forms of unapproved gambling activities other than those authorized legal forms of gambling. In addition, under the Betting Duty Ordinance, the Hong Kong Jockey Club and the Hong Kong Lotteries Board are required to pay betting duties for the proceeds from horse races and Mark Six lotteries. Apart from betting duty, the Ordinance also provides that 15% of the proceeds from Mark Six lotteries shall be allocated to the Lotteries Fund. The Jockey Club also makes an annual donation of some \$1 billion to charitable groups and social services.

Illegal gambling activities on football matches are a violation of the law. We notice that these gambling activities have become increasingly popular in recent years. We are aware that some illegal bookmaking syndicates are operating their business outside Hong Kong on the telephone lines or they will receive bets in some bars which have live telecast of football games. The public also finds it easy to access related information such as the odds. These illegal gambling activities do not have official approval, they are not subject to any regulation and they do not pay any betting duty like the other legal gambling organizations. That affects our tax revenue, though it is somewhat a comparatively minor issue. We are concerned about this state of affairs, that is, a total absence of regulation of these activities.

Just now Mr YEUNG Yiu-chung and Miss CHOY So-yuk have raised a point about the need to step up enforcement and education efforts in a bid to combat illegal gambling on football matches. I would like to make use of this opportunity to brief Honourable Members on the work we have done in this respect. On enforcement efforts, the police have been keeping a close watch on such activities and they often make investigations into these activities. Over the past one and a half years, the police have made 15 successful raids against these illegal operations and arrested a total of 45 people. A total of \$30,000 in cash and \$53 million worth of bets made in credit was seized. In the World Cup series last year, the police took action on many occasions and smashed two crime syndicates which operated illegal gambling on football matches. The police will keep a close eye on illegal gambling activities on football matches and will make continuous efforts to investigate and take bold enforcement actions.

Now I wish to switch to the education aspect. The Home Affairs Bureau has always been urging the public through various channels not to engage in any form of illegal gambling. Any person who bets with a bookmaker commits an offence under section 8 of the Gambling Ordinance and is liable on conviction to a maximum fine of \$30,000 and to imprisonment for nine months. We have always reminded the public to keep away from these gambling activities which are illegal and devoid of any protection in law. It is because they may find themselves become victims of fraud and deception and suffer financial losses.

I have said earlier that legal gambling activities like Mark Six are all required to pay betting duties, part of which is set aside for charitable purposes. On the other hand, those who operate illegal gambling activities, such as those on football matches, do not find themselves charged with these social responsibilities. If the public turns away from legal forms of gambling and bets with these people, that will have direct impact on our betting duty revenue and charity funding. Those who will suffer in the end are our charitable groups and our social services.

Now I would like to talk about amending our legislation and the issue of foreign gambling companies operating in Hong Kong. We have noticed that in recent years some foreign gambling companies have been providing betting services in Hong Kong on sports events without obtaining the approval from the Government. Their services also include betting services for football games and they also engage in promotional activities. The existing Gambling Ordinance is ineffective in combating these activities, so we are trying to amend the Ordinance in the hope of banning these unapproved and off-shore gambling activities. We consulted the Legislative Council Panel on Home Affairs on this Monday, that is, 13 December, about the amendments to the legislation. The Law Draftsman is presently drafting a bill on this and we shall submit it to the Legislative Council for deliberation very soon.

Just now many Honourable Members have spoken on the issue of the legalization of gambling on football matches. As a matter of fact, this issue has become a hot topic for public discussion. We are aware that on the one hand, there are some people who think that the Government should seriously think about putting these gambling activities onto the right track so that they can be subjected to regulation. The reasons are that there are quite a large number of people who are interested in gambling on football matches and there are indeed some illegal gambling activities in this respect. The problem may not be solved

by stepping up law enforcement actions. Regulation may prevent the money put in betting from going into the hands of those illegal operators. Legalization can also increase public revenue and the money thus collected can be used to fund various social services. On the other hand, there are many people and organizations who think that gambling on football matches should not be legalized. It is because in so doing, more people will be induced to take part in gambling activities. This applies especially to young people who like the game of football. Legalization will also give rise to social and moral problems. It will encourage people to try their luck instead of working hard. In the end, it may even affect the nature of football as a healthy sports activity. Due to the complicated and controversial nature of the issue, we think that any decision on this issue should not be made as a result of hastily-made conclusions. I agree very much with Miss CHOY So-yuk when she suggested earlier that the Government should study and consider public opinion on this carefully before deciding on the issue of legalizing gambling on football matches.

