

LEGISLATIVE COUNCIL

MINUTES

No. 22

Minutes of the meeting held on Wednesday 15 March 2000 at 2:30 pm

Members present:

President

The Hon Mrs Rita FAN, GBS, JP

The Hon Kenneth TING Woo-shou, JP

The Hon James TIEN Pei-chun, JP

The Hon David CHU Yu-lin

The Hon HO Sai-chu, SBS, JP

The Hon Cyd HO Sau-lan

The Hon Edward HO Sing-tin, SBS, JP

The Hon Albert HO Chun-yan

Ir Dr the Hon Raymond HO Chung-tai, JP

The Hon LEE Wing-tat

The Hon LEE Cheuk-yan

The Hon Martin LEE Chu-ming, SC, JP

The Hon Eric LI Ka-cheung, JP

The Hon LEE Kai-ming, SBS, JP

The Hon Fred LI Wah-ming, JP

Dr the Hon LUI Ming-wah, JP

The Hon NG Leung-sing

Prof the Hon NG Ching-fai

The Hon Margaret NG

The Hon Mrs Selina CHOW LIANG Shuk-yee, JP

The Hon Ronald ARCULLI, JP

The Hon MA Fung-kwok

The Hon James TO Kun-sun

The Hon CHEUNG Man-kwong

The Hon HUI Cheung-ching

The Hon CHAN Kwok-keung

The Hon CHAN Yuen-han

The Hon Bernard CHAN

The Hon CHAN Wing-chan

The Hon CHAN Kam-lam

Dr the Hon LEONG Che-hung, JP

The Hon Mrs Sophie LEUNG LAU Yau-fun, JP

The Hon LEUNG Yiu-chung

The Hon Gary CHENG Kai-nam, JP

The Hon SIN Chung-kai

The Hon Andrew WONG Wang-fat, JP

Dr the Hon Philip WONG Yu-hong

The Hon WONG Yung-kan

The Hon Jasper TSANG Yok-sing, JP

The Hon Howard YOUNG, JP

Dr the Hon YEUNG Sum

The Hon YEUNG Yiu-chung

The Hon LAU Kong-wah

The Hon LAU Wong-fat, GBS, JP

The Hon Mrs Miriam LAU Kin-yee, JP

The Hon Ambrose LAU Hon-chuen, JP

The Hon Emily LAU Wai-hing, JP

The Hon SZETO Wah

The Hon Timothy FOK Tsun-ting, SBS, JP

The Hon LAW Chi-kwong, JP

The Hon TAM Yiu-chung, GBS, JP

The Hon FUNG Chi-kin

Dr the Hon TANG Siu-tong, JP

Members absent:

The Hon Michael HO Mun-ka

Dr the Hon David LI Kwok-po, JP

The Hon Christine LOH

The Hon LAU Chin-shek, JP

The Hon CHOY So-yuk

The Hon Andrew CHENG Kar-foo

Public officers attending:

The Honourable Mrs Anson CHAN, GBM, JP
The Chief Secretary for Administration

The Honourable Donald TSANG Yam-kuen, JP
The Financial Secretary

The Honourable Elsie LEUNG Oi-sie, JP
The Secretary for Justice

Mr CHAU Tak-hay, JP
Secretary for Trade and Industry

Mr Rafael HUI Si-yan, GBS, JP
Secretary for Financial Services

Mr Joseph WONG Wing-ping, GBS, JP

Secretary for Education and Manpower

Miss Denise YUE Chung-yee, JP
Secretary for the Treasury

Mr Stephen IP Shu-kwan, JP
Secretary for Economic Services

Mr Raymond WONG Hung-chiu, JP
Secretary for Security

Clerks in attendance:

Mr Ricky FUNG Choi-cheung, JP, Secretary General

Mr LAW Kam-sang, JP, Deputy Secretary General

Mr Ray CHAN Yum-mou, Assistant Secretary General (3)

Tabling of Papers

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

<u>Subsidiary Legislation/Instruments</u>	<u>L.N. No.</u>
1. Telecommunication (Amendment) Regulation 2000 (gazetted on 10.3.2000)	62/2000
2. Public Health and Municipal Services (Fees) Regulation (gazetted on 10.3.2000)	63/2000
3. Dumping at Sea (Exemption) Order (gazetted on 10.3.2000)	64/2000

Other Papers

1. Report of the Bills Committee on Securities (Margin Financing) (Amendment) Bill 1999 (published on 13.3.2000)
2. Report of the Bills Committee on Education (Amendment) Bill 1999 (published on 13.3.2000)

Questions

1. Hon TAM Yiu-chung asked Question 1.

The Secretary for Financial Services replied.