I would like also to make use of this opportunity to make an initial response to the proposal to legalize gambling on football matches. In our opinion, this proposal is in fact related to the question of whether or not we should have some new and legal vehicles for gambling. As with many other policy issues, there are pros and cons to the proposal to permit the opening of new channels for gambling. The difference with other policy issues is that gambling is itself a very controversial topic and people find it difficult to put forward some objective and equitable views. In general, those who support the proposal usually focus on the economic benefits which gambling will bring and the effect on combating illegal gambling. Those against it would stress the moral side to it and the social cost it will entail and so on. However, we have not had any detailed and objective assessment on that. For example, when we talk about economic benefits, do we need to estimate the amount of tax revenue and charitable donations we get each year when this new form of gambling is introduced? Besides, we need to know more about the way which people take part in such activities and the extent to which legalization can hope to combat illegal gambling. When discussing social costs, we may need to conduct some surveys to study what kinds of social, family and personal problems will be caused by this new form of legalized gambling. These problems will include the incidence of various kinds of crimes, family disputes and pathological gamblers. How serious are these problems going to be? How much more resources do we need to deal with these problems? Can we do anything to mitigate these problems?

In discussing the above problems, we may like to refer to the relevant experience of foreign countries for comparison. We need to look at the local situation as well. In addition, the aspirations and views of the public are also very important considerations. That explains precisely why I said earlier that the extensive discussions on this in our community and the motion debate were all very useful and constructive. For these will help us formulate a policy which is in line with public opinion and will serve the overall interest of our society.

Before I talk about our stand and the way forward, I would like to spend some time on the point raised by some Honourable Members just now on the permission given to those under the age of 18 to participate in the Millennium Extravaganza to be held in the race course on the New Year's Eve. On that night, the race course in Happy Valley will be holding a large-scale event to celebrate the coming of the new millennium. This can well be said to be a once-in-a-lifetime kind of variety show. The show will enable people of all ages to take part in the event and to share the experience of the historical moment. It is because of this that the Government has granted special permission to those under the age of 18 to enter the race course in the company of their parents. However, I would like to emphasize that this is only a technical exemption. We will not allow young people to participate in gambling activities. We have not changed our policy of prohibiting young people from taking part in gambling activities. On that night, the organizers will make appropriate arrangements to make sure that people under the age of 18 enter the race course only in the company of adults and they may only confine themselves to a specially designated family area. In that family area, there will not be, and I repeat, there will not be any betting facilities. All betting facilities will be manned by Jockey Club staff and children and young people are barred from using these facilities. It remains, of course, a decision of the parents themselves to bring or not to bring their children and young people to the race course.

I would also like to comment on the Millennium Sweepstake which some Honourable Members have mentioned earlier. I would like to make a clarification here that the Millennium Sweepstake which the Jockey Club is organizing this time has been granted a lottery licence under section 22 of the Gambling Ordinance by the Television and Entertainment Licensing Authority. The setting up of lottery licences is to provide a legal means to non-profit-making

and charitable organizations to hold lotteries in order to raise funds for charitable or non-profit-making purposes. On the other hand, the licensing system can ensure that lotteries are regulated, and that they will not become vehicles by which any person or organization can hope to further private gain. The law provides that licence holders must not give out cash prizes and there are no restrictions such as age imposed on those who buy lottery tickets. If the consent of property owners is obtained, then the organizers of lotteries may sell their tickets on the premises concerned. The licence obtained by the Jockey Club in selling the Millennium Sweepstake this time has been issued in accordance with the above-mentioned principle. The Jockey Club, on the other hand, shall need to comply with all relevant requirements.