Five Members asked supplementaries and the Secretary for Financial Services replied.

2. Hon James TIEN asked Question 2.

The Secretary for Education and Manpower replied.

Seven Members asked supplementaries and the Secretary for Education and Manpower replied.

3. Hon YEUNG Yiu-chung asked Question 3.

The Secretary for Education and Manpower replied.

Seven Members asked supplementaries and the Secretary for Education and Manpower replied.

4. In accordance with Rule 26(6) of the Rules of Procedure, Hon David CHU asked Question 4 on behalf of Hon CHOY So-yuk who was not present.

The Secretary for Economic Services replied.

Five Members asked supplementaries and the Secretary for Economic Services replied.

5. Ir Dr Hon HO Chung-tai asked Question 5.

The Secretary for Education and Manpower replied.

Six Members asked supplementaries and the Secretary for Education and Manpower replied.

6. Hon Kenneth TING asked Question 6.

The Secretary for Financial Services replied.

Five Members asked supplementaries and the Secretary for Financial Services replied.

Written replies to Questions 7 to 20 were tabled for Members' information.

Bills

First Reading

Air Cargo Transshipment (Facilitation) Bill 2000

Securities and Futures Legislation (Provision of False Information) Bill 2000

Revenue Bill 2000

Karaoke Establishments Bill

The Bills were 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

Air Cargo Transshipment (Facilitation) Bill 2000

The Secretary for Trade and Industry moved the Second Reading and addressed the Council.

Question on the Second Reading proposed. The President stated that in accordance with Rule 54(4) of the Rules of Procedure, the debate was adjourned and the Bill was referred to the House Committee.

Securities and Futures Legislation (Provision of False Information) Bill 2000

The Secretary for Financial Services moved the Second Reading and addressed the Council.

Question on the Second Reading proposed. The President stated that in accordance with Rule 54(4) of the Rules of Procedure, the debate was adjourned and the Bill was referred to the House Committee.

Revenue Bill 2000

The Secretary for the Treasury moved the Second Reading and addressed the Council.

Question on the Second Reading proposed. The President stated that in accordance with Rule 54(4) of the Rules of Procedure, the debate was adjourned and the Bill was referred to the House Committee.

Karaoke Establishments Bill

The Secretary for Security moved the Second Reading and addressed the Council.

Question on the Second Reading proposed. The President stated that in accordance with Rule 54(4) of the Rules of Procedure, the debate was adjourned and the Bill was referred to the House Committee.

Securities (Margin Financing) (Amendment) Bill 1999

Resumption of Second Reading debate

The debate on the Second Reading which had been moved on 31 March 1999 resumed.

Hon Ronald ARCULLI, Chairman of the Bills Committee on Securities (Margin Financing) (Amendment) Bill 1999, addressed the Council on the Report of the Bills Committee on the Bill.

Three Members spoke on the Bill.

The Secretary for Financial Services replied.

Question on the Second Reading put and agreed to.

Bill read the second time and committed to a Committee of the whole Council.

Committee Stage

The Council went into Committee and considered the **Securities (Margin Financing) (Amendment) Bill 1999**.

Question that clauses 1 and 4 to 7 stand part of the Bill proposed, put and agreed to.

Question that clause 2 stand part of the Bill proposed.

The Secretary for Financial Services moved amendments to clause 2 and addressed the Committee.

Question on the amendments put and agreed to.

Question that clause 2, as amended, stand part of the Bill proposed, put and agreed to.

Question that clause 3 stand part of the Bill proposed.

The President ordered the Council to resume and granted leave for the Secretary for Financial Services to move a motion under Rule 91 of the Rules of Procedure that Rule 58(5) of the Rules of Procedure be suspended in order that the Committee of the whole Council could consider new clause 3A ahead of the remaining clauses of the Bill.

Question on the motion proposed, put and agreed to.

The Council went into Committee again.

New clause 3A read the first time.

The Secretary for Financial Services moved the Second Reading of new clause 3A and addressed the Committee.

Question on the Second Reading of new clause 3A proposed, put and agreed to.

New clause 3A read the second time.

The Secretary for Financial Services moved the addition of new clause 3A to the Bill and the amendment to proposed section 121B in clause 3 and addressed the Committee.

Question on the addition and the amendment proposed, put and agreed to.

The Secretary for Financial Services moved amendments to proposed sections 121C, 121D, 121E, 121F, 121G, 121H, 121J, 121R, 121S, 121U, 121V and 121W in, and the addition of new section 121WA to clause 3 and addressed the Committee.

Question on the amendments put and agreed to.

The Secretary for Financial Services moved amendments to proposed sections 121Y, 121Z, 121AA and 121AB in clause 3 and addressed the Committee.

Question on the amendments put and agreed to.

The Secretary for Financial Services moved an amendment to Division 4 in clause 3 and addressed the Committee.

Question on the amendment put and agreed to.

The Secretary for Financial Services moved amendments to proposed sections 121AK, 121AS, 121AT, 121AY, 121AZ, 121BA, 121BB, 121BC, 121BD, 121BE, 121BF, 121BG and 121BH in, and the addition of new section 121BI to clause 3 and addressed the Committee.

Question on the amendments put and agreed to.

Question that clause 3, as amended, stand part of the Bill proposed, put and agreed to.

Question that schedules 1 to 4 stand part of the Bill proposed.

The Secretary for Financial Services moved amendments to schedules 1 to 4 and addressed the Committee.

Question on the amendments put and agreed to.

Question that schedules 1 to 4, as amended, stand part of the Bill proposed, put and agreed to.

The Council then resumed.

Third Reading

The Secretary for Financial Services reported that

the **Securities (Margin Financing) (Amendment) Bill 1999**

had passed through the Committee with amendments. He moved that the Bill be read the third time and do pass.

Question on the Third Reading proposed, put and agreed to.

Bill read the third time and passed.

Education (Amendment) Bill 1999

Resumption of Second Reading debate

The debate on the Second Reading which had been moved on 15 December 1999 resumed.

Hon YEUNG Yiu-chung, Chairman of the Bills Committee on Education (Amendment) Bill 1999, addressed the Council on the Report of the Bills Committee on the Bill.

Five Members spoke on the Bill.

The Secretary for Education and Manpower replied.

Question on the Second Reading put and agreed to.

Bill read the second time and committed to a Committee of the whole Council.

Committee Stage

The Council went into Committee and considered the **Education (Amendment) Bill 1999**.

Question that clauses 1, 3, 5 and 8 to 13 stand part of the Bill proposed, put and agreed to.

Question that clauses 2, 4 and 6 stand part of the Bill proposed.

The Secretary for Education and Manpower moved amendments to clauses 2, 4 and 6 and addressed the Committee.

Question on the amendments put and agreed to.

Question that clauses 2, 4 and 6, as amended, stand part of the Bill proposed, put and agreed to.

Question that clause 7 stand part of the Bill proposed.

The Secretary for Education and Manpower moved amendments to clause 7 and addressed the Committee.

Question on the amendments put and agreed to.

Question that clause 7, as amended, stand part of the Bill proposed, put and agreed to.

The Council then resumed.

Third Reading

The Secretary for Education and Manpower reported that

the **Education (Amendment) Bill 1999**

had passed through the Committee with amendments. He moved that the Bill be read the third time and do pass.

Question on the Third Reading proposed, put and agreed to.

Bill read the third time and passed.

Motions

Proposed resolution under the Public Finance Ordinance

The Secretary for the Treasury moved the motion in Appendix I and addressed the Council.

Question on the motion proposed.

A Member spoke on the motion.

Question on the motion put and agreed to.

Members' Motions

Proposed resolution under the Interpretation and General Clauses Ordinance

Hon James TO moved the following motion and addressed the Council:

Resolved that in relation to the Road Traffic (Traffic Control) (Amendment) Regulation 2000, published as Legal Notice No. 39 of 2000, and laid on the table of the Legislative Council on 16 February 2000, 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 29 March 2000.

Question on the motion proposed, put and agreed to.