I wish to return to the stand of the Government and the way forward which I have just mentioned. As the issue at hand is complicated and very controversial, I wish to point out that at this stage we have no intention, and I emphasize, no intention to legalize gambling on football matches. However, as there is an obvious diversity of public opinion on this issue and on the related issues of gambling policy, legislation and enforcement, we will undertake a comprehensive and detailed study on these and make recommendations on the way forward. In due course we will hold consultations and gauge public opinion and that of the various sectors in society.

Madam President, we are aware of the concern expressed by the public and Honourable Members on this issue of gambling on football matches. We are aware of the importance of enforcement and publicity efforts as regards illegal gambling activities on football matches. We hope that the public will understand the nature of these activities and keep away from them. As to the question of whether gambling on football matches should be legalized, we will seriously consider the different views expressed by Honourable Members. Their views will be taken as very important references. May I reiterate here that the opening up of any new forms of legalized gambling would involve very complicated considerations and a decision can be made only after painstaking policy research and extensive consultation.

Thank you, Madam President.

PRESIDENT (in Cantonese): I now put the question to you and that is: That the amendment moved by Miss CHOY So-yuk on Mr YEUNG Yiu-chung'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 YEUNG Yiu-chung rose to claim a division.

PRESIDENT (in Cantonese): Mr YEUNG Yiu-chung has claimed a division. The division bell will ring for three minutes.

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

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

Functional Constituencies:

Mr Kenneth TING, Mr James TIEN, Dr Raymond HO, Dr LUI Ming-wah, Mr HUI Cheung-ching, Mr Bernard CHAN, Mrs Sophie LEUNG, Mr Howard YOUNG, Mrs Miriam LAU, Mr Timothy FOK, Mr FUNG chi-kin and Dr TANG Siu-tong voted for the amendment.

Mr Michael HO, Mr Eric LI, Mr CHEUNG Man-kwong, Mr Ambrose CHEUNG, Mr CHAN Kwok-keung, Dr LEONG Che-hung, Mr SIN Chung-kai, Mr WONG Yung-kan and Mr LAW Chi-kwong voted against the amendment.

Geographical Constituencies and Election Committee:

Mr David CHU, Mr HO Sai-chu, Mr Ambrose LAU and Miss CHOY So-yuk voted for the amendment.

Miss Cyd HO, Mr Albert HO, Mr LEE Wing-tat, Mr LEE Cheuk-yan, Mr Martin LEE, Mr James TO, Miss CHAN Yuen-han, Mr Jasper TSANG, Dr YEUNG Sum, Mr LAU Kong-wah, Miss Emily LAU, Mr Andrew CHENG, Mr SZETO Wah, Mr TAM Yiu-chung, Mr CHAN Kam-lam and Mr YEUNG Yiu-chung 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, 21 were present, 12 were in favour of the amendment and nine against it; while among the Members returned by geographical constituencies through direct elections and by the Election Committee, 21 were present, four were in favour of the amendment and 16 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 YEUNG Yiu-chung, you may now speak in reply. You still have one minute and 47 seconds.

MR YEUNG YIU-CHUNG (in Cantonese): Madam President, I am very grateful that as many as 13 Members have spoken on my motion. Their views can in fact be grouped under three schools.

Members who hold the first school supports my original motion. I must thank Members for their support. Those who hold the second school of views think that my motion is not thorough-going enough, and they think that we should oppose all forms of gambling. To them, I can only say that a total ban on all forms of gambling cannot possibly be done overnight. We can only go about the whole thing slowly and with perseverance, like the Foolish Old Man who tried to remove Mount Tai; in other words, the most we can do now is to nip illegal gambling on football matches in the bud. The third school of views is

best illustrated by those of the Secretary for Home Affairs, who simply resorts to procrastination. He has tried to turn a simple matter into a very complicated problem, saying that it is not appropriate to make a decision at so early a stage. I must say that this is simply not the point here, because what is most important is that we Legislative Council Members must state our positions today, and we must not give up the opportunity to voice our opinions.