Manpower in the information technology industry

Hon SIN Chung-kai moved the following motion and addressed the Council:

That this Council urges the Government to expeditiously adopt effective measures to tackle the problem of short-term and long-term manpower shortages in the information technology (IT) industry in Hong Kong, including:

- (1) increasing the number of places in IT courses at sub-degree, degree and postgraduate levels to enhance the training of local IT personnel;
- (2) instituting an academic accreditation mechanism for the IT discipline to assess the academic standards of IT personnel without formal training with a view to providing an advancement ladder, and considering the setting up of an IT institute to upgrade the quality of IT personnel in Hong Kong;
- (3) encouraging local educational institutions to offer, individually and jointly with other institutions, various short-term courses and continuing education programmes in the IT field, and the contents thereof should closely tie in with IT development;
- (4) establishing web sites to provide one-stop job-matching services for IT personnel as well as relevant information on training, etc., and at the same time analysing and assessing manpower supply and demand in the market to provide a basis for reviewing the policy on IT training from time to time; and
- (5) motivating the public to pursue further studies in relevant courses by giving an incentive in the form of 'technology training vouchers', and encouraging enterprises, by way of offering tax incentives, to provide training aimed at increasing the IT knowledge of their employees.

At 6:45 pm, the President's Deputy took the chair during the temporary absence of the President.

Question on Hon SIN Chung-kai's motion proposed.

The President's Deputy stated that Hon MA Fung-kwok would move an amendment to the motion. In accordance with the Rules of Procedure, the motion and the amendment would be debated together in a joint debate.

Hon MA Fung-kwok moved the following amendment to Hon SIN Chung-kai's motion and addressed the Council:

To delete "sub-degree" and substitute with "diploma"; to delete "an academic" and substitute with "a qualification"; to delete "academic" and substitute with "technical"; to add "employment

avenues and” after “a view to providing”; to delete “, and considering the setting up of an IT” and substitute with “in order”; to add “analysing and assessing regularly the manpower supply and demand in the market to provide a basis for reviewing the policy on IT training from time to time, as well as” before “encouraging local educational institutions”; to add “and” after “with IT development;”; and to delete “establishing web sites to provide one-stop job-matching services for IT personnel as well as relevant information on training, etc., and at the same time analysing and assessing manpower supply and demand in the market to provide a basis for reviewing the policy on IT training from time to time; and (5) motivating the public to pursue further studies in relevant courses by giving an incentive in the form of ‘technology training vouchers’, and encouraging enterprises, by way of offering tax incentives, to provide training aimed at increasing the IT knowledge of their employees” and substitute with “expediting the pace of promoting IT education in primary and secondary schools, and increasing by various ways and means the percentages of computer usage and ownership among the general public and students in Hong Kong to ensure that no one in the community will be deprived of the opportunities of acquiring and using IT due to economic factors”.

Question on Hon MA Fung-kwok's amendment to Hon SIN Chung-kai's motion proposed.

Eight Members spoke on the motion and the amendment.

Hon SIN Chung-kai spoke on the amendment.

The Secretary for Education and Manpower spoke on the motion and the amendment.

At 8:00 pm, the President resumed the chair.

Question on Hon MA Fung-kwok's amendment to Hon SIN Chung-kai's motion put.

Hon SIN Chung-kai claimed a division. The President then ordered the Council to divide under Rule 47(1) of the Rules of Procedure.

The President announced that among the Members returned by functional constituencies, 20 were present, 14 were in favour of the amendment, three against it and three abstained; while among the Members returned by geographical constituencies through direct elections and by the Election Committee, 20 were present, five were in favour of the amendment, eight against it and six abstained. (Voting record in Appendix II.) Since the question was not agreed by a majority of each of the two groups of Members present, she declared that the amendment was negatived.

Hon SIN Chung-kai replied.

Question on Hon SIN Chung-kai's motion put.

Hon Emily LAU claimed a division. The President then ordered the Council to divide under Rule 47(1) of the Rules of Procedure.

The President announced that among the Members returned by functional constituencies, 20 were present, 10 were in favour of the motion and 10 against it; while among the Members returned by geographical constituencies through direct elections and by the Election Committee, 20 were present, 16 were in favour of the motion and three against it. (Voting record in Appendix III.) Since the question was not agreed by a majority of each of the two groups of Members present, she declared that the motion was negatived.

Details of promoting Mandatory Provident Fund schemes

Hon Mrs Sophie LEUNG moved the following motion and addressed the Council:

That, as the Mandatory Provident Fund schemes will affect the vast majority of industrial and commercial enterprises and employees in Hong Kong, in order to ensure that both employers and employees understand the schemes fully in order to protect their interests, this Council urges the Government and the authorities concerned to explain to this Council expeditiously the details in promoting the schemes and make full efforts to promote and publicize the schemes for their smooth implementation.

Question on Hon Mrs Sophie LEUNG's motion proposed.

The President stated that Hon LAW Chi-kwong and Hon LEE Cheuk-yan would move amendments to the motion and that Hon LEUNG Yiu-chung would also move an amendment to Hon LEE Cheuk-yan's proposed amendment. In accordance with the Rules of Procedure, the motion, the two amendments and the amendment to the amendment would be debated together in a joint debate.

Hon LAW Chi-kwong, Hon LEE Cheuk-yan and Hon LEUNG Yiu-chung respectively spoke on the motion and the amendments.

Eight Members spoke on the motion and the amendments.

Hon Mrs Sophie LEUNG spoke on the amendments.

The Secretary for Financial Services spoke on the motion and the amendments.

Hon LAW Chi-kwong moved the following amendment to Hon Mrs Sophie LEUNG's motion:

To delete "in order to protect their interests" and substitute with "and to prevent employers from cutting back the salaries and benefits of their employees through the implementation of the schemes"; to add "take positive measures to encourage employers to retain the existing occupational retirement schemes that are more favourable than the statutory requirements, publicize and educate the public about the respective rights and interests of employees and employers under the Mandatory Provident Fund Schemes Ordinance, and," after "the authorities concerned to"; to delete "and make full efforts to promote and publicize the schemes for their" and substitute with "so as to facilitate the"; and to add "of the schemes and provide more reasonable safeguards for employees" after "smooth implementation".

Question on Hon LAW Chi-kwong's amendment to Hon Mrs Sophie LEUNG's motion proposed and put.

Hon LAW Chi-kwong claimed a division. The President then ordered the Council to divide under Rule 47(1) of the Rules of Procedure.

The President announced that among the Members returned by functional constituencies, 24 were present, seven were in favour of the amendment and 17 against it; while among the Members returned by geographical constituencies through direct elections and by the Election Committee, 19 were present, 14 were in favour of the amendment and four against it. (Voting record in Appendix IV.) Since the question was not agreed by a majority of each of the two groups of Members present, she declared that the amendment was negatived.

Dr Hon LEONG Che-hung rose to move the following motion without notice:

That in the event of further divisions being claimed in respect of the remaining motions to be moved at the motion of Details of promoting Mandatory Provident Fund schemes at this meeting, Rule 47(1)(c) of the Rules of Procedure be suspended so that the President may order that the Council do proceed to each of such divisions immediately after the division bell has been rung for one minute.

Question on the motion proposed, put and agreed to.

Hon LEE Cheuk-yan moved the following amendment to Hon Mrs Sophie LEUNG's motion:

To add "; besides, as the employers of the existing registered occupational retirement schemes may apply to the Mandatory Provident Fund Schemes Authority for exemption from the schemes by 3 May this year, this Council urges the Government to require the employers and trustees concerned to inform the employees in writing as soon as possible whether they plan to

apply for exemption, so as to protect the employees' right to information" after "their smooth implementation".

Question on Hon LEE Cheuk-yan's amendment to Hon Mrs Sophie LEUNG's motion proposed.

Hon LEUNG Yiu-chung moved the following amendment to Hon LEE Cheuk-yan's amendment:

To delete "require" and substitute with "issue guidelines appealing for".

Question on Hon LEUNG Yiu-chung's amendment to Hon LEE Cheuk-yan's amendment proposed and put.

Hon LEUNG Yiu-chung claimed a division. The President then ordered the Council to divide under Rule 49(5) of the Rules of Procedure.

The President announced that among the Members returned by functional constituencies, 24 were present, seven were in favour of the amendment and 17 against it; while among the Members returned by geographical constituencies through direct elections and by the Election Committee, 19 were present, 13 were in favour of the amendment, four against it and one abstained. (Voting record in Appendix V.) Since the question was not agreed by a majority of each of the two groups of Members present, she declared that the amendment was negatived.

Question on Hon LEE Cheuk-yan's amendment to Hon Mrs Sophie LEUNG's motion put and negatived.

Hon Mrs Sophie LEUNG replied.

Question on Hon Mrs Sophie LEUNG's motion put and agreed to.

Next Meeting

The President declared that the next meeting of the Council would be held on 29 March 2000 at 2:30 pm.

The Council was adjourned at 10:35 pm.

(Mrs Rita FAN)
President

Council Chamber
Hong Kong