The results of soccer matches are highly unpredictable. I hope that in very much the same way, those Members who said that they would support Miss CHOY's amendment can now change their position and support my 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 YEUNG Yiu-chung 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)

Miss CHOY So-yuk rose to claim a division.

PRESIDENT (in Cantonese): Miss CHOY So-yuk has claimed a division. The division bell will ring for three minutes.

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

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

Functional Constituencies:

Mr Michael HO, Dr Raymond HO, Mr Eric LI, Mr CHEUNG Man-kwong, Mr Ambrose CHEUNG, Mr CHAN Kwok-keung, Dr LEONG Che-hung, Mr SIN Chung-kai, Mr WONG Yung-kan and Mr LAW Chi-kwong voted for the motion.

Mr Timothy FOK voted against the motion.

Mr Kenneth TING, Mr James TIEN, Dr LUI Ming-wah, Mr HUI Cheung-ching, Mr Bernard CHAN, Mrs Sophie LEUNG, Mr Howard YOUNG, Mrs Miriam LAU, Mr FUNG Chi-kin and Dr TANG Siu-tong abstained.

Geographical Constituencies and Election Committee:

Miss Cyd HO, Mr Albert HO, Mr LEE Wing-tat, Mr Martin LEE, Mr James TO, Miss CHAN Yuen-han, Mr Jasper TSANG, Dr YEUNG Sum, Mr LAU Kong-wah, Miss Emily LAU, Mr Andrew CHENG, Mr SZETO Wah, Mr TAM Yiu-chung, Mr CHAN Kam-lam and Mr YEUNG Yiu-chung voted for the motion.

Mr David CHU, Mr HO Sai-chu, Mr Ambrose LAU and Miss CHOY So-yuk abstained.

THE PRESIDENT, Mrs Rita FAN, did not cast any vote.

THE PRESIDENT announced that among the Members returned by functional constituencies, 21 were present, 10 were in favour of the motion, one against it and 10 abstained; while among the Members returned by geographical constituencies through direct elections and by the Election Committee, 20 were present, 15 were in favour of the motion and four abstained. 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): The Council is now adjourned. I wish everybody a merry Christmas and a happy New Year. We will meet one another in this Chamber again in the new millennium. I now adjourn the Council until 2.30 pm on Wednesday, 5 January 2000.

Adjourned accordingly at sixteen minutes past Nine o'clock.

Annex I**WRITTEN ANSWER****Written answer by the Secretary for the Environment and Food to Dr LUI Ming-wah's supplementary question to Question 1**

Fertilizers used by local farmers generally fall into two main categories, namely organic fertilizers and chemical fertilizers. Common organic fertilizers include bone meal, peanut cake meal, plant ash and animal manure and so on. Common chemical fertilizers include urea and various types of compound fertilizers, the ingredients of which are mainly nitrogen, phosphorus and potassium. The Government has analysed fertilizers commonly used by local farmers. The result reveals that the level of cadmium in organic fertilizers and urea is negligible, that is, less than 0.1 part per million. In compound fertilizers containing phosphorus, trace amounts of cadmium may exist in the form of impurities. According to the result, the highest level of cadmium in compound fertilizers is only 13 parts per million and is within the acceptable limits of other countries.

Annex II**ADAPTATION OF LAWS (NO. 10) BILL 1999****COMMITTEE STAGE**Amendments to be moved by the Chief Secretary for AdministrationClauseAmendment Proposed

Schedule 2, By deleting "custom for the time being in force in" and substituting section 1 "international custom for the time being recognized by".

Schedule 2, (a) In paragraph (a), by adding "international" after section 6 "Ordinance, the".

(b) By deleting paragraphs (b) and (c) and substituting -

"(b) by repealing "in force in England" and substituting "recognized by the People's Republic of China";

(c) by repealing "and be enforced in the Colony" and substituting "in Hong Kong".".